



CAIVRS

The Credit Alert Verification Reporting System Simplified

WHAT IS CAIVRS?

- ◇ What is CAIVRS?
 - ◇ CAIVRS is a HUD maintained informational system enabling lenders to learn when an applicant has a previously defaulted on a federally backed loan.
- ◇ How quickly can I obtain this information?
 - ◇ Immediately!! – via HUD’s FHA Connection Portal.
- ◇ Can the system be used for all government backed loans (i.e., FHA, VA & USDA)?
 - ◇ Yes!! – FHA Connection will permit the lookup of all CAIVRS records based upon the borrower’s SSN, while specifying the loan type (AKA Agency).
- ◇ Is a CAIVRS lookup requires on all government loans?
 - ◇ Yes – EXCEPTION = Non-Purchasing/Borrowing Spouses in Community Property States

WHAT IS CAIVRS?

◇ What information can I obtain via a CAIVRS lookup?

- ◇ Dept of Education
- ◇ Dept of Justice
- ◇ HUD (Housing & Urban Development)
- ◇ SBA (Small Business Administration)
- ◇ FDIC
- ◇ VA
- ◇ UDSA

◇ Where do I find the information again?

- ◇ FHA & VA = FHA Connection
- ◇ USDA = GUS (Data will be supplied on GUS findings when the AUS is run)

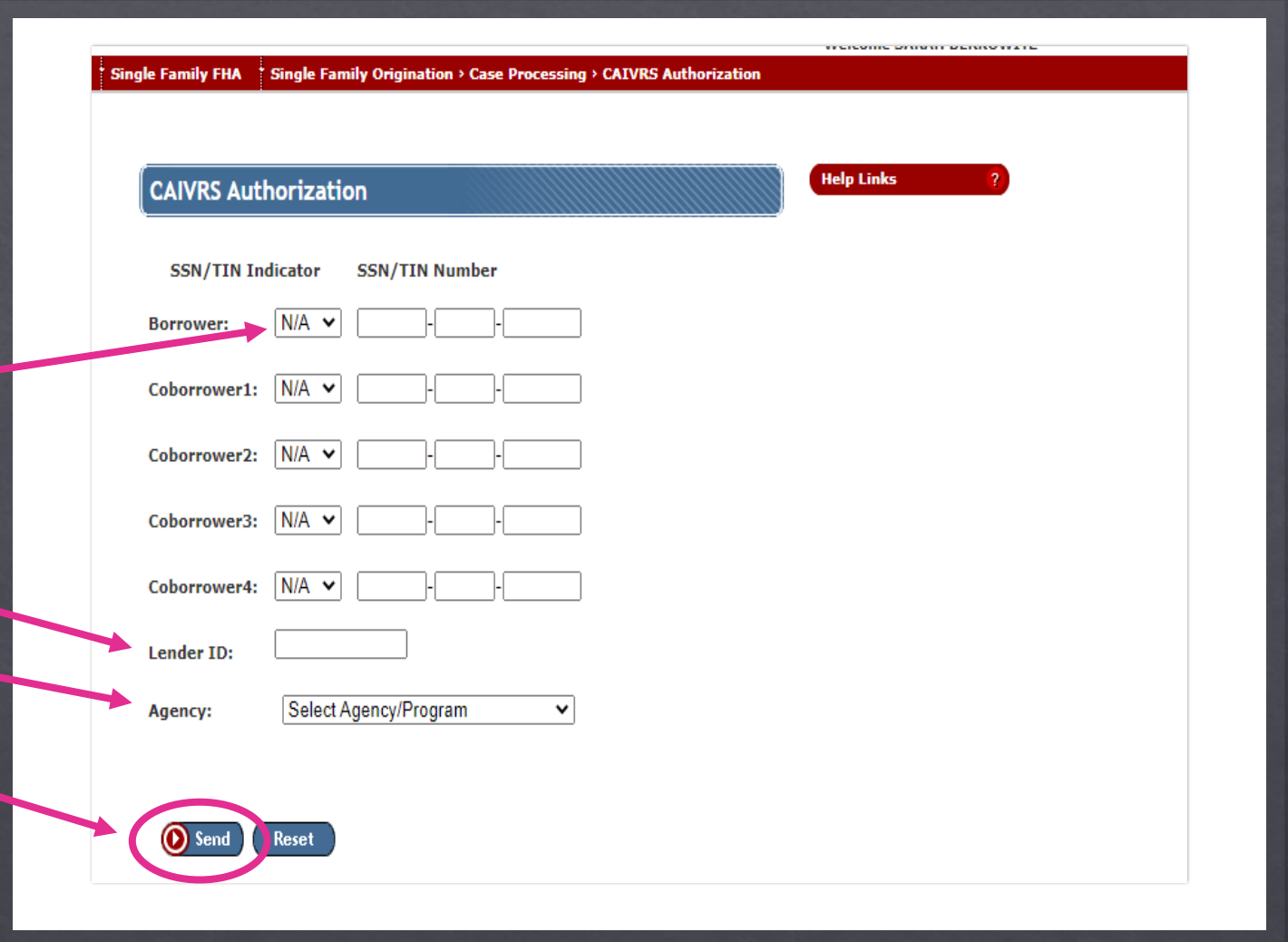
HOW TO PULL A CAIVRS

1. FHA & VA: Log into FHA Connection
2. Select Single Family Origination
3. Select Case Processing
4. Select CAIVRS Authorization

The screenshot shows a web application interface with a red breadcrumb trail at the top: "Single Family FHA" > "Single Family Origination" > "Case Processing". Below this is a blue header bar labeled "Case Processing". A list of menu items follows, each with a document icon: "Case Number Assignment", "Appraisal Logging", "Insurance Application", "HECM Insurance Application", "203k Calculator (with FHA Case Number)", "Borrower/Address Change", "CAIVRS Authorization", "Case/Appraisal Transfer", "Case Query", "Conditional Commitment", "Counseling Certificate", and "FEM Calculator". To the right of the menu items are two links: "Processing a Mortgage for FHA Insurance" with a circular refresh icon, and "What I Need to Know" with a document icon. Below these is a "Binder Selection" link. A pink arrow points to the "CAIVRS Authorization" menu item.

HOW TO PULL A CAIVRS

1. Enter Borrower's SSN
2. Enter Lender ID (Specific to transaction type)
3. Select Agency
4. Click "Send"



Single Family FHA | Single Family Origination > Case Processing > CAIVRS Authorization

Welcome Brian Bernowitz

CAIVRS Authorization

[Help Links](#) ?

SSN/TIN Indicator	SSN/TIN Number
Borrower:	N/A ▾ []-[]-[]
Coborrower1:	N/A ▾ []-[]-[]
Coborrower2:	N/A ▾ []-[]-[]
Coborrower3:	N/A ▾ []-[]-[]
Coborrower4:	N/A ▾ []-[]-[]

Lender ID: []

Agency: Select Agency/Program ▾

Send **Reset**



CAIVRS RESULTS & DEFINITIONS

REVEALED

A = No claims, OK to proceed

B = More than one “Hit” on SSN

Ex: Dept of Ed loans, FHA Mtg default with claim, etc.

C = Claim paid BY FHA to Mortgage company (paid off loan in FCL)

NOTE: These findings will remain for three years

D = Loan in default (Past due > 90 days)

F = FHA Insured loan in initial stages of Foreclosure (FCL)

J = Judgments found

Ex: Dept of Ed, Child Support, etc.

7.4.2. Rules for CAIVRS number formatting

The first character of the CAIVRS number is interpreted below:

1 st Character of CAIVRS Number	Interpretation
A	There are no Government loan claims/defaults against a Social Security Number
B	There is more than one "hit" on a Social Security Number – mostly on Department of Education Guarantee Loans -when a FHA -insured loan is in Default and then a Claim is paid
C	A "claim" has been paid by FHA to the mortgage company to pay off the loan that has gone into foreclosure (this will remain on the CAIVRS' system for 3-years (These can be on either Title II or Title 1 - Title 1 is for mobile homes or home improvement) When a "claim" has been paid then HUD/FHA gets title back HUD/FHA sells the property as a HUD-Repo. PLEASE NOTE: There are "C" codes in CAIVRS for the Loss Mitigation Program and the Pre-foreclosure Program, these are what we call "partial claims", but since a dollar amount was paid by HUD/FHA it is input into CAIVRS as a "C" or "claim paid"
D	The loan is more than 90 days past due
F	FHA-insured loan is in the first stages of foreclosure via the mortgage company (if loan is brought current then it can be reinstated)
J	Judgments - via the Department of Justice (these can be for Department of Education Guarantee Loans, child support, and a few FHA-insured loans if the borrower was an investor)



HOW TO PROCEED WITH FINDINGS

- ◇ “My Borrower does not have clear CAIVRS findings – is the loan dead?”
 - ◇ NO!!
- ◇ If a borrower (or co-applicant) has a CAIVRS with anything other than “A” findings, the following steps should be followed immediately (before submission to Processing/Underwriting):
 - ◇ Contact borrower for additional information and documentation regarding the default, foreclosure or claim
 - ◇ Contact the federal agency and creditor who reported the CAIVRS if it is unclear how to resolve the finding
 - ◇ Obtain proof the debt has been resolved in accordance with Debt Collection Improvement Act
 - ◇ Retain all documentation in the loan file, up to and including a clear CAIVRS

NOTE: The CAIVRS itself will hold instructions on which departments, agencies and numbers to call



HOW TO PROCEED WITH FINDINGS

- ◇ “Since the loan is not “dead”, can we resolve the finding after closing?”
 - ◇ NO!! The findings must be investigated, and a resolution must be attempted. Mortgagees are NOT allowed to deny an application simply based on CAIVRS findings which have not been verified!
- ◇ Mortgagees are prohibited from processing an application for FHA, USDA or VA mortgage loans when a CAIVRS search indicates the borrower(s) have delinquent federal NON-TAX Debt such as:
 - ◇ Deficiency Judgments
 - ◇ Back-owed Child Support
 - ◇ Defaulted Student Loans
 - ◇ Prior government loans in default (prior FHA, USDA or VA mortgages)

SOURCES

◇ FHA:

FHA Single Family

4000.1: FHA Single Family Housing Policy Handbook

4000.1: FHA Single Family Housing Policy Handbook

II. ORIGINATION THROUGH POST-CLOSING/ENDORSEMENT

A. TITLE II INSURED HOUSING PROGRAMS FORWARD MORTGAGES (09/14/15)

1. Origination/Processing (09/14/15)

b. General Mortgage Insurance Eligibility (09/14/15)

◇ USDA:

Rural Housing Service - USDA

HB-1-3555 SFH Guaranteed Loan Program Technical Handbook

CHAPTER 10: CREDIT ANALYSIS (03/09/16)

10.2 CREDIT ELIGIBILITY REQUIREMENTS (03/09/16)

◇ VA:

VA

Lender's Handbook

Chapter 4: Credit Underwriting (04/10/09)

Ch. 4, 6: Required Search for and Treatment of Debts Owed to the Federal Government (04/10/09)

Ch. 4, 6-c: What is CAIVRS? (04/10/09)

Q&A

