



LENDER NOTICE Trailing Documents Policy

July 10, 2020

Introduction

This lender notice relates to New Hampshire Housing's new policy on trailing documents, meaning documents that are provided to New Hampshire Housing following New Hampshire Housing's purchase of a loan. See our [Trailing Documents Policy](#) for more information.

As the policy states:

Lenders shall timely submit all Correct Documents that are required by the applicable stacking list. Failure to provide timely Correct Documents creates significant challenges and financial impacts. This policy aims to provide lenders with a reasonable opportunity to submit Correct Documents. However, if a lender does not comply, this policy creates penalties to motivate performance and to compensate New Hampshire Housing when it takes steps to address a lender's nonperformance.

Overview

This policy:

- Sets strict deadlines for submitting Correct Documents;
- Improves reporting of missing documents to help lenders and New Hampshire Housing better manage the document process;
- Imposes a \$150 per document penalty for untimely trailing documents;
- Enables New Hampshire Housing to charge lenders for costs incurred when New Hampshire Housing obtains missing documents; and
- Requires lenders to provide staff and management contacts.

As with all Program Guidelines, New Hampshire Housing may update this policy with notice to lenders.

Effective Date

Lenders are **currently** obligated by the Mortgage Loan Purchase Agreement to timely (within 60 days) provide the documents required by New Hampshire Housing, including documents required by the secondary market. Nothing in this new policy relieves lenders from their existing obligations.

NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

32 Constitution Drive, Bedford, NH 03110
Mail: PO Box 5087, Manchester, NH 03108

603.472.8623
NHHFA.org



The policy does add new deadlines and a penalty for untimely submission of documents. Please read the policy for the effective dates.

The key is that for loans that are well past the 60-day deadline (loans purchased by New Hampshire Housing before June 1), lenders should provide those documents as soon as possible because lenders will have to pay \$150 per document. Those loans will be subject to the penalty of \$150 per document if those documents are not provided by August 31.

Please, we want the documents, not the penalties!

Training

We have scheduled two live training on the following dates. To register, please click the applicable date.

| DATE | TIME | LINK |
|--------------------|----------------|-------------------------------|
| Monday, July 20 | 4:00–5:00 PM | Register here |
| Wednesday, July 22 | 10:00–11:00 AM | Register here |

The training will also be posted online. If a lender wants training, please contact Andrew Cadorette at 603-310-9287 or acadorette@nhhfa.org.

If you have any questions, please contact Ignatius MacLellan at 603.310.9270 or imaclellan@nhhfa.org.

Sincerely,

Homeownership Team
New Hampshire Housing