

THDA LENDER NOTICE: #2021-12

June 16, 2021

SUBJECT: Clarification on Exclusionary List, Checklists, Liabilities, and Principal Reduction

Exclusionary List

As stated in THDA Lender Notice #2021-11, the lender is responsible for providing evidence to THDA that loans meet the Exclusion List guidelines as set by Insurer, Guarantor or Government-Sponsored Enterprise (GSE) of the mortgage loan. We have recently been informed that some lenders that are not directly approved by Freddie Mac as a Seller/Service may not have access to the FMEL. Therefore, THDA has created a THDA Exclusionary List that can be searched if FMEL is not available. The Exclusionary List consists of two tabs, individuals and companies, both will need to be searched. THDA will accept a certification in the GC97 files acknowledging the search has been completed for the appropriate parties

The link and the certification document can be located [here](#).

New Underwriting & Closing Checklists

As many of you are aware, THDA is in the process of applying directly with Ginnie Mae to become an Issuer. As we prepare for this endeavor, THDA will need to start requiring more documentation in the file around compliance. Therefore, we are providing new checklists that have these disclosures listed. These disclosures should already be in your origination file, THDA has not required the disclosures to be provided up until this point.

Becoming a Ginnie Mae Issuer is expected to bring great opportunities to THDA and the Great Choice Mortgage Program. THDA Originating Agents (OA) are not expected to see a great impact on the daily execution. This is more of a back office decision within THDA. More information will be provided to our OAs once it is available.

Liabilities and Bank Statements

When a debt or obligation is not listed on the mortgage application and/or credit report and is listed on a bank statement such as debt to a pay day loan company, the OA is responsible for verifying the debt. This includes providing information in the submission package for the total amount owed and the actual monthly payment. Debt ratio should reflect this debt if it is amortizing. (Pg. 27)

Principal Reduction

THDA discourages principal reductions (PR). However, we understand there are times they cannot be avoided. PR is limited to 1% of the loan amount not to exceed \$2500. (Pg. 41)

OA Guide Pages Affected:

- Pages 27,28,41