



 **ServiSOLUTIONS<sup>®</sup>**

*A Department of Alabama Housing Finance Authority*

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YOUR MORTGAGE SERVICING PROVIDER.

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# **CLOSED LOAN FILE DELIVERY MHDC LENDERS**

\*INFORMATION CONTAINED IN THIS PRESENTATION IS SUBJECT TO THE LEGAL DISCLAIMER LOCATED AT [WWW.SERVSOL.COM](http://WWW.SERVSOL.COM)

- Lenders are responsible for originating loans that comply with MHDC program guidelines.
- Lenders originate, close, and deliver (upload) the MHDC loans to ServiSolutions for purchase, prior to receiving MHDC program level approval.
- Lenders are responsible for uploading the compliance files to MHDC, timely. **DO THIS AT THE SAME TIME AS YOU UPLOAD THE PURCHASE FILE.** If MHDC subsequently declines the compliance file, the lender is required to repurchase the loan from ServiSolutions.
- If a loan becomes un-poolable (example - delinquent) after purchase, prior to the MHDC approval, the loan will not be pooled, and will have to be repurchased.

# Servicer Overlays

- No Manual Underwrites, downgrades or refers
- DO/DU only for Conventional loans- approve/eligible findings only. HFA Preferred product 97%/105% SPC 741. MI coverage required is lower on HFA Preferred – Variance of HomeReady. MI payment types accepted – borrower paid monthly, split premium or borrower paid Single Premium.
- MI Companies – Genworth, Essent, MGIC, United Guaranty, Radian, ARCH/CMG
- FHA Total Score Card, GUS, ETC must have accept/accept or approve/eligible.
- Maximum DTI 45.00%
- Minimum middle credit score of 620. If only two reported scores, lowest must be at least 620. Will not accept only 1 score. No Foreclosures in most recent 3 year history. No unsatisfied tax liens.
- Manufactured Housing- government loans only, per agency guidelines.

# Important Dates

- TBA Program - Lender must CLOSE and the LOAN must be PURCHASED by lock expiration date. The Program lock period is set by MHDC.
- MHDC sets the lock periods and establishes secondary marketing penalties. MHDC notifies ServiSolutions of any penalties or extension fees. You must check with MHDC for information for locks, fees, and extensions.
- ServiSolutions has a 10-day closed file delivery requirement
  - Begins the day of closing
- Short Payments/Interest Credits
  - Allowed 1<sup>st</sup> – 5<sup>th</sup> of each month
- Target Loan funding days (subject to change during holiday)
  - Fundable closed files recd. by COB on Tuesday will fund on Friday of the same week
  - Fundable closed files recd. by COB on Friday will fund on Wednesday of the following week
- Final Documents
  - Must be delivered within 120 day



# Loan Closing

- For the 1<sup>st</sup> mortgage, use most current 1-4 Family FHA, VA, RD or Fannie Mae Note and Deed of Trust for MO. Attach proper Addendum(s)/Rider(s) to the Note or Deed of Trust including correct Rider
- Each borrower's name must be typed under the signatures on the Note and Deed of Trust for both 1<sup>st</sup> and 2<sup>nd</sup> mortgage loans and they must match
- Specific Power of Attorney forms are required for the borrower . General Power of Attorney forms are acceptable for the Seller. POAs must be recorded prior to the execution of the Deed of Trust
- Marital status must be indicated on the Deed of Trust for both the 1<sup>st</sup> and any MHDC Secondary Deed of Trust

## **ServiSolutions Closing & Purchase documents**

- Early Default Notification
- Quality Control Certification and Authorization
- Request for Funding Checklist (effective 7/15/16)
- Final Documents Transmittal

These documents can be found online at <http://servsol.com/lenders/nchfa-documents>

# Loan Closing

- Non-Occupant Co-Signers should only execute the Note at closing
- 1<sup>st</sup> mortgage lien must be assigned in MERS to ServiSolutions *a Division of Alabama Housing Finance Authority* - MERS ORG ID # for ServiSolutions 1002536, within 7 days of the loan purchase.
- CAP loan should close in the name of MHDC. Use the MHDC Specified documents for CAP. 593&594 for Bond & 793 & 794 for Next Step. These are located on MHDC Lender Online.
- CAP 0% does not get endorsed to ServiSolutions. However you will overnight the original second Note to ServiSolutions, along with the first. We provide the custodial care for these.
- Lenders must provide GFE, TIL & HUD 1 for CAPs
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# Escrow Holdbacks/Repair Escrows

- Escrow holdback funds must be held and disbursed by either the originating lender or the closing agent.
- Escrow holdback funds must be equal to 150% of the repair estimate amount. For repair escrows on HUD REO properties, the escrow holdback funds must be equal to 110% of the repair estimate amount.
- Repairs must be completed within 10 days of closing if at all possible. ServiSolutions may approve on a case-by-case basis extensions in advance of loan closing if needed for extenuating circumstances. ServiSolutions must be informed of any weather related delays and will review and approve on a case-by-case basis.
- No structural repairs are permitted.
- A copy of the final inspection must be forwarded to ServiSolutions within 5 days of completion.
- The maximum escrow holdback amount is \$10,000.

# Servicing Responsibilities

- Lenders are responsible for servicing the loan until purchased by ServiSolutions, including the payment of all required escrow disbursements for each loan during the period from closing to purchase and any collection requirements. See Section titled *Transfer of Servicing Rights and Benefits* for more details.

# Closed Loan Delivery Procedures

Closed loan files must be uploaded to MHDC's Lender Online Edocs -within **10 calendar days** of loan closing (*includes the day of closing*).

All documents must be uploaded according to the appropriate Funding Stacking Order Form:

- Request for Funding Checklist effective 7/15/2016

**Overnight the original note(s) to the following address:**

ServiSolutions  
Attn: Funding and Delivery  
7460 Halcyon Pointe Drive, Suite 200  
Montgomery, AL 36117

**DON'T FORGET TO UPLOAD MHDC'S COMPLIANCE PACKAGE TO THEM TOO!!**

# Endorsement of the Note

1st mortgage Note must be endorsed and must include (*Allonges are not acceptable*)

“Pay to the order of  
ServiSolutions a Division of Alabama Housing Finance Authority  
without recourse”  
Your Company Name  
Signature of Authorized Person  
Typed Name and Title

# Closed Loan Delivery Procedures

- ServiSolutions will review closed files for purchase in the order they are received. Closed files will not be considered complete if items are outstanding.
- All incomplete/incorrect closed files will be suspended and the file will be placed in a curative status. Items needed to clear the loan for purchase will be emailed to the email indicated on the funding checklist - make sure the email is valid and goes to the appropriate shipper or someone who will act on it.
- Lenders must submit conditions via MHDC Lender Online eDocs, and but can also email them to the ServiSolutions Funding examiner for quicker turn-around.



## Common Closed File Delivery Mistakes

- Policy # omitted for the hazard/flood policy
- “Attachment A” missing from Deed of Trust
- Loan is over the DTI requirement
- An allonge is provided in lieu of endorsing directly on the note
- Credit documents older than 90 days at closing.

# Loan Purchase/Funding Procedures

- ServiSolutions will fund loans twice a week:
  - Fundable closed files received by the close of business on **Tuesday** of each week will be funded on **Friday** of the same week.
  - Fundable closed files received by the close of business on **Friday** will be funded on **Wednesday** of the following week.
  
- Lenders will receive a Funding Summary Report via email prior to loan funding. This report provides a loan level breakdown of the funding. Funds are disbursed by ACH transfers or wire transfers. An additional fee of \$20 applies to all wire transfers (the fee will be netted from the funding).
  
- ***A fee of \$500 will be charged for changes to the Funding Authorization Form***

# Closed Loan Funding Amount

## ❖ General Funding Information

- **The funding amount for both first and second mortgages will consist of:**
  1. Scheduled unpaid principal balance.
  2. Servicing Release Premium per the program guidelines. (first mortgages only)
  3. Interest from the closing date through the purchase date or interest from the last paid installment date to the purchase date at the loan's per diem rate.
  
- **Amounts to be deducted from funding of both first and second mortgages will consist of:**
  1. Penalties or fees assessed in sections titled *Penalties Withheld from Funding and Funding of the Mortgage Loan*.
  2. Flood notification transfer fee of \$10. (not required for flood certification from Corelogic or Servicelink)
  3. Prepaid interest (loans purchased by the 10<sup>th</sup> of the month prior to the first payment due date only).
  4. Prepaid escrow (unless after first payment) or current amortized escrow balance on the loan less any disbursements.
  5. Tax Service Fee of \$65 (first mortgages only).
  6. Wire fee of \$20 (per transaction, if applicable).

## Transfer of Loan Servicing Rights and Benefits

- The originating lender retains the loan servicing rights and benefits until ServiSolutions purchases the loan. The originating lender will perform all servicing duties until that time. Servicing and benefits rights transfer to ServiSolutions at the time of loan purchase. ServiSolutions will send the purchase payment advice to all lender designated contacts at the time of funding. Once the purchase payment advice is received, the lender will send their **\*goodbye letter** to the borrower. In addition, ServiSolutions will send a Notice of Assignment, Sale, or Transfer (hello letter) and two temporary payment coupons to the borrower. The first payment due to ServiSolutions will be determined based upon the purchase date.
- **If the loan is purchased (purchase date) on or before the 10<sup>th</sup> of the month**, the first payment due to ServiSolutions will be the next scheduled monthly payment due date. **After the 10<sup>th</sup>**, the effective date will roll to the following scheduled monthly payment due date. The lender must transfer the loan to ServiSolutions through the MERS system within 7 days of purchase.
- \* Preliminary Copy of the originating lender's goodbye letter is listed on the checklist and must be included in the file delivered to ServiSolutions. Only borrowers name and address is required on this copy.

## Examples of transfer scenarios based on purchase date

A loan that closed on 2/2/17 is received in our office on 2/8/17 and is able to be purchased prior to 02/10/17, will fund at the original note amount with no late delivery penalty.

A loan that closes on 2/23/17 is received in our office by 3/15/17 and is able to be purchased anytime prior to day 41 from closing, will fund based on a lender provided pay history (if applicable). No delivery penalty fee will be assessed. In cases where loans may be purchased after the 10<sup>th</sup> of the month but before the first payment is due (no pay history available), the loan will be purchased at the amortized balance for the next payment.

A loan that closed on 3/24/17 is received in our office by 4/28/17 and is purchased anytime between day 41-70, from closing, will fund based on lender provided pay history. The lender will be charged a penalty fee of 50 basis points (0.50%) of the principal purchased. If the loan is purchased prior to the 10<sup>th</sup> of the month, first payment date to ServiSolutions will be next scheduled monthly payment due date. If the loan is purchased after the 10<sup>th</sup> of the month, the effective date of first payment to ServiSolutions will roll to the following scheduled monthly payment due date.

A loan that closed on 3/24/17 is received in our office by 4/28/17 and remains unpurchaseable as of day 71 from closing, will be not be purchased. Notes will be returned via lender provided overnight labels.



# RECAP

**Lenders have 10 days from closing to deliver the complete closed package to ServiSolutions. Files delivered with missing documents or errors will not be considered in fundable condition. Additionally, loans with delinquent payments will not be purchased. Lenders will have 40 days from the date of closing to clear the loan exception with no penalty. If the file is not cleared until 41 days from the date of closing, the lender will be charged a late delivery fee of 50 basis points (0.50%) of the principal purchased. If the file is not cleared by the 71<sup>st</sup> day from the date of closing, original Notes will be returned to the lender and loan(s) will not be purchased. This does not override any applicable lock expiration period. Extension fees may be required by each HFA if the loan is not funded by the applicable expiration date.**

**Secondary Marketing Penalties may be assessed separately by MHDC – see program guidelines**

## **GOODBYE**

- Upon Loan purchase, Lender must issue Goodbye Letter, introducing borrower to ServiSolutions.
- Lender must make sure the effective payment date initially due to ServiSolutions is correct!

## **HELLO**

- ServiSolutions will be sending out a Hello Letter with 2 temporary coupons upon purchasing the loan.
- A 15 day notice of transfer is required to be given to the borrower. It is imperative that the borrower experience a seamless transfer to ServiSolutions as the Servicer.

# Hazard Insurance/Flood Insurance

Upon loan purchase, use the following address for change notification to all carriers:

*ServiSolutions,*  
*a Division of Alabama Housing Finance Authority*  
ISAOA ATIMA  
P.O. Box 242967  
Montgomery, AL 36124-2967

Homeowner policy deductibles should not exceed the greater of 2.5% of the face amount of the policy or \$2,500 unless a higher amount is required by state law. Flood policy deductibles should not exceed \$2,000. **WE MUST HAVE THE POLICY NUMBER ON PROOF OF COVERAGE.**

# MERS Registration and Transfer

- 1st mortgage loans must be registered via the Mortgage Electronic Registration System (MERS) in lieu of a standard paper assignments. Once the first mortgage loan is purchased, the lender is responsible for transferring the Loan to ServiSolutions, TOS/TOB Combo, within 10 days of loan purchase.
- MERS ID #1002536 – Alabama Housing Finance Authority
- FHA ID #94058
- FNMA ID# 261330008
- EIN #63 0980480

# Final Documents

- ❖ The lender is to submit the final mortgage loan documentation consisting of the following original documents to ServiSolutions within 120 days of closing:
  - Final Document Transmittal
  - Recorded First Mortgage
  - Title policy
  - Activated PMI Certificate of Coverage
  - Recorded Second Mortgage (if applicable)
- Return documents to:

**ServiSolutions**  
**Attn: Final Documents**  
**7460 Halcyon Pointe Drive, Suite 200**  
**Montgomery, AL 36117**



# Introduction to ServiSolutions

The borrower(s) will receive a call from a ServiSolutions customer service representative:

- Welcome them
- Explain the different payment method options available
- Advise borrower he/she will receive monthly mortgage statements (no coupon booklets)
- Answer questions

# ServiSOLUTIONS®

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### CUSTOMER CARENET

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### HOMEOWNERS

Account Registration  
Payment Information  
Homeowner FAQs



### LENDERS

How to Participate  
Lender FAQs  
Subscribe to Lender Updates



### COMMUNITY BANKS

Lender Online  
How to Apply  
BankServ FAQs

[www.servsol.com](http://www.servsol.com)

Your Mortgage Servicing Provider.

ServiSolutions® offers residential mortgage servicing for financial institutions.

We service all types of mortgages including FHA, VA, Rural Development, conventional uninsured and conventional insured loans. In addition, ServiSolutions® services second mortgages--full amortizing as well as deferred.


http://servsol.com/lenders/nchfa\_documents.aspx

NCHFA Documents | ServiS... x

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Lender FAQs  
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Lender Online  
How to Apply  
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**Documents for North Carolina Housing Finance Agency Loans**

**Loan Closing**


- Notice of Assignment
- First Payment Notification
- Early Default Notification

**Purchase & Delivery**

http://servsol.com/lenders.aspx


100%



  
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**Contact Information**

Full Name: \*   
Company Name: \*   
Address: \*   
City: \*   
State: \*   
Zip Code: \*   
Email Address: \*

I am a participating/approved lender for:\*

- Alabama Housing Finance Authority
- Mississippi Home Corporation
- Missouri Housing Development Commission





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- Payment Changes
- Escrow
- Homeownership Retention
- Payoff and Refinance
- Homeowner FAQs
- Service Fees



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## Documents for Mississippi Home Corporation Loans

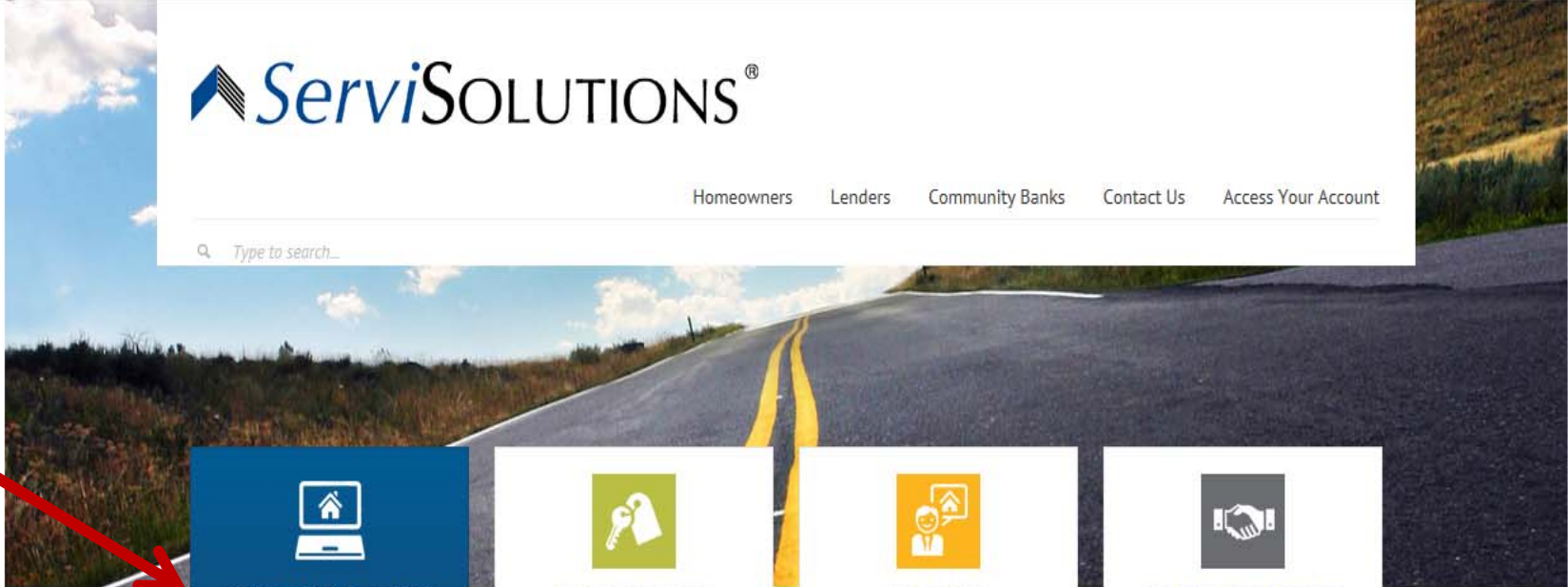
### Loan Closing

- Notice of Assignment
- First Payment Notification
- Early Default Notification

Revised 9/22/15



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### HOMEOWNERS

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## Payoff and Refinance

### I paid my loan in full. When will I receive any overage remaining on my account?

Payoff overages are issued 30 business days after the loan is paid in full.

### Can I refinance my loan?

ServiSolutions does not originate loans. You will need to contact a bank or credit union in your area if you wish to refinance.





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**Contact Us**

Access your account to pay your mortgage online.

**Hours of Operation:**

8 AM to 5 PM, Monday through Friday

**By Telephone:**

866.339.2432 toll free or 334.244.4350

*If you are only wanting to make a payment by phone and do not need to speak to a customer service representative, select OPTION 1 from the phone menu. Please have your account information ready.*

**By FAX:**

334.271.3104

**By E-Mail:**

[inquiries@servsol.com](mailto:inquiries@servsol.com)

# ServiSolutions Contact Information

Phone: 334-244-9200

## Training Questions:

- Lisa Treece, Affordable Housing Coordinator  
[ltreece@ahfa.com](mailto:ltreece@ahfa.com)

## Suspension & Funding Questions:

- Greg McKitt, Funding & Delivery Coordinator  
[gmckitt@ahfa.com](mailto:gmckitt@ahfa.com)
- Candi Clapp, Funding Supervisor  
[cclapp@ahfa.com](mailto:cclapp@ahfa.com)

- **Reminder**

- This document is not a replacement or substitution for the requirements set forth in the Missouri Housing Development Corporation's Mortgage Origination Agreement or Program Guidelines. Lenders are responsible for ensuring the information is timely.