

Paperwork Reduction Act Submission

Please read the instruction before completing this form. For additional forms or assistance in completing this forms, contact your agency's Paperwork Reduction Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 Seventeenth St. NW, Washington, DC 20503.

1. Agency/Subagency Originating Request: U.S. Department of Housing and Urban Development Office of Multifamily Housing Programs, Office of Asset Management		2. OMB Control Number: a. 2502-0445 b. None	
3. Type of information collection: (check one) a. <input type="checkbox"/> New Collection b. <input type="checkbox"/> Revision of a currently approved collection c. <input checked="" type="checkbox"/> Extension of a currently approved collection d. <input type="checkbox"/> Reinstatement, without change , of previously approved collection for which approval has expired e. <input type="checkbox"/> Reinstatement, with change , of previously approved collection for which approval has expired f. <input type="checkbox"/> Existing collection in use without an OMB control number For b-f, note item A2 of Supporting Statement instructions.		4. Type of review requested: (check one) a. <input checked="" type="checkbox"/> Regular b. <input type="checkbox"/> Emergency - Approval requested by c. <input type="checkbox"/> Delegated 5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 6. Requested expiration date: a. <input checked="" type="checkbox"/> Three years from approval date b. <input type="checkbox"/> Other (specify)	
7. Title: Mortgage's Certification and Application for Interest Reduction Payments			
8. Agency form number(s): (if applicable) HUD-3111			
9. Keywords Housing, Mortgage, Mortgagee, Interest, Reduction			
10. Abstract: The information is used by HUD to verify and disburse interest reduction payments to HUD approved mortgages servicing non-insured multifamily mortgages.			
11. Affected public: (mark primary with "P" and all others that apply with "X") a. Individuals or households e. Farms b. P Business or other for-profit f. Federal Government c. Not-for-profit institutions g. X State, Local or Tribal Government		12. Obligation to respond: (mark primary with "P" and all others that apply with "X") a. Voluntary b. P Required to obtain or retain benefits c. Mandatory	
13. Annual reporting and recordkeeping hour burden: a. Number of respondents 110 b. Total annual responses 1,320 Percentage of these responses collected electronically 0% c. Total annual hours requested 436 d. Current OMB inventory 198 e. Difference (+,-) +238 f. Explanation of difference: 1. Program change: +238 2. Adjustment:		14. Annual reporting and recordkeeping cost burden: (in thousands of dollars) Do not include costs based on the hours in item 13. a. Total annualized capital/startup costs \$0.00 b. Total annual costs (O&M) \$0.00 c. Total annualized cost requested \$0.00 d. Total annual cost requested \$0.00 e. Current OMB inventory f. Explanation of difference: 1. Program change: 2. Adjustment:	
15. Purpose of Information collection: (mark primary with "P" and all others that apply with "X") a. P Application for benefits e. Program planning or management b. Program evaluation f. Research c. General purpose statistics g. X Regulatory or compliance d. Audit		16. Frequency of recordkeeping or reporting: (check all that apply) a. <input type="checkbox"/> Recordkeeping b. <input type="checkbox"/> Third party disclosure c. <input checked="" type="checkbox"/> Reporting: 1. <input type="checkbox"/> On occasion 2. <input type="checkbox"/> Weekly 3. <input checked="" type="checkbox"/> Monthly 4. <input type="checkbox"/> Quarterly 5. <input type="checkbox"/> Semi-annually 6. <input type="checkbox"/> Annually 7. <input type="checkbox"/> Biennially 8. <input type="checkbox"/> Other (describe)	
17. Statistical methods: Does this information collection employ statistical methods? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		18. Agency contact: (person who can best answer questions regarding the content of this submission) Name: Veronica Lewis Phone: (202) 708-2654, ext. 2597	

19. Certification for Paperwork Reduction Act Submissions

On behalf of the U.S. Department of Housing and Urban Development, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

Note: The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320/8(b)(3) appears at the end of the instructions. The certification is to be made with reference to those regulatory provisions as set forth in the instructions.

The following is a summary of the topics, regarding the proposed collections of information that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention periods for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
 - (i) Why the information is being collected;
 - (ii) Use of the information;
 - (iii) Burden estimate;
 - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
 - (v) Nature and extent of confidentiality; and
 - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to collected (see note in item 19 of the instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in item 18 of the Supporting Statement.

Signature of Program Official:

Date:

x Kevin B. Perkins, Director, Organizational Policy, Planning and Analysis Division, HROA

Signature of Senior Officer or Designee:

Date:

X
Lillian Deitzer, Departmental Reports Management Officer,
Office of the Chief Information Officer

Supporting Statement for Paperwork Reduction Act Submissions

Mortgagee's Certification and Application for Interest Reduction Payments OMB Control Number 2502-0445 (Form HUD-3111)

A. Justification

1. The Interest Reduction Program is a contractual obligation for the Department to pay Section 236 subsidy for non-insured and insured Section 236 properties. For the purpose of reducing rentals for lower income families, the Secretary is authorized to make, and to contract periodic interest reduction payments, on behalf of the owner of a rental housing project designed for occupancy by lower income families, which shall be accomplished through payments to mortgagees holding mortgages that meet special requirements. Information collection is required by 24 CFR 236.515 and 24 CFR 236.530 (see attached).
2. The information collected is used by HUD to verify and disburse interest reduction payments to HUD approved mortgagees servicing non-insured multifamily mortgages. Currently, only 110 mortgagees bill HUD for interest reduction subsidies. The response rate is 100%. The interest reduction payments to a mortgagee by HUD on behalf of a project owner shall be in an amount not exceeding the difference between the monthly payments for principal interest, and mortgage insurance premium which the project owner as a mortgagor is obliged to pay under the mortgage; and the monthly payment for principal and interest such project owner would be obliged to pay if the mortgage were to bear interest at the rate of 1 per centum per annum. If this data was not available, payments could not be disbursed, severely affecting the operation of the program.
3. The collection of this information is not automated. The HUD-3111 requires an original signature as facsimile signatures or photocopies of this form are not acceptable for disbursement purposes. Additionally, the small number of respondents does not justify the expense of automation. However, discussions are currently under way to determine whether and how the collection of this information can be automated.
4. This data is unique and not available from other sources.
5. The information collection does not impact small businesses.
6. Non-payment of subsidy will adversely affect the operation of the program if this information were collected less frequently.
7. There is a requirement for respondents to report the information monthly. In accordance with 24 CFR 236.515, Time of Payments, "the interest reduction payments shall be due on the first day of each month following the beginning of the term, and shall be paid upon the receipt of a billing (on a form prescribed by the Commissioner) from the mortgagee or its authorized agent."

There are no additional special circumstances that apply to this collection.

8. This information is collected in a manner consistent with the guidelines of 5 CFR 1320.8(d). The Notice announcing the collection of information appeared in the *Federal Register* on May 15, 2006 (Volume 71, Number 93) Page 28046. No comments were received.

- 9. No payments or gifts of any kind are provided to respondents.
- 10. The Department does not assure confidentiality to respondents.
- 11. There are no questions of a sensitive nature related to this information collection.

12. Annual Burden Estimate:

Information Collection	Number of Respondents	Frequency of Response	Total Annual Responses	*Burden Hours per Response	Total Annual Burden Hrs	**Hourly Cost	Total Annual Cost
HUD-3111	110	12	1,320	.33	436	\$25	\$10,900

**Estimated hourly costs for respondent’s staff to review and provide the requested information based on an annual salary of \$52,000.

- 13. There are no additional costs to respondents.

14. Annual Cost to the Federal Government:

Information Collection	Number of Responses	Hours per Response	Total Annual Hours	*Hourly Cost	Total Annual Cost
HUD-3111	1320	.33	436	\$27	\$11,772

*Estimated cost per hour for HUD staff (GS-12) to review the information.

- 15. This is an extension of a currently approved collection. There is an adjustment because there was an increase in the number of respondents from the last submission. The contents of form HUD-3111 have not changed.
- 16. The information gathered from this collection will not be published.
- 17. HUD is not seeking approval to avoid displaying the expiration date of the HUD Form-3111.
- 18. There are no exceptions to the certification statement identified in item #19 of the OMB form 83-I., “Certification for Paperwork Reduction Act Submissions”.

B. Collections of Information Employing Statistical Methods

There are no plans to use statistical methods for collection of this information.