



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

August 24, 2009

MORTGAGEE LETTER 2009-25

TO: ALL APPROVED MORTGAGEES

SUBJECT: Electronic Annual Certification to Replace Title II Yearly Verification Report

HUD is implementing an electronic Annual Certification for renewing FHA approved mortgagees. The electronic Annual Certification replaces the paper Yearly Verification Report (V-Form) required for the renewal of a mortgagee's FHA approval. The introduction of this electronic process amends Paragraph 4-2 of HUD Handbook 4060.1, REV-2 to reflect the requirements found in this Mortgagee Letter.

Presently, the V-Form is the only component of the annual certification process that must be completed and submitted manually. Replacing this paper process with the electronic Annual Certification will now make it possible for FHA-approved mortgagees to complete the entire annual renewal process electronically. Effective September 1, 2009, all program participants seeking renewal as an FHA-approved mortgagee must complete the electronic Annual Certification as a component of the renewal process.

Only corporate officers and principal owners with authority to legally bind the mortgagee will be permitted to complete the electronic Annual Certification on behalf of an institution. **The Social Security Number of the certifying official will be validated. Any individual whose name is not currently reflected in FHA Connection as an authorized corporate officer or principal owner will not be permitted to complete the electronic Annual Certification for a renewing mortgagee. It is the responsibility of each FHA-approved mortgagee to ensure that the Department's records (i.e., FHA Connection) reflect the most up to date information regarding the company and its officers or principals.¹ Therefore, all mortgagees are encouraged to have their FHA Connection Coordinator verify the accuracy of their institutions' information in FHA Connection, and make changes as necessary.**

The representative authorized to complete the electronic Annual Certification can access the Institution Profile link, located in the "Lender Approval" section of a mortgagee's FHA Connection account. Detailed instructions regarding the completion of the electronic Annual Certification are attached to this Mortgagee Letter. Mortgagees are reminded of their responsibility to comply with Fair Housing requirements listed in paragraph 2-16 of HUD Handbook 4060.

¹ Paperwork reduction information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB Control Number 2502-0005. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB Control Number.

If you have any questions regarding this Mortgage Letter, please contact the FHA Resource Center at 1-800-CALL-FHA (1-800-225-5342). Persons with hearing or speech impairments may access this number via TTD/TTY by calling 1-877-TDD-2HUD (1-877-833-2483).

Sincerely,

David H. Stevens
Assistant Secretary for Housing-
Federal Housing Commissioner

[Attachment](#)