



## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-7106-N-22]

### Privacy Act of 1974; System of Records

**AGENCY:** Office of Multifamily Housing, Office of Housing, HUD.

**ACTION:** Notice of a Modified System of Records.

**SUMMARY:** Pursuant to the provisions of the Privacy Act of 1974, as amended, the Department of the Housing and Urban Development (HUD) is issuing public notice of its intent to modify the system of records for the Comprehensive Servicing and Monitoring System (CSMS). CSMS is a system HUD uses to manage and track loans, property operations, and financial transactions for HUD-owned multifamily properties, including billing, payments, expenses, and tenant lease information. The updates made are explained in the “Supplementary Section” of this notice. This notice supersedes the previously published SORN.

**DATES:** Comments will be accepted on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. This proposed action will be effective on the date following the end of the comment period unless comments are received which result in a contrary determination.

**ADDRESSES:** You may submit comments, identified by docket number or by one of the following methods:

**Federal e-Rulemaking Portal:** <http://www.regulations.gov> Follow the instructions provided on that site to submit comments electronically.

**Fax:** 202-619-8365.

**Email:** [privacy@hud.gov](mailto:privacy@hud.gov).

**Mail:** Attention: Privacy Office; Kimberly Morton, Acting Chief Privacy Officer; Office of the Executive Secretariat; 451 7th Street, SW, Room 10139; Washington, DC 20410-0001.

**Instructions:** All submissions received must include the agency name and docket number for this rulemaking. All comments received will be posted without change to <http://www.regulations.gov>. including any personal information provided.

**Docket:** For access to the docket to read background documents or comments received go to <http://www.regulations.gov>.

**FOR FURTHER INFORMATION CONTACT:** Kimberly Morton, Acting Chief Privacy Officer; 451 7th Street, SW, Room 10139; Washington, DC 20410-0001; telephone number 804-822-4801 (this is not a tollfree number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit <https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>.

**SUPPLEMENTARY INFORMATION:** The Department of Housing and Urban Development (HUD), Office of Housing, Office of Finance and Budget maintain the Comprehensive Servicing and Management System (CSMS). CSMS is a mixed financial system that is used for property management and loan servicing. HUD is publishing this revised notice to include the 542(b) and 542(c) Risk Share Program. CSMS received a new 542 loan portfolio for HUD called Risk Sharing Direct Loans (RSDL) with the new contract awarded in 2022. This portfolio includes a new file to HUD's subsidiary ledger (FHASL). These changes reflect the modified items below:

1. Modified the system number from HUD/DEPT-03 to HUD/HOU-06 to reflect privacy's SORN inventory list.
2. System Manager(s): Updated to reflect new System Manager for CSMS system.
3. Authorities: Updated to include citations to the 542(b) and 542(c) Risk Share Program records, the Housing and Community Development Act of 1992, Section 542 as amended included in this system.
4. Purposes of System: CSMS is the accounting module of record for Direct Loans by FHA under the 542(b) and 542(c) Risk Share Program.

5. Policies and Practices for Retention and Disposal of Records: Updated to reflect the accurate disposition authority number and retention instructions for CSMS system.
6. Routine Uses for Records Maintained in the System: Updated to bring it to current applicable routine uses. Routine Use (2) updated to reflect fraud, waste and abuse. Routine Use (13) is added to fulfill responsibilities in 5 U.S.C. § 552(h) to reflect sharing information to verify eligibility and resolve FOIA disputes through OGIS. Routine Use (14), which was previously added by 91 FR 2137 (January 16, 2026), has also been incorporated to the end of the Routine Use section.

**SYSTEM NAME AND NUMBER:** Comprehensive Servicing and Management System (CSMS), HUD/HOU-06

**SECURITY CLASSIFICATION:** Unclassified.

**SYSTEM LOCATION:** Records are maintained at Dynaxys, 1911 Tech Rd, Silver Spring, MD 20904; at a secure data center at the Disaster Recovery Site 8180 Green Meadows Drive North, Lewis Center, OH 43035-0001.

**SYSTEM MANAGER(S):** Mickey Holland, Management Information Specialist, 202-402-3939, Office of Multifamily Asset Management and Portfolio Oversight, HUD Headquarters 451 7th Street, SW, Washington, DC 20410.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:** The National Housing Act, 12 U.S.C 1701 et seq. authorizes the loan programs that are serviced by CSMS, the United States Housing Act of 1937, as amended, 42 U.S.C. 1437 et seq.; The Housing and Community Development Amendments of 1981, 12 U.S.C. 2294; the Housing and Community Development Act of 1992, 542(b), 542(c) Risk Share Program Section amended, 12 U.S.C. 1715z-22; the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, Section 904 as amended, 42 U.S.C. 3544; the United States Housing and Community Development Act of 1987, Section 165, 42 U.S.C. 3543(a), permits the participants to submit their SSNs as a condition of eligibility.

**PURPOSES OF THE SYSTEM:** CSMS is a loan servicing, property management, and accounting system. The purpose of the system is to bill and collect funds owed to HUD/Federal Housing Administration (FHA) to provide program information about loan repayment and status, to manage investment of reserve for replacement funds, to process and reimburse property managers or vendors for expenses incurred in managing multifamily properties owned by the Department, to track lease information for tenants living in HUD-owned properties, and to account for all transactions on this portfolio. CSMS is a subsidiary ledger to the FHA's general ledger. CSMS provides servicing for loans acquired through the payment of insurance claims and loans from the Mark to Market and Demonstration preservation programs. In addition, CSMS is the accounting and servicing module for direct loans by FHA under 542(b) and 542(c) Risk Share Program for multifamily loans insured on a risk-sharing basis.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:** Mortgagors, billing agents, vendors who are local businesses involved in property management or inspection and tenants, federal employees.

**CATEGORIES OF RECORDS IN THE SYSTEM:** Borrower's name, Borrower's Taxpayer Identification Number (TIN)/Social Security Numbers (SSNs), Property addresses, Phone numbers, Email addresses, Financial information (institutional information, routing, account numbers and account type), Reserve for Replacement escrow accounts, accounting data including debits and credits to HUD accounts based on transaction events, collection history, Mortgagee-in-Possession activity, Loan termination data, HUD-Owned Property/Tenant: Names, Addresses, Email addresses, SSNs, Marital status, Gender, bid packages, closing activities, vendor/business partner (financial information, TIN/SSN, routing, account numbers, small business identifier).

**RECORD SOURCE CATEGORIES:** Records in the system are obtained from HUD employees and their contractors who deal directly with the mortgagors, billing agents, vendors, and tenants. All other data is collected from FHA Subsidiary Ledger.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES:**

(1) To a congressional office from the record of an individual, in response to an inquiry from the congressional office made at the request of that individual.

(2) To Federal agencies, non-Federal entities, their employees, and agents (including contractors, their agents or employees; employees or contractors of the agents or designated agents); or contractors, their employees or agents with whom HUD has a contract, service agreement, grant, cooperative agreement, or computer matching agreement for the purpose of: (a) Detection, prevention, and recovery of improper payments; (b) detection and prevention of fraud, waste, and abuse in major Federal programs administered by a Federal agency or non-Federal entity; (c) detection of fraud, waste, and abuse by individuals in their operations and programs; or (d) for the purpose of establishing or verifying the eligibility of, or continuing compliance with statutory and regulatory requirements by, applicants for, recipients or beneficiaries of, participants in, or providers of services with respect to, cash or in-kind assistance or payments under Federal benefits programs or recouping payments or delinquent debts under such Federal benefits programs. Records under this routine use may be disclosed only to the extent that the information shared is necessary and relevant to verify pre-award and prepayment requirements prior to the release of Federal funds or to prevent and recover improper payments for services rendered under programs of HUD or of those Federal agencies and non-Federal entities to which HUD provides information under this routine use.

(3) To contractors, grantees, experts, consultants, Federal agencies, and non-Federal entities, including, but not limited to, State and local governments and other research institutions or their parties, and entities and their agents with whom HUD has a contract, service agreement, grant, cooperative agreement, or other agreement, for the purposes of statistical analysis and research in support of program operations, management, performance monitoring, evaluation, risk

management, and policy development, or to otherwise support the Department's mission.

Records under this routine use may not be used in whole or in part to make decisions that affect the rights, benefits, or privileges of specific individuals. The entity receiving information under this routine use may not disclose the records in an identifiable form.

(4) To contractors, grantees, experts, consultants and their agents, or others performing or working under a contract, service, grant, cooperative agreement, or other agreement with HUD, when necessary to accomplish an agency function related to a system of records. Disclosure requirements are limited to only those data elements considered relevant to accomplishing an agency function.

(5) To appropriate federal, state, local, tribal, or other governmental entities, with the approval of the Chief Privacy Officer, when HUD is aware of a need to use relevant data for purposes of testing new technology.

(6) To appropriate agencies, entities, and persons when (a) HUD suspects or has confirmed that there has been a breach of the system of records, (b) HUD has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, HUD (including its information systems, programs, and operations), the Federal Government, or national security; and (c) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with HUD's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

(7) To another Federal agency or Federal entity when HUD determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (a) responding to a suspected or confirmed breach or (b) preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.

(8) To appropriate Federal, State, local, tribal, or other governmental agencies or multilateral

governmental organizations responsible for investigating or prosecuting the violations of, or for enforcing or implementing, a statute, rule, regulation, order, or license, where HUD determines that the information would assist in the enforcement of civil or criminal laws when such records, either alone or in conjunction with other information, indicate a violation or potential violation of law.

(9) To a court, magistrate, administrative tribunal, or arbitrator while presenting evidence, including disclosures to opposing counsel or witnesses in the course of civil discovery, litigation, mediation, or settlement negotiations, or in connection with criminal law proceedings, when HUD determines that use of such records is relevant and necessary to the litigation and when any of the following is a party to the litigation or have an interest in such litigation: (a) HUD, or any component thereof; or (b) any HUD employee in his or her official capacity; or (c) any HUD employee in his or her individual capacity where HUD has agreed to represent the employee; or (d) the United States, or any agency thereof, where HUD determines that litigation is likely to affect HUD or any of its components.

(10) To any component of the Department of Justice or other Federal agency conducting litigation or in proceedings before any court, adjudicative, or administrative body, when HUD determines that the use of such records is relevant and necessary to the litigation and when any of the following is a party to the litigation or have an interest in such litigation: (a) HUD, or any component thereof. or (b) any HUD employee in his or her official capacity; or (c) any HUD employee in his or her individual capacity where the Department of Justice or agency conducting the litigation has agreed to represent the employee; or (d) the United States, or any agency thereof, where HUD determines that litigation is likely to affect HUD or any of its components.

(11) To the IRS for reporting of payments, forgiveness of debt, and property sales under section 6109 of the Internal Revenue Code.

(12) To banks holding escrow monies for the purpose of establishing interest, bearing accounts and reporting interest payments to the IRS under section 6109 of the Internal Revenue Code.

(13) To the National Archives and Records Administration, Office of Government Information Services (OGIS), to the extent necessary to fulfill its responsibilities in 5 U.S.C. § 552(h), to review administrative agency policies, procedures and compliance with the Freedom of Information Act (FOIA), and to facilitate OGIS' offering of mediation services to resolve disputes between persons making FOIA requests and administrative agencies.

(14) To the U.S. Department of the Treasury when disclosure of the information is relevant to review payment and award eligibility through the Do Not Pay Working System for the purposes of identifying, preventing, or recouping improper payments to an applicant for, or recipient of, Federal funds, including funds disbursed by a state (meaning a state of the United States, the District of Columbia, a territory or possession of the United States, or a federally recognized Indian tribe) in a state-administered, federally funded program.

**POLICIES AND PRACTICES FOR STORAGE OF RECORDS:** Electronic and paper records.

**POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:** Records may be retrieved by Borrower's Name or a personal identifier such as TIN/SSN.

**POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:** Temporary. Destroy 6 years after the Secretary ceased to have any liability and/or interest in the project. HUD Records Disposition Schedule, Section 10, Item 7.

**ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:**

Access to CSMS is by password and user ID and limited to authorized users. Paper records are maintained in locked drawers or in file cabinets at 11911 Tech Road, Silver Spring, MD 20904.

Role-based access levels or assignment roles are restricted to those who have a need-to-know.

When first gaining access to CSMS and on an annual basis, all users must agree to the systems "Rules of Behavior" which specify the handling of personal information and any physical records.

**RECORD ACCESS PROCEDURES:** Individuals requesting records of themselves should address written inquiries to the Department of Housing Urban and Development 451 7th Street, SW, Washington, DC 20410-0001. For verification, individuals should provide their full name, current address, and telephone number. In addition, the requester must provide either a notarized statement, or an unsworn declaration made under 24 CFR 16.4.

**CONTESTING RECORD PROCEDURES:** The HUD rule for contesting the content of any record pertaining to the individual by the individual concerned is published in 24 CFR 16.8 or may be obtained from the system manager.

**NOTIFICATION PROCEDURES:** Individuals requesting notification of records of themselves should address written inquiries to the Department of Housing Urban Development, 451 7th Street, SW, Washington, DC 20410-0001. For verification purposes, individuals should provide their full name, office or organization where assigned, if applicable, and current address and telephone number. In addition, the requester must provide either a notarized statement, or an unsworn declaration made under 24 CFR 16.4.

**EXEMPTIONS PROMULGATED FOR THE SYSTEM:** None.

**HISTORY:** Docket No FR-7707-N-05, 88 FR 14634, March 9, 2023, modified by Docket No. FR-7106-N-12, 91 FR 2137, January 16, 2026. Docket No FR-7009-N-01, 83 FR 7208, February 20, 2018.

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**Kimberly Morton,**

*Acting Chief Privacy Officer, Office of Administration.*