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**ORIGINATING AGENTS GUIDE
REVISION 139**

October 9, 2018

Remove and discard:

Replace with enclosed:

Page 44 (Revised 02/21/2018)	Page 44 (Revised 10/09/2018)
Page 48 (Revised 07/28/2017)	Page 48 (Revised 10/09/2018)
Page 49-b (<i>NEW</i>)	Page 49-b (Revised 10/09/2018)
Page 50 (Revised 02/21/2018)	Page 50 (Revised 10/09/2018)

EFFECT OF CHANGE

Effective November 1, 2018, THDA will continue to pay a Service Release Premium (SRP) of 100 bps of the loan amount on timely closed loan submissions. All closed loan packages must be received and purchased by THDA prior to the first payment due date and meet the delivery deadlines described in Section 8.2 of the OA Guide.

Within 10 calendar days of closing, THDA must receive

- the THDA Closed Loan Transmittal
- the original notes
- all other required initial submission documentation listed on the closing checklist

Within 120 days of closing, THDA must receive all necessary documentation listed below

- the recorded Deed of Trust
- Title Insurance Policy
- final inspections
- insuring/guarantee certificate

The only original document THDA needs to receive is the original note, all other documentation can be uploaded to the THDA portal, THELMA. All loans currently with outstanding conditions are subject to the above schedule.

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.

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.

An Originating Agent who fails to repurchase loans upon demand may be suspended from submitting new loan applications to THDA, and THDA may pursue other remedies as specified in the Working Agreement.

B. Repurchase Price

The amount necessary to repurchase a loan is:

1. The sum of the outstanding principal and interest on the Great Choice loan and the Great Choice Plus loan, if applicable.
2. Monthly escrow adjustment.

In addition, if the Originating Agent is not the THDA Servicer, the repurchase price may include reimbursement of the Service Release Fee to the THDA Servicer and a repurchase fee.

C. Repurchase Procedure

In the event THDA demands repurchase of a loan, the following procedures all apply:

1. The THDA Servicer will provide instructions for obtaining the repurchase price by a certain deadline.
2. The Originating Agent must prepare an Assignment from THDA to the Originating Agent and submit it to the THDA Servicer, who will forward the Assignment to THDA for execution.
3. The Originating Agent must wire the required repurchase price to the THDA Servicer according to instructions provided by the THDA Servicer.
4. Upon receipt of the repurchase price, THDA will sign and notarize the Assignment and return it to the Originating Agent with the loan file.
5. After repurchase, THDA will reimburse Originating Agent for all principal and interest received by THDA after the repurchase date.

Loans declared ineligible for purchase by THDA, and loans repurchased from THDA, are not eligible for subsequent purchase by THDA.

8.6 SERVICING PROCEDURES

All loans shall be sold servicing-released to THDA dba Volunteer Mortgage Loan Servicing (VMLS). The lender may not perform any interim servicing. The lender shall sell the loan servicing-released to THDA immediately following closing as specified elsewhere in the Guide.

A. Service Release Premium

THDA will pay a Service Release Premium (SRP) in an amount equal to 1% of the loan amount. Closed loan packages must be received and purchased prior to the first payment due date and meet the delivery deadline described in Section 8.2 of the OA Guide. THDA will withhold the SRP amount from the purchase price of the loan. THDA will pay the SRP for a loan once all documents as described in section 7 of the O. A. Guide are received from the lender for that loan. The THDA prepared SRP report will be emailed to the lender each week to the most recent email address THDA has in its files for each lender. THDA will wire the SRP each week to the lender using the most recent wiring instructions THDA has in its files for each lender. It is the lender's obligation to ensure that email addresses and wiring instructions are accurate and up to date.

F. Payments Received After Purchase

In the event the Originating Agent receives a mortgage payment **AFTER** THDA purchases the loan, the payment is to be sent to VMLS immediately.

1. Email payments@vol servicing.com indicating the amount received, the date received, and method for transferring the payment in full to VMLS.
2. Payment can be mailed to the VMLS Physical Address
Volunteer Mortgage Loan Servicing
404 James Robertson Pkwy, Ste 1450
Nashville, TN 37219-1536
3. Or, payment can be wired with a confirmation email sent to payments@vol servicing.com.

G. Payments Received Prior to Purchase

If a payment is received **PRIOR** to THDA Purchase, the Originating Agent is to notify VMLS immediately but retain the payment until THDA purchases the loan.

Email payments@vol servicing.com indicating the amount received and the date received.

H. Service Transfer After First Payment Due Date

In the event the first payment becomes due prior to THDA purchasing the loan, the Originating Agent is responsible for all servicing activities up to the THDA Purchase date and subsequent Service Transfer Effective Date.

1. Collect timely payment from the borrower(s); proof of current due date will be required prior to THDA Purchase
2. Disburse timely PMI/MIP payments to loan Insurer or Guarantor
3. Disburse additional Hazard Insurance, Flood Insurance, or Tax payments that come due prior to the THDA Purchase date
4. Complete required Insurer or Guarantor monthly reporting, if applicable
5. Send a new Goodbye Letter meeting all RESPA requirements and coordinate the Service Transfer effective date with VMLS
6. Immediately following the effective Service Transfer date, Originating Agent is to send the following to VMLS
 - a. Loan History indicating due date, payments received, principal curtailments, suspense balance, escrow disbursements, and escrow balance at transfer
 - b. All payments collected; disbursed escrow may be netted from funds transferred to VMLS
 - c. Copy of notices sent to borrower(s) including Goodbye Letter
 - d. Complete MERS TOB/TOS, if loan is active in MERS

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 (02/18)
- 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.