

Ralph M. Perrey, Executive Director



**ORIGINATING AGENTS GUIDE
REVISION 131**

February 21, 2018

Remove and discard:

Replace with enclosed:

Page 44 (Revised 04/04/17)	Page 44 (Revised 02/21/18)
Page 49 (Revised 07/28/17)	Page 49 (Revised 02/21/18)
Page 50 (Revised 11/1/17)	Page 50 (Revised 02/21/18)
Page 52 (Revised 2/28/17)	Page 52 Revised 02/21/18)

Form

Request for Loan Purchase HO-0444 (04.14)	HO-0444 (02.18)
Closed Loan Submission Checklist (<i>for VMLS loans</i>) HO-0541 (07.17)	HO-0541 (02.18)

EFFECT OF CHANGE

Effective with THDA commitments dated March 1, 2018 and reflecting VMLS as the servicer, the initial escrow deposit will no longer need to be wired to THDA. THDA will net these funds from the purchase amount that is sent to the lenders.

inspections and insuring or guarantee certificate within 120 days of closing, on all THDA loans.

THDA may grant one extension, for a period not to exceed thirty (30) calendar days, to the delivery deadline to allow for additional efforts to resolve the problems. THDA may consider additional extensions. Any additional extensions must be approved by THDA, in THDA's sole discretion.

THDA may decide to complete a file without all final corrections being received. In those cases, the Originating Agent would receive notification from THDA of the correction(s) to be made and the Originating Agent will be responsible for completion of the file.

3. Servicing Package Deadline (n/a if VMLS Servicer)

Promptly after closing, required documentation must be delivered to the THDA Servicer indicated on the Commitment.

8.3 FAILURE TO MEET DELIVERY DEADLINES

Any loan closing file remaining incomplete on the 151st day following closing, regardless of extension status and/or file documentation status, will result in THDA issuing a demand for repurchase, along with repurchase instructions and deadline, without any further notice to the Originating Agent, unless a further extension was granted by THDA. If the loan has not yet been purchased by THDA, it will immediately become ineligible for purchase on the 151st day following closing, unless a further extension was granted by THDA. Loans declared ineligible for purchase by THDA, including Great Choice Plus loans and/or loans repurchased from THDA, are not eligible for subsequent purchase by THDA.

THDA may require Originating Agents who submit loans closed by the Purchase Method and do not comply with delivery deadlines to submit all final documents before their loans will be eligible for purchase by THDA.

Originating Agents who consistently fail to meet delivery deadlines will be suspended from new loan originating until such time that the delinquent loan closings are completed.

8.4 REQUIRED DOCUMENTS FOR A COMPLETE CLOSED LOAN FILE

A. Closed Loan Submission Checklist

A completed THDA Closed Loan Submission Checklist must be used as the cover sheet when submitting closed loan files to THDA. See Section 9 for detailed instructions.

B. Request for Loan Purchase with Acknowledgement and Certification

For loans closed by the Purchase Method, execute this form and enclose in the order indicated on the Closed Loan Submission form. See Section 9 for detailed instructions.

B. Tax Service Fee

A \$60 tax service fee must be charged on all loans. It can be paid by the borrower or lender and must be reflected accurately on the Loan Estimate and Closing Disclosure. THDA deducts this amount from the SRP and remits the tax service fee to CoreLogic.

C. Changing Fees/Compensation

Compensation and fees may be changed or eliminated at the discretion of THDA.

D. Tax and Insurance Escrow

The initial Escrow Account Disclosure statement must be completed accurately to be sure sufficient funds are collected at closing. The initial escrow funds will be deducted from the purchase of the loan.

E. Volunteer Mortgage Loan Servicing Directory

VMLS staff is available to answer any question Monday-Friday, 8am-5pm CST.

VMLS Customer Service: 844-865-7378

ADDRESSES:

Physical Address:

Volunteer Mortgage Loan Servicing
404 James Robertson Pkwy, Suite 1450
Nashville, TN 37219-1536

Payment Address:

Volunteer Mortgage Loan Servicing
PO Box 305170
Nashville, TN 37230-5170

Email Address:

custserv@volservicing.com

Primary Escalation Contacts for VMLS

Servicing Managers: Trebia Johns, (615)649-3424
tjohns@volservicing.com

Heather Johnson, (615)649-3420
hjohnson@volservicing.com

SECTION 9: THDA FORMS AND INSTRUCTIONS

As a result of Tax Code requirements, THDA must require certain forms. Application files or closed loan packages that do not contain fully executed THDA forms, as required, will not be accepted by THDA. These forms must be included in THDA application files and in THDA closed loan packages as indicated in this Guide. THDA forms are in addition to the typical forms utilized in the mortgage industry. These forms are to be considered part of this Guide.

THDA forms may not be altered.

THDA forms may not be distributed to a lender who is not an Originating Agent or to any other unauthorized individual or entity.

Detailed instructions for completion of each THDA form follows in the order that they are typically encountered in the lending process:

- Application Affidavit HO-0450 (03/11)
- Veteran Exemption Application Affidavit HO-0460 (02/07)
- Notice to Applicants Federal Recapture Requirements HO-0448 (07/17)
- Seller Affidavit HO-0451 (09/99)
- Buyer Profile HO-0439 (02/15)
- Underwriting Submission Checklist HO-0549 (11/17)
- Affidavit of Affixation HO-0453 (12/06)
- Legally Enforceable Obligation Letter HO-0476
- Closed Loan Submission Checklist HO-0541 (02/18)
- THDA Rider HO-0440 (08/03)
- Request for Loan Purchase with Acknowledgement and Certification HO-0444 (10/14)
- Disclosure of Loan Terms for Great Choice Plus Second Mortgage Loan HO-0574 (02/17)
- Disclosure of Loan Terms for HHF-DPA HO-0574-HHF (07/17)
- Program Certification for HHF-DPA HO-0580-HHF (03/17)
- Third Party Authorization for HHF-DPA HHF-DPA-1002 (07/17)

APPLICATION AFFIDAVIT HO-0450 (03/11)

VETERAN EXEMPTION APPLICATION AFFIDAVIT HO-0460 (02/07) (If Applicable)

The Application Affidavit or Veteran Exemption Application Affidavit (if applicable Application Affidavit must be executed by each applicant and non-qualifying spouse. The household income figure to be provided in item #4 is the maximum allowable income for the size of the applicant's household and location of property. The acquisition cost figure for Great Choice is to be provided in item #5 is the maximum THDA acquisition cost for the county in which the property is located. The original Application Affidavit or Veteran Exemption Application Affidavit is required by THDA. All changes or whiteouts must be initialed by the Applicant(s).

Each Application Affidavit or Veteran Exemption Application Affidavit, must be executed and notarized within the State of Tennessee; however, in rare circumstances, an Application Affidavit or Veteran Exemption Application Affidavit may be executed and notarized outside the State of Tennessee, such as when a person is a member of the armed forces, is stationed outside the state and is unable to be present while the application is being processed.

provided if the residence is a 2, 3 or 4 family home, or is a PUD, townhouse, zero lot line, modular or manufactured home.

THDA Program Eligibility/Credit Package

A check mark, an “X” or “N/A” must be indicated for each document listed on the form. Refer to Section 6.2 for additional information.

An Originating Agent staff member’s signature, printed or typed name and telephone number must appear at the bottom of the checklist. Without this information, the file is considered incomplete. In addition, if this information is omitted, THDA does not know who to call if questions arise.

AFFIDAVIT OF AFFIXATION HO-0453 (12/06)

An original Affidavit of Affixation is required on all manufactured home loans and must be recorded as a separate document. It cannot be recorded with or attached to the Deed of Trust for recordation.

LEGALLY ENFORCEABLE OBLIGATION LETTER HO-0476

For any Great Choice loans insured by FHA/HUD the Originating Agent will receive a Legally Enforceable Obligation Letter (LEOL) attached to the THDA Loan Commitment. HUD/FHA requires that THDA provide a Legally Enforceable Obligation Letter when THDA has agreed to provide DPA funds in the form of the Great Choice Plus loan. The Borrower(s) is to sign the LEOL at closing and a copy of the executed LEOL must be sent back to THDA with the initial closing submission package in order for THDA to purchase the Great choice Plus loan.

The Originating Agent is to retain the original LEOL in their loan file to accompany the FHA insurance application associated with the first mortgage.

CLOSED LOAN SUBMISSION CHECKLIST HO-0541 (02.18)

Use this form when submitting all closed loan files to THDA, regardless of the source of funding. This form can also be used as a checklist for submission of follow-up documentation. Complete all items on this form. Do not change the size of this form.

THDA RIDER HO-0440 (08/03)

The THDA Rider must be completed, executed, attached to and recorded with the deed of trust for all THDA first mortgage loans, regardless of loan type. The THDA Rider must be signed by all Borrowers who are required to sign the first deed of trust and recorded with the deed of trust.

REQUEST FOR LOAN PURCHASE WITH ACKNOWLEDGEMENT AND CERTIFICATION HO-0444 (10/14)

All loans closed by the Purchase Method must be accompanied by an executed Request For Loan Purchase with Acknowledgement and Certification when delivered to THDA. By submitting a loan file for purchase by THDA, each Originating Agent is deemed to affirm the Acknowledgement and Certification appearing on the master form of the Request For Loan Purchase with Acknowledgement and Certification with respect to each loan file submitted regardless of whether the Acknowledgement and Certification is included with the form submitted with a particular loan file.

Tennessee Housing Development Agency (THDA)
Closed Loan Submission Checklist

OA Name: _____ THDA Loan #: _____
 Contact Person: _____ Primary Borrower: _____
 Phone: (_____) _____ Date Loan Closed: _____

Please upload package to: **OLS.THDA.ORG**

In each space below, check items enclosed, or enter “**TF**” (to follow), or “**NA**” (not applicable). Assemble package in order listed. All items except those with an asterisk must be in package at initial delivery (which must be within 10 days of the date loan closed). All items must be complete, fully executed, dated and notarized, if required, all as indicated in each document and the Originating Agents’ Guide.

- ___ Request for Loan Purchase with Acknowledgement and Certification
- ___ Power of Attorney, if applicable
- ___ Initial Escrow Account Disclosure
- ___ Executed Enforceable Obligation Letter (FHA only)
- ___ Original Note, endorsed to THDA
- ___ Original Second Mortgage Note
- ___ *Recorded Deed of Trust and Riders, if applicable; copy of unrecorded with closing package
- ___ Recorded second mortgage deed of trust, if applicable; copy of unrecorded with closing package
- ___ *Recorded Affidavit of Affixation (Manufactured Homes)
- ___ *Recorded Assignment from OA to THDA (n/a if MERS documents submitted) if applicable
- ___ *Title Insurance Policy with THDA named as insured
- ___ Executed Warranty Deed (Certified copy of recorded Warranty Deed if Manufactured Home)
- ___ Signed Closing Disclosure
- ___ THDA Settlement Statement (HUD-1) for second mortgage
- ___ Revised Loan Estimate (if applicable)
- ___ Final executed 1003
- ___ Hazard Insurance policy declarations page or Certificate of Insurance with THDA as named insured, maximum deductible of \$2500
- ___ Life of Loan Flood Hazard Determination
- ___ Notice to Borrower in Special Flood Hazard Area, if applicable
- ___ Flood Insurance Application with THDA as named insured and copy of premium check (if applicable)
- ___ Address Certification (if applicable)
- ___ Name Affidavit (if applicable)
- ___ Copy of clear Termite Letter or soil treatment certificate (if applicable)
- ___ Escrow Agreement for Repairs or Completion of Construction (if applicable)
- ___ THDA Commitment conditions satisfied
- ___ IRS Form 4506
- ___ Final inspection, if applicable
- ___ Hello/Goodbye letter – Notice of Transfer of Servicing
- ___ *Copy of MIC/LGC/Original RECD 1980-17, **OR** as applicable:
 - ___ *Lender query from FHA connection reflecting THDA as the holder*
 - ___ Copy of completed USDA/RD 1980-11 and 1980-18 (conditional commitment)
- ___ **PRIOR TO PURCHASE** -- Original Certificate of Title or Original Manufactured Certificate of Origin (Manufactured Home) if not included in Underwriting Submission Package

FINAL MANDATORY DELIVERY DATE FOR ALL ITEMS:

Closing date + 120 days = _____, ____.

**Tennessee Housing Development Agency (THDA)
Request for Loan Purchase with Acknowledgement and Certification**

Originating Agent Name and Address:

O.A. Number: _____
Contact Person: _____
Phone Number: (____) _____
Email: _____

Must be completed in full. Do not attach wiring information on a separate page.

Wire To:

Receiving Bank Routing # _____
Receiving Bank Name: _____
Receiving Bank Address: _____

O.A. Account # _____
Special Instructions: _____

THDA Loan Number: _____
THDA 2nd Mortgage Loan Number: _____
Primary Borrower: _____
Property Address: _____

Initial Escrow: \$ _____

Loan Amount: \$ _____
2nd Mortgage Loan Amount: \$ _____
Interest Rate: _____ %
2nd Mortgage Interest Rate: _____ %
Closing Date: _____
1st Payment Due: _____

We hereby request THDA to purchase the attached loan, which is: (Check applicable box. If not checked, the second box applies.)

- Complete in all respects.
- Complete except for items indicated by “*” on the enclosed Closed Loan Submission Checklist, which items shall be delivered to THDA by the 120th day after the closing date for the referenced loan. If such items are not delivered, we agree to immediately repurchase this loan at the option of and upon notice from THDA, or, if loan has not been purchased by THDA, we acknowledge that the loan will not be eligible for purchase by THDA. These conditions also apply to a THDA second mortgage, if included with this transaction.

Originating Agent acknowledges receipt of the master form from THDA which is titled “Tennessee Housing Development Agency Request for Loan Purchase with Acknowledgement and Certification” on one side and titled “Acknowledgement and Certification” on the other side. By signing below, Originating Agent affirms all matters stated under the title “Acknowledgement and Certification” with respect to the mortgage loans for which this purchase request is being made, regardless of whether the items appearing under the title “Acknowledgement and Certification” on the master form appear on the reverse side of this request for loan purchase.

Originating Agent Authorized Signature

Date

Print Name

Title

Phone Number

FOR THDA USE ONLY

Settlement Date: _____

\$ _____ Principal Loan Amount
\$ _____ Principal Loan Amount 2nd Mortgage
\$ _____ (+) or (-) Interest from _____ to _____
\$ _____ (-) Initial Escrow
\$ _____ Other: _____
= \$ _____ Net Wire, this loan _____

Issue: _____
Loan Type: _____
Servicer: _____
THDA Closer: _____

Authorized By

Date

Tennessee Housing Development Agency (THDA)

Request for Loan Purchase with Acknowledgement and Certification

A. THDA Acknowledgement

In connection with the mortgage loan identified by the THDA Loan Number on the Request for Loan Purchase (the "Mortgage Loan"), THDA acknowledges the following:

- (1) The Originating Agent identified on the reverse side of this form (the "O.A.") is to deliver an original promissory note and related documents evidencing the Mortgage Loan to THDA for THDA's consideration in purchasing the Mortgage Loan;
- (2) The promissory note and related documents evidencing the Mortgage Loan may be subject to a security interest pursuant to arrangements the O.A. may have made with other financial institutions;
- (3) If actually received, THDA will hold the promissory note and related documents evidencing the Mortgage Loan for the benefit of the O.A. until such time as THDA decides whether or not to purchase the Mortgage Loan. If THDA decides to purchase the Mortgage Loan, THDA will promptly wire funds to the O.A. or on behalf of the O.A. in accordance with information supplied by O.A. with each individual Request for Loan Purchase submitted to THDA. Thereafter, the Mortgage Loan will be the sole property of THDA not subject to claims of any other parties whatsoever. If THDA decides not to purchase the Mortgage Loan, THDA will promptly return the original promissory note and related documents evidencing the Mortgage Loan to the O.A. in accordance with the information supplied by O.A. with each individual Request for Loan Purchase submitted to THDA. Thereafter, THDA will have no further obligation with respect to the Mortgage Loan; and
- (4) THDA does not agree to and will not be bound by the terms and conditions contained in any other correspondence or documents from the O.A. or from any other entity on behalf of the O.A. with respect to the Mortgage Loan.

B. Originating Agent Mortgage Purchase Certification

Pursuant to T.C.A. Section 13-23-118 and the Originating Agents' Guide and with respect to each Mortgage Loan, O.A., by and through its duly authorized representative whose signature appears on each Request for Loan Purchase, hereby certifies as follows:

- (1) The unpaid principal balance of the promissory note evidencing the Mortgage Loan and the interest rate thereon have been accurately stated to THDA;
- (2) The amount of the unpaid principal balance of the Mortgage Loan is justly due and owing;
- (3) O.A. has no notice of the existence of any counterclaim, offset or defense asserted by the person to whom the Mortgage Loan was made or their respective successor in interest;
- (4) The Mortgage Loan is evidenced by a promissory note and a deed of trust which has been properly recorded with the appropriate public official;
- (5) The deed of trust given to secure the Mortgage Loan constitutes a valid first lien on the real property described in the deed of trust subject only to real property taxes not yet due, installments of assessments not yet due, and easements and restrictions of record which do not adversely affect, to a material degree, the use or value of the real property or improvements thereon;
- (6) The Mortgage Loan, when made, was lawful under state law and/or federal law, whichever governs the affairs of O.A. and would be lawful on the date of purchase by THDA if made by O.A. on that date in the amount of the then unpaid principal balance;
- (7) None of the persons to whom the Mortgage Loan was made are in default in the payment of any installment of principal or interest, escrow funds, real property taxes or otherwise in the performance of their obligations under the promissory note or deed of trust given to evidence and secure the Mortgage Loan and have not, to the knowledge of O.A., been in default in the performance of any such obligation for a period of longer than sixty (60) days during the life of the Mortgage Loan; and
- (8) Improvements to the real property described in the deed of trust securing the Mortgage Loan are covered by valid and subsisting policy of insurance issued by a company authorized to issue such policies in the state of Tennessee and providing fire and extended coverage to an amount not less than ninety percent (90%) of the insurable value of the improvements to the real property.
- (9) Once THDA wires funds in accordance with the instructions supplied by O.A. with each Request for Loan Purchase, the promissory note, deed of trust and related documents evidencing the Mortgage Loan will not be subject to any security interest granted to any other party whatsoever.

O.A. acknowledges that it shall be liable to THDA for any damages suffered by THDA by reason of the untruth of any representation or the breach of any warranty set forth above and, in the event that any representation shall prove to be untrue when made or in the event of any breach of warranty, O.A. shall, at the option of THDA, repurchase the Mortgage Loan for the original purchase price adjusted for amounts subsequently paid thereon, as THDA may determine.