

Managing the FHA Insuring Process

For lenders that originate FHA loans through retail, wholesale or correspondent channels, the task of managing the FHA Insurance process can be tedious and inefficient. Originating and/or purchasing FHA insured loans requires dedicated management and monitoring of the insuring process.

In order to effectively manage this process, lenders must be able to answer the following questions on each FHA loan it manages:

- *Has the loan been submitted to HUD for insuring?*
- *What is the current insuring status of the loan?*
- *If the loan has been insured, what is the required MIP amount?*
- *Has the MIP been paid and, if not, what is the amount of the late payment penalty?*

By managing the insuring process, lenders can reduce exposure and expense arising from issues such as:

- *Penalty fees arising from late payment of MIP*
- *Accounting discrepancies on loan purchase/sale*
- *Uninsurable loans due to early defaults prior to insuring*

Until now, lenders had two choices for monitoring the FHA insuring process: manually enter case numbers into a website loan-by-loan or pay expensive per loan fees to access a private third-party network. Neither of these options provides the lender with the functionality required at an economical cost. However, Precision Risk Management Systems has introduced a new product that allows lenders to effectively manage the FHA insuring process efficiently and cost-effectively – **WebMCL**.

WebMCL is an automated, web-based solution that works with HUD's latest XML based B2B platform to provide lenders the insuring status of an FHA loan without entering individual FHA Case Numbers loan-by-loan or accessing expensive third-party networks.



What is WebMCL?

WebMCL is completely web-based. That means there is no installation CD, no system implementation and no additional hardware to purchase or maintain. All you need is an internet connection and a browser! **WebMCL** is accessible from our website. Simply point your browser to the URL and start processing.

How Do I Submit My Data to WebMCL?

WebMCL requires you to provide a text-based input file generated by your existing front-end application. This file contains your loan number and the FHA case number of the loan. **WebMCL** allows you to browse your system to locate a text input file. Once the file is located, you're ready to submit your data for processing!

What Do I Get from WebMCL?

WebMCL allows you to determine which data fields are returned from HUD. These data fields are displayed visually as loans are processed and stored in a text file after processing is completed. The text file may then be used to update your front-end system, providing accurate, timely insuring information within your front-end system.

The following fields may be included in the results:

- *Last Action*
- *Last Action Date*
- *ADP Code*
- *Case Type*
- *Case Received Date*
- *Closing Package Received Date*
- *MIP Required Amount*
- *MIP Paid Amount*
- *MIP Paid Date*
- *Endorsement Date*
- *MIC Date*
- *Borrower Name*
- *Full Property Address*
- *Originating Lender ID*
- *Originating Lender Name*

Is WebMCL Expensive?

Pricing for **WebMCL** is transaction based with volume discounts and caps available. For just pennies per loan you can cut operational costs and reduce your business risk. Since **WebMCL** is transaction based, your costs are proportionate to your production. This means if volume drops, so do your costs.

For more information on this and other products, contact **Precision Risk Management Systems, Inc.** by calling (501) 758-2482, email us at support@PRMOnline.com or visit our website, www.PRMOnline.com.