

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 Single Family Housing – Office of Single Family Program Development		2. OMB Control Number: a. 2502-0557 b.	
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 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 checked="" 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: Late Request for Endorsement Procedures			
8. Agency form number(s): (if applicable) None			
9. Keywords: Housing, Mortgage, Notices of Return (NOR), Payment History or Ledger, Certifications, Indemnification, Sanctions			
10. Abstract: The information collection establishes the criteria for defining late requests for endorsement for initial submissions and reconsiderations. When submitting a late request for endorsement, a lender must certify that the borrower's mortgage payments are current and made within the month due, all escrows are current, and no payments were made by the lender to affect an acceptable payment history.			
11. Affected public: (mark primary with "P" and all others that apply with "X") a. <input checked="" type="checkbox"/> Individuals or households e. <input type="checkbox"/> Farms b. <input checked="" type="checkbox"/> Business or other for-profit f. <input type="checkbox"/> Federal Government c. <input type="checkbox"/> Not-for-profit institutions g. <input type="checkbox"/> State, Local or Tribal Government		12. Obligation to respond: (mark primary with "P" and all others that apply with "X") a. <input type="checkbox"/> Voluntary b. <input checked="" type="checkbox"/> Required to obtain or retain benefits c. <input type="checkbox"/> Mandatory	
13. Annual reporting and recordkeeping hour burden: a. Number of respondents 8,700 b. Total annual responses 113,100 Percentage of these responses collected electronically 0% c. Total annual hours requested 67,860 d. Current OMB inventory 0 e. Difference (+,-) +67,860 f. Explanation of difference: 1. Program change: +67,860 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 \$0.00 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. <input checked="" type="checkbox"/> Application for benefits e. <input type="checkbox"/> Program planning or management b. <input type="checkbox"/> Program evaluation f. <input type="checkbox"/> Research c. <input type="checkbox"/> General purpose statistics g. <input checked="" type="checkbox"/> Regulatory or compliance d. <input type="checkbox"/> 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 checked="" type="checkbox"/> On occasion 2. <input type="checkbox"/> Weekly 3. <input 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: Maynard Curry Phone: 202-708-2121 ext. 2216	

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: X Mike Winiarski, Director, Organizational Policy, Planning and Analysis Division, HROA	Date:
Signature of Senior Officer or Designee: X Lillian Deitzer, Departmental Reports Management Officer	Date:

Signature of Senior Officer or Designee: X Wayne Eddins, Departmental Reports Management Officer, Office of the Chief Information Officer	Date:
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Supporting Statement for Paperwork Reduction Act Submissions

Late Request for Endorsement Procedures

A. Justification

1. Section 203.255(b) of the National Housing Act requires Direct Endorsement mortgagees to submit properly documented loans for endorsement within 60 days of loan closing. Further, under this Section and in the applicable handbook, lenders submitting a loan after this 60-day window must certify that the loan complies with all underwriting requirements. This information is necessary to endorse a loan being submitted for endorsement beyond the 60-day limit following closing.
2. The information will be used to prove compliance with FHA requirements in order to endorse loans submitted beyond the 60-day limit. For applications for insurance involving mortgages originated under the Direct Endorsement program, the mortgagee shall submit to the Secretary, within 60 days after the date of closing of the loan or such additional time as permitted by the Secretary, properly completed documentation and certifications.

This is a reinstatement with change of a previously approved collection. A proposed rule reinstates this collection of information. In 2005 FHA discontinued the requirement for a payment history or ledger to be submitted with the case binder. FHA decided to rely on the certification provided by the lender. While mortgagees were still bound by requirements for submitting for insurance under FHA's late endorsement procedures it was determined that a separate certification did not add value as an adequate risk control measure. The information collection was then discontinued. The proposed rule makes changes to the previous requirements.

3. The certifications of compliance required with these loans is not automated nor is there any consideration being given to automating this procedure. However, the payment history will likely be from an automated system maintained by the Servicer or the lender. The loan binder is submitted to the appropriate Homeownership Center (HOC) for late endorsement and the certification and payment history/ledger is a part of this binder.
4. This information is not collected elsewhere.
5. There is no significant economic impact on a substantial number of small businesses. In fact, this collection being submitted for approval requires less paperwork than is currently required with loans submitted late for endorsement. Previously, the mortgagee was required to submit a statement as to the reason for the late submission of the loan for endorsement. The mortgagee no longer has to submit this statement.
6. This information will be collected with every loan that is submitted late for endorsement to determine compliance. FHA's decision to endorse a loan must be predicated on sound underwriting principles consistent with the guidelines, rules and regulations. The payment history/ledger and the certification of compliance assure that the loan is eligible for endorsement in spite of being submitted late by the mortgagee.
7. The frequency of submission is dependent upon the number of loans being submitted for late endorsement. A payment history/ledger and a certification by the mortgagee must accompany every loan that is submitted late for endorsement.
8. In accordance with 5 CFR 1320.8(d) and 1320.11(a), the agency's proposed rule soliciting comments was published in the *Federal Register* on June 9, 2008. The Preamble includes a request for public comment on Paperwork Reduction.

9. No payments or gifts are provided to the respondents.
10. HUD’s policy stated in Handbook 4155.1 is that the information submitted on an application for mortgage financing and all other documents are confidential and may only be used by the mortgagees to make a credit decision and by FHA to determine if a loan is eligible for endorsement. The Privacy Act of 1974 (5 U.S.C. 552a) covers this requirement.
11. No sensitive information is sought through the information collection requirements.
12. Tabulation of Annual Reporting Burden:

Description of Information Collection	Number of Respondents	Number of Responses per Respondent	Total Annual Responses	Hours per Response	Total Hours
Payment History/Ledger	8,700	13	113,100	0.10	11,310
Lender Certification	8,700	13	113,100	0.50	56,550
Total Annual Burden					67,860

Estimates of Annualized Cost for Burden Hours:

Total Annual Burden Hours	67,860
<u>Wage Rate</u>	<u>\$15</u>
Annualized Cost	\$1,117,930

13. Estimate of Annualized Cost to Respondents:

There are no annualized costs to the respondents other than those noted above for the burden hours.

14. Estimate of Annualized Cost to the Federal Government

Number of Responses	113,100
<u>Hours per Response</u>	<u>0.50</u>
Annual Hour Burden	56,550
Total Annual Hour Burden	56,550
<u>Wage Rate</u>	<u>\$25</u>
Total Annualized Cost	\$1,413,750

15. This is a revitalized collection. The proposed rule reinstates the attached mortgagee letter to “All Approved Mortgagees” entitled “Late Request for Endorsement Procedures” will be distributed after OMB approval.
16. The information collected will not be published.
17. HUD is not seeking approval to avoid displaying the OMB expiration date.
18. There are no exceptions to the certification for Paperwork Reduction Act Submissions as found in item 19 of the OMB 83-I.

B. Collections of Information Employing Statistical Methods

This information collection does not employ statistical methods.

