



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

ASSISTANT SECRETARY FOR HOUSING-  
FEDERAL HOUSING COMMISSIONER

**September 13, 2003**

**MORTGAGEE LETTER 03-13**

**TO: ALL MULTIFAMILY MORTGAGEES**

**SUBJECT:** Temporary Suspension of FHA Multifamily Commitments- Credit Cap  
Limitation

The Department has determined that the FHA Commitment Authority for Title II mortgages for the General Insurance /Special Risk Insurance Funds may be exhausted prior to the end of the fiscal year. Therefore, the following procedures will be in effect from September 16, 2003 until the enactment of supplemental Commitment Authority in FY 2003 or new Commitment Authority for FY 2004. This applies to all multifamily and health care sections of the National Housing Act and the risk-sharing programs under the HCD Act of 1992:

**Full Insurance**

1. New Firm Commitments cannot be issued.
2. Expired Firm Commitments cannot be reopened.
3. Outstanding Firm Commitments cannot be amended to increase the mortgage amount.
4. FHA will continue to extend outstanding SAMA letters and Conditional and Firm Commitments.
5. FHA will continue to issue new, amend outstanding and reopen expired SAMA Letters, Conditional Commitments and MAP invitation letters, but the following language must be added to such letters and commitments: "This SAMA Letter (or MAP invitation letter or Conditional Commitment) is further conditioned upon an increase in FHA's commitment limitation."
6. FHA will continue to initially and finally endorse project mortgages that had outstanding Firm Commitments issued before the effective date of the suspension.

**Housing Finance Agency Risk-Sharing (Section 542c)**

1. New Firm Approval letters cannot be issued.
2. Expired Firm Approval letters cannot be reopened.
3. Outstanding Firm Approval Letters cannot be amended to increase the mortgage amount.
4. FHA will continue to extend outstanding Firm Approval Letters.
5. FHA will continue to initially and finally endorse project mortgages that had outstanding firm approval letters issued before the effective date set forth above.

**GSE Risk-Sharing (Section 542(b))**

FHA cannot execute addenda to risk-sharing agreements for GSE mortgages.

We appreciate your cooperation.

Sincerely,

John C. Weicher  
Assistant Secretary for Housing-  
Federal Housing Commissioner