



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-1000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

Date: June 15, 2012
To: All Approved Mortgagees
Mortgagee Letter 2012-10

Subject Miscellaneous Underwriting Issues- Rescission of Disputed Accounts and Collection Accounts Guidance (Mortgagee Letter 2012-3)

Purpose In order to provide clarification of policies concerning Disputed Accounts and Collection Accounts through future guidance, FHA is rescinding the new guidance on the following topics in Mortgagee Letter (ML) 2012-3, which was to become effective July 1, 2012:

- Handling of Disputed Accounts, Public Records FHA Total User Guide Chapter 2, and
- Handbook 4155.1 4.C.2.e, Paying off Collections and Judgments.

All other guidance in ML 2012-3, which became effective April 1, 2012, remains in effect.

Effective Date This rescission is effective immediately.

Affected Topics This ML rescinds changes announced in ML 2012-3 related to the following topics found in HUD Handbook 4155.1 and the FHA Total Mortgage Scorecard User Guide.

HUD 4155.1, Mortgage Credit Analysis for Mortgage Insurance
4.C.2.e, Paying Off Collections and Judgments
FHA TOTAL Mortgage Scorecard User Guide
Chapter 2, Credit Issues, Disputed Accounts

The existing guidance found in Handbook 4155.1 and the FHA TOTAL Mortgage Scorecard User Guide for these topics remains in effect.

Continued on next page



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Mortgagee Letter 2012-10, Continued

**Effect on
Enforcement**

Mortgagees who assigned case numbers between April 1, 2012, and April 8, 2012, will not be deemed to be in violation of HUD requirements, if the case numbers were processed in accordance with either the existing guidance or that announced in Mortgagee Letter 2012-3 regarding the affected topics in this Mortgagee Letter.

**Paperwork
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Questions

If you have questions regarding this Mortgagee Letter, please call the FHA Resource Center at 1-800-CALLFHA (1-800-225-5342).

Persons with hearing or speech impairments may reach this number via TTY by calling the Federal Information Relay Service at 1-800-877-8339.

Signature

Carol J. Galante
Acting Assistant Secretary for Housing-Federal Housing Commissioner
