

**New Hampshire Housing Finance Authority  
Homeownership Division  
Loan Delivery and Purchase Policy  
Effective January 1, 2015**

The following policy presents an overview of the process participating lenders shall follow when delivering loans that will be sold to New Hampshire Housing under an existing Mortgage Loan Purchase Agreement between New Hampshire Housing and a Participating Lender (the Agreement). This policy constitutes a Program Guideline under the Agreement. For additional information, Participating Lenders should consult the Agreement.

**1. Definitions**

Capitalized terms are defined in the Agreement.

**2. Home *Flex* Plus Loans**

There are very specific FHA guidelines that Participating Lenders must follow to use New Hampshire Housing cash assistance with Home *Flex* Plus. See FHA Mortgagee Letter 2013-14; New Hampshire Housing's June 19, 2013 Lender Notice. If the required procedures and documents are not utilized, FHA may not insure the loan and New Hampshire Housing may not buy the loan.

**3. Closing**

The Participating Lender will close the loan in their name and with their funds, except as noted earlier, the Home Flex Plus cash assistance must be sent by New Hampshire Housing before closing. The homeowner's insurance binder shall name the Participating Lender. The Participating Lender shall provide the borrower with a first-payment letter that shall instruct the borrower to pay the Participating Lender.

**4. Loan Delivery by Participating Lender**

The Participating Lender shall deliver the closed loan to New Hampshire Housing in accordance with the Agreement and with all of the documents listed on the loan stacking sheet for the specific type of loan. Lender shall close the loan reservation in Lender Online.

**5. Compliance Review by New Hampshire Housing**

New Hampshire Housing will review: (i) the credit documents for compliance with AUS findings and the Program Guidelines; and (ii) the legal documents for compliance with the Program Guidelines and to ensure documents are correctly completed and executed. New Hampshire Housing shall then notify the Participating Lender about the loan's Purchase, suspension or rejection via Lender Online.

## **6. Purchase**

Once the loan is approved by New Hampshire Housing staff for Purchase, New Hampshire Housing shall email the Participating Lender a pre-purchase advice, listing the amounts due to lender. The pre-purchase advice will show an adjustment for the first payment if the loan will be purchased within 15 days of the first payment being due. The Participating Lender shall then review, verify and send New Hampshire Housing an email either approving the amounts stated in the pre-purchase advice or advising New Hampshire Housing of any discrepancies. Once the Participating Lender has approved the pre-purchase advice, New Hampshire Housing shall email the final purchase advice to the Participating Lender. Note: The purchase advice merely addresses the amounts related to the loan; it does not address whether the loan complies with the Program Guidelines.

Lenders will be responsible to pay taxes and or insurance if due date is on or before first payment date.

## **7. Post Purchase**

Upon notification of Purchase, the Participating Lender shall:

Send the borrower a transfer of servicing letter (aka “goodbye letter”);

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- Record the Assignment of Mortgage at the registry of deeds, with New Hampshire Housing as the addressee for the assignment once recorded;
- Activate Private Mortgage Insurance certificate (if applicable).
- Notify the following providers servicing has been transferred:
  - Hazard Insurance;
  - Flood Insurance;
  - PMI Company; and
  - Flood Determination company;
- Forward to New Hampshire Housing any missing Mortgage Documents; and
- Notify FHA/RD/VA of servicing transfer as applicable.

Upon Purchase, New Hampshire Housing shall send the borrower a transfer of servicing letter (aka a “welcome letter”).

## **8. Amendments**

New Hampshire Housing may amend this policy by providing Participating Lenders with written notice of the change and the effective date of such change. The amended policy shall then be posted on New Hampshire Housing’s website.