

## Request and Requirements for Transferring Case Numbers

If a request is received asking for the FHA Case Number to be transferred to another lender, FLCBank must be provided with:

- The request in writing by the borrower, and
- The new lender FHA ID number.

Before processing the FHA Case Number transfer, the Case Number Processing dept. must check the status of the loan in Mortgagebot to confirm:

The loan has been disposition as either: Decline, Withdrawn or Cancel

- If status shows “UW Denied”, there must be a copy of the [LT-92900 “FHA Loan Underwriting and Transmittal Summary”](#) in Imageview’s “HMDA UW” Doctype Folder, and loan notes comments confirming the Second Level Review has been completed. ***Ok to proceed to transfer the FHA Case Number to new Lender.***
- If status shows “Cancelled/Withdrawn”, loan notes comments confirming must be noted. ***Ok to proceed to transfer the FHA Case Number to new Lender.***

If the loan shows in any other status:

- Email a copy of the borrower’s written request for the case number to be transferred to the Underwriter and the CRR
- The CRR will flag the loan status to “UW Exception Denied” and email the UW once the loan status is updated
- The Underwriter must review the loan within 48 hours to complete the appropriate application disposition per procedures and email credit management for Second Level Review and copy the Case Number Processing Dept.
- Credit Management will complete for Second Level Review within 24 hours and email the Case Number Processing Dept.
- The Case Number Processing Dept. will proceed to transfer the FHA Case Number to the new lender.

**Important: FHA requires the current lender to assign the case number to the new lender in FHA Connection immediately upon the Borrower’s request but no later than within 5 business days of the request for transfer.**

## Cancelling and Reinstating FHA Case Numbers

FHA added the new functionality in FHA Connection on August 14, 2023 for Lenders to cancel FHA non-closed/non-endorsed case numbers for which the UFMIP has not been paid except in the event where FHA identifies an exception that requires FHA staff intervention, it will direct the lender to submit the request to the FHA Resource Center using the applicable template on the Single-Family Case Processing Requirements web page. These exceptions include case cancellations if the Upfront Mortgage Insurance Premium (UFMIP) on the case was paid, the case was endorsed, or case reinstatements if the case was automatically canceled.

### Cancellation of an FHA Case Number

The lender may submit/request the cancellation of an FHA Case Number **only** if:

- a) An appraisal has not been completed and the Borrower will not close the Mortgage as an FHA-insured Mortgage,
- b) The FHA mortgage insurance will not be sought; or
- c) The appraisal has already expired.

To cancel the case number in FHA connection, the authorized user must:

- Access the Case Cancel/Reinstate screen from the Case Processing Menu,
- Enter the FHA Case Number to retrieve the case for cancellation,
- If the case number is not already canceled, the Case Cancel/Reinstate Update page is displayed:
  - Select the applicable Reason for Cancellation,
  - Comments must be entered if Other is selected as the Reason for Cancellation. Otherwise, comments are optional,
  - Select Cancel Case in the Action field, and click send,
- If processing is successfully completed, the case number is canceled,
- If processing is not successful (including endorsed cases or cases for which UFMIP was paid) a message is provided with a referral to submit the request to [answers@hud.gov](mailto:answers@hud.gov) with supporting documentation.

If an email Submission to the FHA Resource Center is warranted, submit a request for cancellation with supporting documentation to the FHA Resource Center via email to [answers@hud.gov](mailto:answers@hud.gov) and include:

- “Case Cancellation” and the FHA Case Number in the Subject Line,
- Lender name, email address, telephone number and contact information,
- A request on company letterhead showing the name of the company, contact information and the reason for case cancellation,
- The completed Case Cancellation Request Form.

The Case Cancellation Request Form is available on the Case Processing Requirements web page at [https://www.hud.gov/program\\_offices/housing/sfh/lender/origination/case\\_processing\\_req](https://www.hud.gov/program_offices/housing/sfh/lender/origination/case_processing_req)

Note that an automatic FHA Case Number Cancellation will occur after six (6) months if one of the following actions is not performed as the last action:

- Appraisal information entered;
- Firm Commitment issued by FHA;
- insurance application received and subsequent updates; or
- Notices of Return (NOR) or resubmission

### Reinstatement of an FHA Case Number

Case numbers that were automatically cancelled can only be reinstated if the loan closed prior to the cancellation of the FHA Case Number and the lender must confirm with a copy of the Closing Disclosure (CD) or similar legal document and send a request to the FHA Resource Center using the Case Reinstatement Request Template located at [https://www.hud.gov/sites/dfiles/SFH/documents/P\\_REINSTATE.pdf](https://www.hud.gov/sites/dfiles/SFH/documents/P_REINSTATE.pdf)

Additional instructions on how to reinstate a Case Number will be updated once FHA provides additional instructions.