

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/Sub agency Originating Request: U.S. Department of Housing and Urban Development Office of Single Family Asset Management	2. OMB Control Number: a. 2502-0094 b. None
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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)
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7. Title:
Assistance Payment Contract – Notice of (1) Termination, (2) Suspension, or (3) Reinstatement

8. Agency form number(s): (if applicable)
 HUD-93114

9. Keywords:
 Housing, Mortgage, Financial Assistance, Homeownership

10. Abstract:
 Lenders review and audit, each Section 235 mortgage serviced by lenders, where HUD financial assistance to qualified low- and moderate-income families is terminated, suspended, and/or reinstated for each Section 235.

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 checked="" type="checkbox"/> Mandatory
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13. Annual reporting and recordkeeping hour burden: <table style="width: 100%; border-collapse: collapse;"> <tr><td>a. Number of respondents</td><td style="text-align: right;">40</td></tr> <tr><td>b. Total annual responses</td><td style="text-align: right;">80</td></tr> <tr><td> Percentage of these responses collected electronically</td><td style="text-align: right;">0%</td></tr> <tr><td>c. Total annual hours requested</td><td style="text-align: right;">60</td></tr> <tr><td>d. Current OMB inventory</td><td style="text-align: right;">75</td></tr> <tr><td>e. Difference (+,-)</td><td style="text-align: right;">-15</td></tr> <tr><td>f. Explanation of difference:</td><td></td></tr> <tr><td> 1. Program change:</td><td></td></tr> <tr><td> 2. Adjustment:</td><td style="text-align: right;">-15</td></tr> </table>	a. Number of respondents	40	b. Total annual responses	80	Percentage of these responses collected electronically	0%	c. Total annual hours requested	60	d. Current OMB inventory	75	e. Difference (+,-)	-15	f. Explanation of difference:		1. Program change:		2. Adjustment:	-15	14. Annual reporting and recordkeeping cost burden: (in thousands of dollars) Do not include costs based on the hours in item 13. <table style="width: 100%; border-collapse: collapse;"> <tr><td>a. Total annualized capital/startup costs</td><td style="text-align: right;">\$0.00</td></tr> <tr><td>b. Total annual costs (O&M)</td><td style="text-align: right;">\$0.00</td></tr> <tr><td>c. Total annualized cost requested</td><td style="text-align: right;">\$0.00</td></tr> <tr><td>d. Total annual cost requested</td><td style="text-align: right;">\$0.00</td></tr> <tr><td>e. Current OMB inventory</td><td style="text-align: right;">\$0.00</td></tr> <tr><td>f. Explanation of difference:</td><td></td></tr> <tr><td> 1. Program change:</td><td></td></tr> <tr><td> 2. Adjustment:</td><td></td></tr> </table>	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:	
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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 checked="" 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)
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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: Robert Juenger Phone: 202-708-1672 ext. 4966
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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
Michael Winiarski, Deputy 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

Assistance Payment Contract – Notice of (1) Termination, (2) Suspension, or (3) Reinstatement OMB Control Number 2502-0094 (HUD-93114)

A. Justification:

1. Section 235 of the National Housing Act (P.L. 90-448, 82 Stat. 477, 12 U.S.C. 1715z), authorizes the Secretary of the Department of Housing and Urban Development (HUD) to provide assistance to aid qualified low and moderate income families to acquire homeownership. Regulations published at 24 CFR 235.375 specify the conditions for termination, suspension or reinstatement of the assistance payment contract. HUD Handbook 4330.1 Rev-5, provides guidance to mortgagees for the collection of the information and its use.
2. The Section 235 Program makes payments to lenders on behalf of qualified mortgagors. Form HUD-93114 documents the conditions for termination, suspension, or reinstatement of the assistance payment contract for Section 235 mortgages. The mortgage servicer prepares and submits the form to HUD within 10 days after a triggering event occurs so that HUD can assure that it pays the correct amount of assistance. The form must be prepared for each Section 235 mortgage terminated, suspended, or reinstated. A signature of the preparer is required. 24 CFR 235.365 requires servicers to maintain these forms and make them available for on-site audits by HUD or by the Government Accountability Office (GAO).

HUD requires mortgagees to notify the mortgagor of changes in assistance payments no less than 10 days before the due date of the first payment affected by the change. If there is an increase in the mortgagor's share of the payment and the required 10-day advance notice cannot be given to the mortgagor, the mortgagee arranges a realistic schedule acceptable to both parties for collecting any additional amounts that may become due before the 10-day advance notice period can be given.

Written Notice to Mortgagor: The notice to the mortgagor should include, but not necessarily be limited to, the following information:

1. the total monthly mortgage payment, excluding items not required by the mortgage (such as premiums for life and/or disability insurance);
 2. HUD's share of the mortgage payment and whether it was computed under "Formula One" or "Formula Two";
 3. the mortgagor's share of that payment;
 4. any additional amounts that must be paid by the mortgagor in connection with the mortgage payment that was excluded in Item 1. above (such as premiums for life and/or disability insurance);
 5. the monthly gross income used to calculate the assistance payment for the purpose of providing a benchmark to help the mortgagor know when to report increases of \$50 or more per month;
 6. the due date of the first payment due from the mortgagor that reflects the increase.
3. This collection does not involve the use of automated, electronic, mechanical, or other technological collection techniques. In the past, this form has always been submitted on paper, but HUD will now accept the form from the mortgagee as an email attachment. The form may be obtained from HUD's website and used for the purpose of termination, suspension or reinstatement. Section 235 loans were last originated in 1986, and the number of loans to report continues to diminish, therefore the number of forms submitted is very small. This is a loan program that will eventually phase out and the cost to automate cannot be justified.

4. There is no duplication. A review of Single Family Housing’s information collections confirms that no other collection provide this particular information.
5. The collection of this information will not have a significant impact on a substantial number of small businesses.
6. If this information was not collected, a delay in advising HUD of the changes to the Section 235 mortgage could result in additional costs to HUD, and to the lender in adjusting records to correct the amount of assistance paid.
7. The form HUD-93114 must be submitted to HUD within 10 days after an event occurs which operates to terminate, suspend, or reinstate, an assistance payment contract. This time frame is required so that the Department will not be over-billed for the new subsidy payment if the homeowner is no longer qualified to receive a subsidy. In the event the homeowner is reinstated for subsidy, HUD requires immediate notice to adjust its records so that the homeowner receives their subsidy payment on time.
8. In accordance with 5 CFR 1320.8(d), the agency’s notice soliciting public comments was published in the *Federal Register* on November 26, 2008 (Vol. 73, No. 229, pages 72072) No comments were received.

The ability to provide the information required by this form and the use of the information is discussed with the industry on a continuing basis during onsite reviews when the loans for which this form is used are audited. The use of the form has not been discontinued at any time since HUD began to require its use at the startup of the Section 235 Program. HUD’s Tulsa office monitors and has identified the number of mortgages and Section 235 loans.

9. The collection of this information does not provide for payments or gifts to respondents (mortgage lenders).
10. There are no assurances of confidentiality provided.
11. The collection of this information does not require that questions be asked about sensitive or private issues other than the financial information upon which the subsidy payments are based.
12. Estimated Burden and Cost to Respondents:

The following figures are based on most recent responses to our servicing office.

Information Collection	Number of Respondents	Frequency of Response (average)	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Annual Cost
HUD-93114	40	1	40	.50	20	\$26.00	\$520
Notice to Mortgagor	40	1	40	1.00	40	\$26.00	\$1040
Totals	40		80		60		\$1,560

The hourly cost is based on estimated mortgagee staff salary of \$54,000 annually. The “Notice to Mortgagor” is essentially a letter created by the mortgagee to inform the mortgagor of an impending change (termination, suspension or reinstatement).

13. There are no additional costs to the respondents.
14. Estimated Burden and Annual Cost to the Federal Government:

Information Collection	Number of Respondents	Frequency of Response (average)	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Annual Cost
HUD-93114	40	1	40	.25	10	\$25.00	\$250

Hourly cost is based on the annual salary of a GS-9, Step 5, for reviewing and filing.

15. This is an extension of a currently approved collection. No new 30-year mortgages have been written under this program since 1986. This information collection is required to service those loans still outstanding.

Due to conditions in the banking industry, particularly acquisitions and mergers, the number of respondents servicing these mortgages has significantly decreased. As properties are sold or refinanced, and the mortgages retired, the number of mortgages on which the respondents report has also decreased. The number of respondents in this submission is based on HUD's experience in the last year. This resulted in a decrease in the number of respondents from 50 to 40.

The previous submission did not include burden hours for the required notices to the borrower. That inclusion represents 40 burden hours annually.

16. There are no plans to publish this information collection for statistical use.
17. HUD is not seeking approval to avoid displaying the expiration date.
18. There are no exceptions to the certification statement identified in Item 19 of the OMB 83-I.

B. Collections of Information Employing Statistical Methods

This collection of information does not employ statistical methods.