

Supporting Statement for Paperwork Reduction Act Submissions
TITLE: Application Underwriting Support System (AUSS) Lender Portal
OMB Control Number _____

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information. Include a statement regarding the changes for this submission.

The Application Underwriting Support System (AUSS) Lender Portal is part of a new cloud-based IT solution that has been developed to replace an existing, outdated FHA-loan tracking system, the Development Application Processing (DAP) system. The AUSS Lender Portal is scheduled to deploy in 2020/2021 and will aid in the collection of information for the application and administration of United States Department of Housing and Urban Development (HUD) Office of Multifamily Housing (MFH) programs. United States Department of Housing and Urban Development (HUD) Federal Housing Administration (FHA) 24 CFR 202.5, 207, 213, 220, 221, 231, 241, and 266 authorize the Federal Housing Administration Office of Multifamily Housing to collect information and conduct operations.

The AUSS Lender Portal will allow FHA approved lenders to request FHA Project Numbers and submit applications for multifamily mortgage insurance directly to the Office of Multifamily Housing through a web-based lender portal. HUD staff will receive and process FHA Project Number requests and will receive and store application and other documents using the portal. The system is designed to streamline existing processes for collecting information to administer HUD multifamily insurance programs; no new information will be collected as a result of AUSS.

The estimated burden hours for both external partners and HUD staff listed on OMB Form 83-i were calculated using the estimated future number of respondents and hourly cost estimates based on the number of FHA Project Numbers generated from FY16-FY19 and firm and pre-applications received in FY16-19. Information will be collected through two primary AUSS functions:

1. **Web-Based FHA Project Number Generation:** Lenders will be able to submit FHA Project Number requests directly through the AUSS Lender Portal. An FHA Project Number is required for an application to be submitted to HUD. To request a number, the lender will be required to submit basic project details through the portal; HUD will then review the request and generate the number based on the information provided. Once the request has been approved, the number and project information will appear on a lender dashboard. FHA Project Number requests are currently submitted by lenders to HUD via email, generated through an internal-facing database, and provided to the lender by HUD via email.

2. **Web-Based Application Submissions and Electronic Record Retention:** Lenders will be able to submit applications for FHA mortgage insurance and other documents through the portal, and HUD staff will be able to receive and review them within AUSS, as well as upload additional documents. All project files will be retained electronically in AUSS according to the official record retention schedule. Currently, lenders must mail applications and various other documents to HUD in both hard copy and electronic format on USB drives. The electronic documents are then uploaded to Microsoft SharePoint by HUD staff, but there is no long-term electronic storage solution, and retaining hard copies is both burdensome and wasteful. The AUSS Lender Portal will provide MFH and OHP with a much-needed IT solution for online document submissions and records retention.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The purpose of the information collected through the AUSS Lender Portal is to review and process applications for HUD multifamily mortgage insurance. Information is initially gathered by FHA approved lenders and is used by HUD staff to determine whether a mortgagor is eligible for FHA multifamily mortgage insurance. Mortgagors interested in pursuing FHA multifamily mortgage insurance work with FHA approved lenders to complete applications for multifamily mortgage insurance which are submitted to HUD for review. HUD staff analyze these applications and either approve or reject the application for HUD insurance. Application exhibits are determined by program type and are documented in a variety of published HUD guidance. The lender is responsible for collecting all required exhibits, verifying the exhibits meet HUD program requirements, and submitting the documents to HUD. Applications are currently submitted in USB and hardcopy format via mail. An FHA Project Number is required to submit an application for mortgage insurance, and is the unique identifier used to track projects currently and previously in HUD's mortgage insurance portfolio.

To access the AUSS Lender Portal, the FHA approved lender will log in to the secure FHA Connection Platform (FHAC) using their Mortgagee Credential. When the lender is ready to submit an FHA Project Number request, they will access the screen that displays the fields required to request a number. The lender will be able to save drafts of their FHA Project Number requests in the event they are awaiting additional information before they are ready to submit their final request. Once all required project details have been identified, the lender will submit the request to HUD. HUD staff will receive the request through the portal, will review the request to ensure all required fields have been provided, and will generate the FHA Project Number. The FHA Project Number will then appear on the lender's dashboard, and the project profile will be created.

After receiving the FHA Project Number, the lender will submit the application to HUD through the portal. HUD staff will receive the application and will begin the process of analyzing the application for programmatic compliance. The lender will be able to revise and resubmit documents through the portal throughout application processing. The lender will also be able to submit closing and post-closing documents through the portal. HUD staff will be

able to upload documents to AUSS and will have the option to share documents with lenders through the portal. Only existing HUD forms will be submitted through the portal, as documented in the matrix in Part 12 of this justification. No new forms will be created as a result of AUSS; the purpose of the system is to streamline existing MFH processes. Screenshots of the FHA Project Number request screen and application upload screens have been included as part of this submission.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

AUSS is modernizing the outdated technological solution called the Development Application Processing (DAP) system, which is an unsupported client-server based application built in PowerBuilder. The decision to modernize DAP is to comply with the OMB mandate for all government agencies to go paperless by the end of 2022. HUD has also partnered with the General Services Administration (GSA), as part of the Centers of Excellence Initiative, to modernize HUD's IT systems and operating procedures by 2020. AUSS complies with the technology of cloud-based, open-stack platform within the currently approved HUD Enterprise Architecture Framework (HEAF) and will provide a more automated method for collecting information.

The creation of the AUSS Lender Portal will provide a more efficient method for lenders to submit FHA Project Number requests and application documents directly to HUD. This will substantially improve information security for both lenders and HUD. The current process of submitting FHA Project Number requests via email and application exhibits via hard mail is burdensome for lenders and HUD staff, and is not compliant with lender and HUD information security protocols. AUSS will also serve as the long-term electronic records retention system for documents required for MFH mortgage insurance programs.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

There is no duplication of information. No new information will be collected as a result of AUSS; the system is specifically designed to provide a new method of collecting information HUD is already collecting as part of its multifamily insurance programs.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

The implementation of AUSS as the system for requesting FHA Project Numbers and submitting application and closing materials may impact small businesses or other small entities, as some FHA lenders are small businesses. This impact will be felt specifically during the period of time when lenders are learning how to use the new system, so HUD will provide training via webinars and user manuals to help alleviate this burden and is establishing a help desk to help lenders understand how to use the system and troubleshoot technical issues. FHA Connection, which lenders will use to access AUSS, also has a help desk, a collection of

frequently asked questions, and a user guide posted on their site.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If lenders are prevented from using the AUSS Lender Portal to request FHA Project Numbers and submit application and closing documents, lenders and HUD will need to continue to rely on existing processes to conduct business. This would reduce the benefit of upgrading to the new system, would impact customer satisfaction, and would not address existing concerns related to privacy, information protection, and electronic record retention. Lenders would need to continue submitting FHA Project Number requests via email and would be forced to continue relying on hard mail to submit USBs, CDs, and hardcopy materials containing application and closing documents. HUD staff would continue to be burdened with the work of uploading documents from USBs and CDs to an internal sharing platform, which is a cumbersome process that would be automated by the creation and utilization of the portal. Preventing lenders from accessing the AUSS Lender Portal will also hinder HUD's effort to modernize FHA's IT systems and comply with Office of Management and Budget (OMB) Memorandum M-19-21, which mandates that all records be created, retained, and managed in electronic format and requires a transition of all permanent and temporary records to electronic format by December 31, 2022.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner: (PLEASE ANSWER EACH BULLET SEPARATELY)

* requiring respondents to report information to the agency more often than quarterly;

There is no requirement to report information to the agency more than quarterly.

* requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;

There is no requirement for respondents to prepare a written response to a collection of information in fewer than 30 days after receipt.

* requiring respondents to submit more than an original and two copies of any document;

There is no requirement for respondents to submit more than an original and two copies of any document.

* requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;

There is no requirement for respondents to retain records other than for health, medical, government contract, grant-in-aid, or tax records for more than three years.

* in connection with a statistical survey, that is not designed to produce valid and reliable

results that can be generalized to the universe of study;

There are no statistical surveys involved with this collection.

* requiring the use of a statistical data classification that has not been reviewed and approved by OMB;

There is no requirement for the use of statistical data classification that has not been reviewed and approved by OMB.

* that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use;

There is no pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use.

* requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

There is no requirement for respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

- Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

MFH and OHP have worked closely with a committee of representatives of FHA-approved lenders throughout the development of AUSS to minimize the burden of the collection of information and make the system as simple and efficient as possible. Lenders are very supportive of the new system as it will reduce the burden associated with submitting applications and other documents via mail. AUSS will bring MFH's and OHP's operations into compliance with the OMB mandate and in-line with those systems of other multifamily financial institutions.

- Consultation with representatives of those from whom information is to be obtained or

those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

There are no circumstances that would prevent HUD from consulting with representatives of those from whom information is to be obtained or those who must compile records at least once every three years.

In accordance with CFR 1320.8(d), this information collection soliciting public comments was announced in the Federal Register on _____, Volume __, No. __, Pages _____. No Comments were received

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payments and/or gifts will be provided to respondents

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

AUSS is covered by the Privacy Act, Freedom of Information Act, and the FISMA. In addition the MAP Guide explains that Confidential Mortgage Insurance information will be protected.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

No. There are no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. The statement should:

* Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.

* If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.

* Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.

Information Collection	Number of Respondents	Frequency of Response	Responses Per Year	Average Burden Hours Per Response	Annual Burden Hours	Hourly Cost	Total Annual Cost
FHA Project Number Requests	1,103	1	1,103	0.5	551.50	\$18	\$9,927
Application Submissions	741	1	741	2	1482	\$70	\$103,740
TOTALS	0		0		0		0

Hourly cost is based on an estimate of the time it will take for the exhibits to be uploaded and to input the required information to request an FHA Project Number to be generated.

Estimated number of respondents is based on the average number of FHA Project Numbers generated from FY16-FY19, and the average number of pre- and firm applications submitted from FY16-FY19.

The following table lists the existing collections that will be submitted through the AUSS Lender Portal. These forms will be submitted as already completed documents.

OMB Control Number	Collection Number	Form Name
2501-0032	HUD-2880	Applicant/Recipient/Disclosure/Update Report
2502-0001	HUD-92417	Personal Financial & Credit Statement
2502-0029	HUD-92013	Application for Multifamily Housing Project
2502-0029	HUD-92013-A	Underwriter's Narrative for Refinance and Acquisition under Section 223(f)
2502-0029	HUD-92013-B	Underwriter's Narrative for New Construction/Substantial Rehabilitation under Section 220, 221(d)(3), 221(d)(4), 231, 241(a)
2502-0029	HUD-92013-C	FHA Summary Report
2502-0029	HUD-92013-D	Reduced MIP Certification
2502-0029	HUD-92013-SUPP	Supplement to Application for a Multifamily Housing Project
2502-0029	HUD-92264	Multifamily Summary Appraisal Report
2502-0029	HUD-92264-A	Supplement to Project Analysis
2502-0029	HUD-92264-T	Rent Estimates for Low/Moderate Income Units
2502-0029	HUD-92273	Estimates of Market Rent by Comparison

2502-0029	HUD-92274	Operating Expense Analysis Worksheet (Multifamily Housing)
2502-0044	HUD-2328	Contractor's and/or Mortgagor's Cost Breakdown
2502-0118	HUD-2530	Previous Participation Certification
2502-0141	HUD-93201	Application for Mortgage Insurance for Cooperative and Condominium Housing
2502-0229	HUD-2	Request for Waiver of Housing Directive - Multifamily Housing (12/2013)
2502-0305	HUD-9832	Management Entity Profile
2502-0305	HUD-9839-A	Project Owner's Certification for Owner-Managed Multifamily Housing Projects
2502-0305	HUD-9839-B	Project Owners/Management Agent's Certification
2502-0305	HUD-9839-C	Project Owner's/Borrower's Certification
2502-0416	HUD-9807	Insurance Termination Request for Multifamily Mortgage
2502-0598	HUD-91070M	Consolidated Borrower Certifications
2502-0598	HUD-91073M	HUD Survey Instructions and Surveyor's Reports
2502-0598	HUD-94001M	Note
2529-0013	HUD-935.2A	Affirmative Fair Housing Marketing Plan (AFHMP) - Multifamily Housing

13. Provide an estimate for the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

No. There are no additional startup costs associated with the collection of information.

14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

Information Collection	Number of Respondents	Frequency of Response	Responses Per Year	Burden Hours Per Response	Annual Burden Hours	Hourly Cost per Response	Total Annual Cost
FHA Project Number Requests	1,103	1	1	0.5	0.5	\$19	\$20,406
Application Submissions	741	1	1	0.5	0.5	\$19	\$13,709
TOTALS	1,844		2		1		\$34,114

Hourly cost is based on an estimate for the time it will take for staff to review FHA Project Number requests, and the amount of time required to download and view application exhibits that have been submitted.

Estimated number of respondents is based on the average number of FHA Project Number generated from FY16-FY19, and the average number of pre- and firm applications submitted from FY16-FY19.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

This is a request for approval for a new OMB collection. The Federal Housing Administration's (FHA) Office of Multifamily Housing (MFH) and Office of Healthcare Programs (OHP) are developing a web-based platform for FHA-approved Multifamily and Healthcare lenders and other external stakeholders to submit FHA Project Number requests and applications for mortgage insurance directly to FHA. This platform is anticipated to deploy in 2020 and will aid in the collection of information for the application and administration of MFH and OHP programs. United States Department of Housing and Urban Development Federal Housing Administration 24 CFR 202.5, 207, 213, 220, 221, 231, 241, and 266 authorize the Federal Housing Administration Office of Multifamily Housing to

collect information and conduct operations. The system is designed to streamline existing processes for collecting information to administer FHA multifamily mortgage insurance programs; no new information will be collected as a result of the deployment of the platform.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The collection of this information will not be published. Information will be maintained within HUD offices in individual case files.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

MFH is not seeking approval not to display the form number.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

There are no exceptions to the certification statement identified in item 19.

B. Collections of Information Employing Statistical Methods

The agency should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results. When Item 17 on the Form OMB 83-I is checked, "Yes," the following documentation should be included in the Supporting Statement to the extent that it applies to the methods proposed:

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

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection methods to be used. Data on the number of entities (e.g., establishments, State and local government units, households, or persons) in the universe covered by the collection and in the corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.

2. Describe the procedures for the collection of information including:

- * Statistical methodology for stratification and sample selection,
- * Estimation procedure,
- * Degree of accuracy needed for the purpose described in the justification,
- * Unusual problems requiring specialized sampling procedures, and
- * Any use of periodic (less frequent than annual) data collection cycles to reduce burden.

3. Describe methods to maximize response rates and to deal with issues of non-response. The accuracy and reliability of information collected must be shown to be adequate for intended uses. For collections based on sampling, a special justification must be provided

for any collection that will not yield "reliable" data that can be generalized to the universe studied.

4. Describe any tests of procedures or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of test may be submitted for approval separately or in combination with the main collection of information.

5. Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.