

NC Housing Finance Agency Closed Loan Process

Understanding What to Do After Loan Closing

A Simple Overview to Start

ServiSolutions (a
department of
Alabama Housing) is
our “Master Servicer”



NCHFA – We Approve
the Loans PRIOR to
Closing for Compliance
with IRS/HUD
Requirements

Who Does What?

Lender Closes
Loan AFTER
NCHFA Approval
(Never Before)

Once file is
received, NCHFA
reviews CD,
Affidavits, General
Warranty Deed,
and Note/Deed

Once both have
“cleared” all
conditions, file
goes to Purchase
by ServiSolutions


Within 10 days or
sooner after
closing, Lender
electronically
uploads copy of
closed loan file to
BOTH NCHFA and
ServiSolutions

At same time,
Servi reviews
much larger closed
loan file for
compliance with
GSE rules/etc.

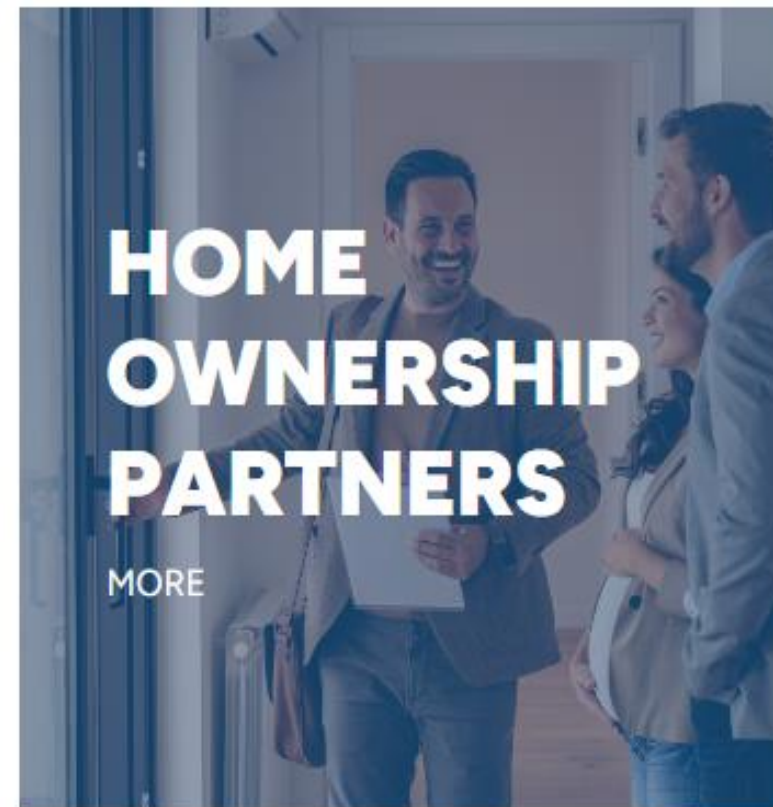
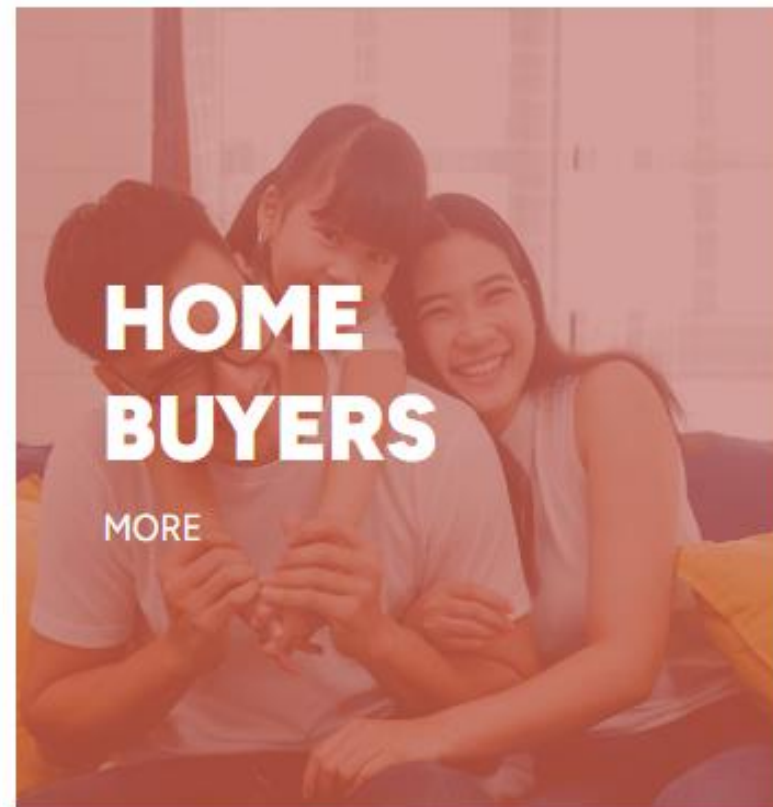
*More Details on Entire Process
in Following Slides*

www.nchfa.com



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Hover over Home Ownership Partners
and click on Lenders



- ➔ Mortgage Product Options
- ➔ Become a Participating Lender
- ➔ Train with Us
- ➔ Participating Lenders
- ➔ Lender Awards
- ➔ Income Limits
- ➔ Loan Submission Process
- ➔ Forms and Resources
- ➔ Interest Rates
- ➔ Marketing Resources

Lenders

The North Carolina Housing Finance Agency works with participating lenders throughout the state to provide affordable mortgage options for first-time and move-up buyers. Our products can help you increase your loan volume and make a difference in your community. We offer all the resources you need, including training and marketing materials, to help you get started. Learn more about [our mortgage products](#) and [apply to become a participating lender](#). If you're already a partner, you can manage your loans through our [Online Lender Services \(OLS\)](#) system.

Recent News

NC Housing Finance Agency Approves Funding for Supportive Housing Developments in Henderson and Roxboro
February 6, 2024

NC Housing Finance Agency Awards \$8.8 Million for Urgent Home Repairs
February 5, 2024

From this page, you can also go directly to Online Lender Services as well as access all Closing Forms

Document Submission Matrix
Checklist Reminder for NCHFA Programs

	NC Home Advantage	\$15,000 DPA ("Bond" Program)
Required Documents	No DPA & 3% DPA	\$15,000 DPA Program
Lender Provided Documents Needed - <u>BEFORE</u> Closing:		
1003 (loan amounts must match AUS Findings)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
URAR – Appraisal – All Pages (color, PDF)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Form 08 Underwriter Certification		<input checked="" type="checkbox"/>
AUS Findings (must match 1003 data/loan amounts)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Loan Estimate (1 st Mortgage; loan amounts must match 1003)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Loan Estimate for DPA 2 nd (use LE generated from your LOS system)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Pre-Purchase Education Certificate *if a first-time home buyer)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
YTD Paystub (dated within 45 days)		<input checked="" type="checkbox"/>
VOEs / VoRs (Rent-free borrowers)		<input checked="" type="checkbox"/>
Credit Report for All Occupying Borrowers/Mortgagors		<input checked="" type="checkbox"/>
W2s/1099s for Previous Tax Year Only		<input checked="" type="checkbox"/>
Federal Tax Transcripts or Signed Returns - Last 3 Years		<input checked="" type="checkbox"/>
NCHFA Documents Needed - <u>BEFORE</u> Closing:		
Form 013 – Seller Affidavit		<input checked="" type="checkbox"/>
Form 015 – Preliminary Notice to Applicants of Potential Recapture		<input checked="" type="checkbox"/>
Form 016 – Mortgage Affidavit and Borrower Certification		<input checked="" type="checkbox"/>
Form 026 – Notice to Borrower (if using DPA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
NCHFA Documents Required - <u>AT</u> Closing:		
Closing Disclosure (final, signed at closing)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Form 405 – DPA Deed of Trust	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Form 406 – DPA Promissory Note	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Form 101 – Borrower Closing Affidavit		<input checked="" type="checkbox"/>
Form 102 – Lender Closing Affidavit		<input checked="" type="checkbox"/>
General Warranty Deed (Recorded version)	<input checked="" type="checkbox"/> (3%)	<input checked="" type="checkbox"/>
FHA Award Letter (signed; FHA loans only)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Note: Additional forms or documentation may be needed upon full loan review.
 April 2025

Found on Forms and Resources Page
 under Misc. Forms

Forms and Resources



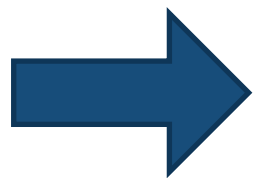
Program Guides

- [NC Home Advantage Mortgage™ Program Guide](#)
- [NC 1st Home Advantage Down Payment Program Guide](#)



Misc. Forms

- [Document Submission Matrix and Checklist](#)
- [Family Income, Documentation and Disclosure Matrix](#)
- [NC Home Advantage Mortgage™ Tip Sheet](#)
- [Recapture Tax Packet Information](#)
- [Recapture Tax Reimbursement Request Form](#)
- [Agent Certification for POAs Form](#)



NC Home Advantage Mortgage™ Closing Forms

For the [NC Home Advantage Mortgage™](#) down payment assistance, which include the 3% and the [NC 1st Home Advantage Down Payment](#) options, use the following forms (to be serviced by ServiSolutions):

- [405 DPA Deed of Trust](#)
- [406 DPA Promissory Note](#)

Forms and Resources



Closing Forms

- 100 Closing Package Checklist
- 101 Borrower Closing Affidavit
- 102 Lender Closing Affidavit
- 103 Recertification of Income * (Only if pay stub is more than 120 days old)
- 107 Recapture Tax Closing Packet

You can also pull pre-filled forms from
On-Line Lender Services for loans
registered/locked with NCHFA

Form 100 Used Only for loans with MCC



MCC Closing Package Checklist – Form 100 (Electronic Submission of MCC Fee and Affidavits)

NCHFA Loan Number: _____

Borrower(s): _____

Property Address: _____

Lender Name: _____

Lender Address: _____

Telephone #: _____ Contact Person: _____

E-mail: _____

*Use this checklist to ensure that documents are properly completed; the order of this form follows the text of each document. Submit Closing Package **ELECTRONICALLY** via the NCHFA OLS website!*

- I. ☐ **Payment of \$475 MCC fee paid by ACH only!**
Please double check bank account number is correct before hitting **Submit Button** in the OLS system, otherwise fee will be rejected (and subject to non-payment charge).

- II. ☐ **Borrower Closing Affidavit (MCC-101).** Upload this form via OLS.

- ☐ Date document is signed
☐ Signature of borrower(s)

- III. ☐ **Lender Closing Affidavit (MCC-102).** Upload this form via OLS.

- ☐ Borrower name
☐ Co-borrower name
☐ Verify Address of Property: City, Zip, County
☐ Loan amount and date of closing
☐ Date document signed
☐ Lender's name
☐ Signature _____ Title _____

- IV. ☐ **Closing Disclosure (Signed, Final) – showing \$475 MCC disclosed**

- V. ☐ **Recertification of Income (MCC-103)** if the loan closed more than 120 days after the date of the latest pay stub.

Note: NCHFA will mail the official Mortgage Credit Certificate (MCC) document to customer upon payment and e-mail a copy to lender for your records.

Form – 101
Borrower/Co-Borrower Closing Affidavit

I, the undersigned, as part of my application for a Mortgage Loan and/or Mortgage Credit Certificate (MCC) through the North Carolina Housing Finance Agency (NCHFA), and as a material inducement to the Participating Lender ("Lender") and NCHFA to offer a Mortgage Loan product or issue an MCC to the undersigned, in connection with the purchase of a single-family property ("Residence"), and to verify conformity with state and federal requirements, state the following:

1. I have reviewed and signed *Mortgage Affidavit and Borrower Certification* (Form - 016) executed as part of my application for a Mortgage Loan or MCC and declare there have been no changes in the statements therein and the statements remain true and accurate, except as noted below. *(If no changes noted below, I agree everything remains the same.)* _____

2. I further state that I have not had an interest in a principal residence within three (3) years prior to the date of loan closing. For this purpose, a principal residence includes a single-family residence; condominium stock held by a tenant stockholder in a housing corporation; or any manufactured home (including a mobile home). Prior ownership interest in a manufactured home which is not permanently fixed to a foundation and was not taxed as real estate is acceptable. I am exempt from the first-time homebuyer requirement if my home is located in a Targeted area or I qualify for the one-time veteran's exception as set forth in Section 416 of the Tax Relief and Health Care Act of 2006.

3. I acknowledge that the Seller has certified to me that the sales price of the residence is no higher than it would be without the use of an MCC or Mortgage Loan (including down payment assistance (DPA)) provided through NCHFA.

4. I have received from the Lender and signed the "Notice to Mortgagors of Potential Recapture of Federal Subsidy" (Form - 015). I understand that if my home is disposed of within the next nine (9) years, the maximum recapture tax payable, if any, is the lesser of 6.25% of the 1st mortgage loan amount, or 50% of the gain on the sale.

5. I acknowledge that if I fail to occupy the property described in the mortgage as a principal residence within 60 days after closing, or do not continue to occupy property as a principal residence, without prior written consent of NCHFA, that all sums secured by the Residence may be declared immediately due and payable and/or the MCC may be revoked.

6. I acknowledge that I have not relied on NCHFA or the Lender in determining the potential tax benefits of the MCC. I understand that the MCC offers no state personal income tax credit and may not always provide a tax benefit to me in any given year.

7. I acknowledge and understand that this affidavit is being made under penalties of perjury and will be relied on for purposes of determining my eligibility for a Mortgage Loan or MCC. **Fraudulent Statements** - Any fraudulent statement will result in (i) the revocation of my Mortgage Loan and/or MCC, and (ii) a \$10,000 penalty under Section 6709 of the Internal Revenue Code. **Material Misstatements due to Negligence** - Any material misstatement due to negligence on my part will result in a monetary penalty under Section 6709(a) of the Internal Revenue Code. **Other Remedies** - In addition, any material misstatement due to negligence or misstatement due to fraud that is discovered before the issuance of an MCC or funding of the Mortgage Loan will result in denial of my application for an MCC or Mortgage. If an MCC has been issued prior to the discovery of a fraudulent statement, then any MCC issued will automatically become null and void without any need for further action by NCHFA. If a Mortgage provided under an NCHFA program has been funded prior to the discovery of a fraudulent statement, the fraudulent misstatement will constitute an event of default and will entitle the holder of the Mortgage to accelerate the Note and, among other remedies, to institute foreclosure.

Date

Signature of Borrower/Mortgagor

Print Name

Date

Signature of Co-Borrower/Mortgagor

Print Name

Form
101
Borrower
Closing
Affidavit

Lender Closing Affidavit – Form 102

I, the undersigned state the following: Lender has accepted and reviewed the Mortgage Loan and/or Mortgage Credit Certificate (MCC) application for:

Borrower _____

Co-Borrower _____

Property Address _____

City _____ Zip _____ County _____

1. The Lender has closed a 1st lien mortgage loan in the amount of \$ _____ on this day _____ (date of actual loan closing).
2. The Lender has received the signed Borrower Closing Affidavit (Form-101).
3. The Lender has received and examined true, complete, signed copies of the Borrower's federal income tax returns for the three (3) year period prior to loan closing, or such other verification as is acceptable to NCHFA. Said tax returns or other verifications have been submitted previously. This is not applicable if the Residence is located in a Targeted area.
4. After reasonable investigation, the Lender hereby certifies that the borrower has not had an ownership interest in a principal residence at any time during the three (3) years prior to loan closing or the property is located in a Targeted area.
5. After reasonable investigation, the Lender is not aware of any material change in the circumstances on which it relied in executing Mortgage Affidavit and Borrower Certification (Form-016). All statements contained in the Mortgage Affidavit and Borrower Certification remain valid and true except as noted below. (If no changes noted below, I agree everything remains the same.)

The Lender certifies that the above changed circumstances do not affect the Borrower's eligibility.
6. Based on reasonable investigation, neither the Lender, the Borrower, nor the Seller of the Residence has made any negligent or fraudulent material misstatements in connection with the Borrower's application for a Mortgage Loan and/or MCC.
7. The Lender agrees that it will immediately notify NCHFA of all information which it may receive during the term of the Mortgage which indicates that the Borrower may have made a misrepresentation in applying for a Mortgage Loan, or that may affect the Borrower's continued eligibility for a MCC.
8. The Lender has completed and submitted to NCHFA via the Online Lender Services (OLS) system or Reservation Request Form (Form-010) which the Lender certifies is correct to the best of its knowledge.
9. The Lender has advised the Borrower to consult a tax accountant or to calculate federal tax consequences as a result of participation in the MCC program and not to rely solely on any statements made by the Lender or NCHFA.
10. The lender has not directly or indirectly attempted to prohibit the Borrower from seeking financing from any other lender, nor attempted to require the Borrower to seek financing from a specific lender.
11. The Lender has charged the Borrower only those reasonable and customary fees for processing of the loan as would be charged to a borrower applying for financing not otherwise charged in connection with Mortgage Loan and/or MCC.
12. I acknowledge and understand that this affidavit is being made under penalties of perjury and will be relied on for purposes of determining the Borrower's eligibility for a Mortgage Loan and/or MCC. **Fraudulent Statements** - Any fraudulent statement will result in (i) the revocation of an MCC, and (ii) a \$10,000 penalty under Section 6709 of the Internal Revenue Code. **Material Misstatements due to Negligence** - Any material misstatement due to negligence on my part will result in a monetary penalty under Section 6709(a) of the Internal Revenue Code. **Other Remedies** - In addition, any material misstatement due to negligence or misstatement due to fraud that is discovered before the issuance of a MCC and/or Mortgage Loan will result in denial of the application. If a MCC has been issued prior to the discovery of a fraudulent statement, then any MCC issued will automatically become null and void without any need for further action by NCHFA.

Date: _____

Name of Lender Representative: _____

Signed By: _____
(e-signature with verification or ink signature)

Title of Lender Representative: _____

Form 102 Lender Closing Affidavit

Only
needed if
paystub
is more
than 120
days old



Recertification of Income

Borrower Name: _____ NCHFA Loan Number: _____

The Borrower and Lender acknowledge that more than 120 days have elapsed since the date of the latest verification of year-to-date income as reflected on the pay stub, payroll ledger or other documents. The Borrower and Lender understand that the household income must be verified with an updated pay stub or payroll ledger to ensure compliance with the NC Home Advantage or Mortgage Credit Certificate (MCC) Program limits during the 120-day period immediately preceding the date of the mortgage closing.

The Borrower and Lender hereby certify that the Borrower's household income, including other income, on the date written below, is within the limits of the Mortgage Loan or Mortgage Credit Certificate Program \$ _____ income limit.

I acknowledge and understand that this affidavit is being made under penalties of perjury and will be relied on for purposes of determining my eligibility for a Mortgage Loan or MCC. **Fraudulent Statements** - Any fraudulent statement will result in (i) the revocation of my Mortgage Loan or MCC, and (ii) a \$10,000 penalty under Section 6709 of the Internal Revenue Code. **Material Misstatements due to Negligence** - Any material misstatement due to negligence on my part will result in a monetary penalty under Section 6709 of the Internal Revenue Code. **Other Remedies** - In addition, any material misstatement due to negligence or misstatement due to fraud that is discovered before the issuance of a MCC or funding of a Mortgage Loan will result in denial of my application for a MCC or Mortgage Loan. If a MCC has been issued prior to the discovery of a fraudulent statement, then any MCC issued will automatically become null and void without any need for further action by NCHFA. If a Mortgage Loan has been funded prior to the discovery of a fraudulent statement, the fraudulent misstatement will constitute an event of default and will entitle the holder of the Mortgage to accelerate the Note and to institute foreclosure.

Signature of Borrower _____ Date: _____

Signature of Co-Borrower/Co-Occupant _____ Date: _____

I acknowledge and understand that this affidavit is being made under penalties of perjury and will be relied on for purposes of determining the Borrower's eligibility for a Mortgage Loan or MCC. **Fraudulent Statements** - Any fraudulent statement will result in (i) the revocation of my Mortgage Loan or MCC, and (ii) a \$10,000 penalty under Section 6709 of the Internal Revenue Code. **Material Misstatements due to Negligence** - Any material misstatement due to negligence on my part will result in a monetary penalty under Section 6709(a) of the Internal Revenue Code. **Other Remedies** - In addition, any material misstatement due to negligence or misstatement due to fraud that is discovered before the issuance of a MCC or funding of a Mortgage Loan will result in denial of my application for a MCC or Mortgage Loan. If a MCC has been issued prior to the discovery of a fraudulent statement, then any MCC issued will automatically become null and void without any need for further action by NCHFA. If a Mortgage Loan has been funded prior to the discovery of a fraudulent statement, the fraudulent misstatement will constitute an event of default and will entitle the holder of the Mortgage to accelerate the Note and to institute foreclosure.

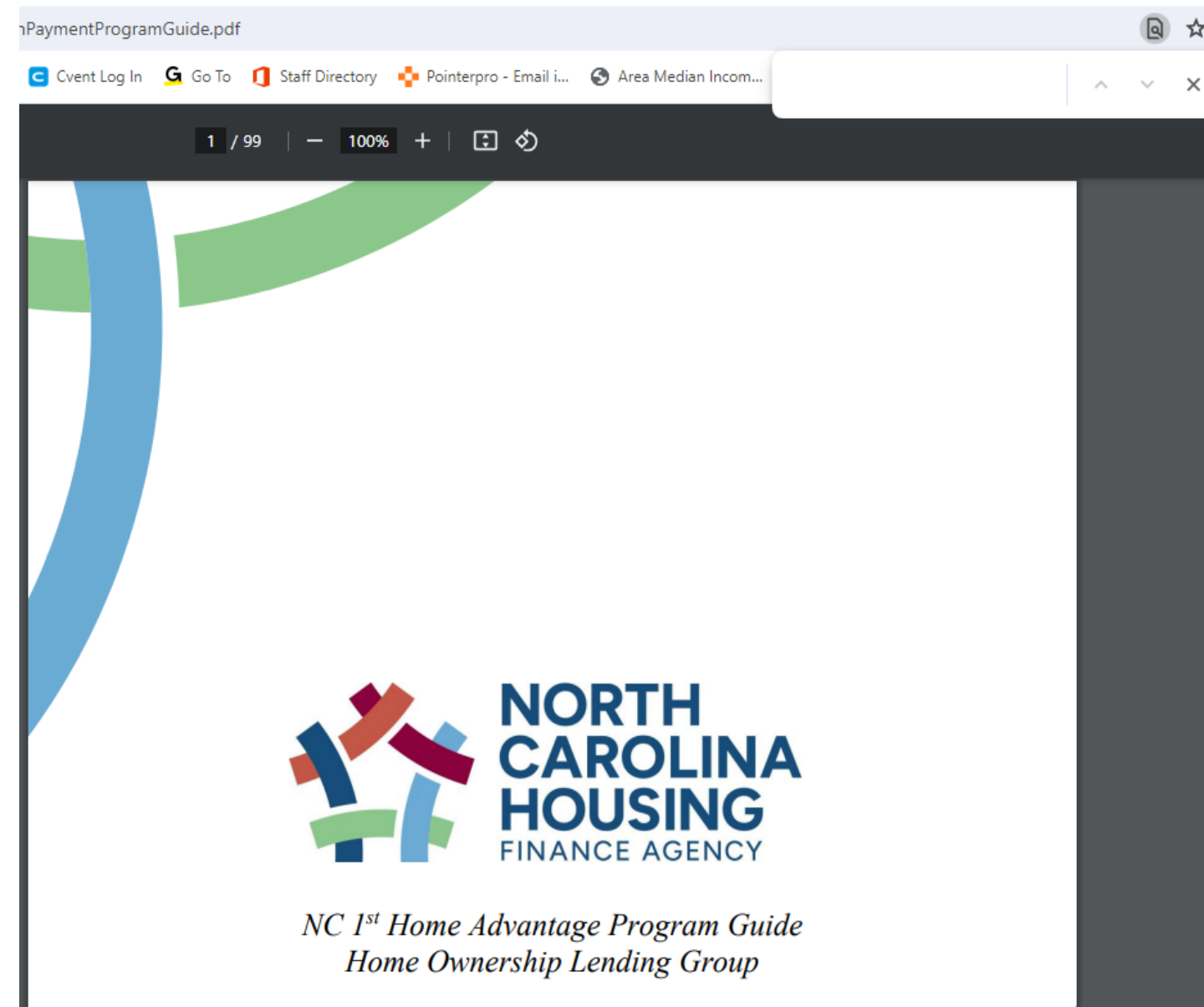
Date _____ Lender _____

Name _____ Title _____

Accessing the Program Guides

To Search the Program Guides, simply click on the appropriate guide and click ctrl + F and a Search Bar will appear in the upper right hand corner.

Type in your Key Word and click enter and you can arrow through each section in the Guide that your key word is mentioned



Another way to search the Program Guide is to Scroll Down to the Table of Contents

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DPA Funding and Closing Overview

Who Funds the 1st and 2nd Mortgages?

- Lender wires funds for Home Advantage Mortgage 1st and 2nd to closing
- 1st mortgage closes in Lender's Name
- 2nd mortgage (DPA) closes in NCHFA's name; funded upfront by lender
- Lender is reimbursed when loan is purchased by ServiSolutions

Fee Notice Effective January 1st, 2024

- Due to the rising number of loans that are locked and approved by the Agency as one loan type and subsequently close by the lender as a different loan type, (without notification to the Agency) a fee of \$500 will be charged to the lender to help offset the cost of processing the change post-closing.
- Here are the most frequent examples as illustration:
 1. Loan is locked and approved by NCHFA as **Fannie Mae** according to the AUS and other documents submitted for approval by lender. However, without the Agency's knowledge, the loan is closed as **Freddie Mac** or vice versa.
 2. Loan is locked and approved by NCHFA as **under 80% AMI** according to the AUS and other documents submitted for approval by lender. However, without the Agency's knowledge, the loan is closed as **over 80% AMI** or vice versa. **This impacts the Agency's pricing and purchase qualification.**
- The above examples are not all inclusive. The loan **must** close according to our Conditional Commitment to be eligible for purchase. Any changes to the Commitment must be communicated to NCHFA **before closing**.

**Make sure you close the loan the
way it was approved!**

Steps for MERS® Members

- 1) Generate a MIN (Mortgage Identification Number) within your system and place the MIN on the Deed of Trust.
- 2) Use the MOM (MERS® as Original Mortgagee) Deed of Trust form.
- 3) Register the loan in your name with the MERS® System using your MERS® Org. ID as Servicer and Investor within 10 business days of closing.
- 4) Initiate Transfer of Beneficial Rights (TOB) and Transfer of Servicing Rights (TOS) or combined TOS/TOB to ServiSolutions.

Servicer	ORG ID
ServiSolutions	1002536

MERS is not needed on the 2nd since it
closes in NCHFA's name

Cash Back Limit = \$2500

- **MAXIMUM** Cash back at **closing cannot exceed \$2,500** to borrower, **regardless of the amount verified invested** in inspections, EMD, or Due Diligence. They can never get back more than they have invested.
 - This rule also covers verified gift funds. Cash back from all verified sources cannot exceed \$2,500.
- The borrower can NEVER receive DPA back at closing. Additional DPA should be used to reduce the primary mortgage loan if not needed for down payment or acceptable closing expenses.
- For a principal reduction DO NOT change the Promissory Note. Amend the CD to reflect the amount of the principal reduction.



Allowable Fees

- A separate Loan Estimate (LE) is required for the subordinate mortgage
- No attorney fee may be charged on the second mortgage (DPA)
- Max origination fee is 1% on the first mortgage
- Other fees, not paid to a 3rd party, are capped at \$1300. (shown in Section A of the LE)
- Allowable fees on the 2nd mortgage are limited to:
 - a. A Housing Counseling fee, if applicable
 - b. A recording fee (cost to record at the register of deed's office)
 - c. An application fee, if applicable (subject to max cap fees of \$1300)
- Extension Fees cannot be charged to the borrower. They are net funded when the loan is purchased by ServiSolutions.
- Tax Service Fee of \$85 and Funding Fee of \$211 are also net funded.
- Follow all industry guidelines, RESPA, TILA and CFPB requirements regarding loans.

Interest Credit and Escrow Holdbacks

Interest credit

- Allowed through the 5th day of the month

Escrow Holdbacks

- Prior approval is not required
- Acceptable repairs typically include paint, carpet, appliances, roofing and minor exterior repairs. No structural repairs are allowed.
- The lender should maintain a copy of the escrow agreement and work bid estimates.
- Repairs must be completed and escrows released prior to submittal of the closed file to ServiSolutions for purchase.
- Final inspection verifying repairs is also required prior to submittal to ServiSolutions

Hazard/Flood Insurance Requirements

Per ServiSolutions, the maximum deductible is not to exceed greater of 2.5% of the face amount of the policy or \$2,500 unless a higher amount is required by state law. Wind, hail and hurricane policies deductibles should not exceed 5% of the face amount of the policy. Lower amounts apply if loan type regulations mandate different amount. Separate coverage on the 2nd lien/DPA is recommended, but not required.

Maximum **Flood Insurance** deductible varies by loan type:

- FNMA/FHLMC - 2.5% or \$2,500 whichever is greater
- FHA/VA - \$2,500
- USDA - \$1,000

For more information refer to ServiSolutions AllRegs at www.servsol.com

Homeowner's and Flood Insurance Mortgagee Clauses

- Mortgagee Clause for Post Purchase Change Notification:

ServiSolutions a division of Alabama Housing Finance Authority
It's successors and/or assigns, as their interest may appear
PO Box 242967
Montgomery, AL 36124-2967

- Second Mortgagee for NCHFA Subordinate Loan (DPA)

North Carolina Housing Finance Agency
It's successors and/or assigns, as their interest may appear
3508 Bush Street
Raleigh, NC 27609

Power of Attorney

- The POA must be specific to the transaction and include the full property address.
- The POA must not be used to sign both the initial disclosures and the closing documents. Either the initial disclosures or the closing documents must be signed by the borrower in their original handwriting or via electronic signature, in compliance with E-sign ACT
- The POA must be dated such that it was valid at the time the loan documents were executed.
- The POA must be recorded prior to the recording of the security instrument.
- The Title Policy cannot include exceptions based on the use of a POA.
- The Person signing on behalf of borrower should sign exactly as POA dictates.
- **POA must be reviewed/approved by NCHFA PRIOR TO closing!**

Electronic Signatures

Electronic Signatures are allowed on certain Agency Forms and industry forms, subject to the following general rules:

- The e-signature must be e-sign or UETA compliant
- NCHFA does not accept documents that have been signed solely via voice or audio
- The electronic signature and date should be clearly visible on any and all documents when viewed electronically and on a paper copy of an e-signed third-party document
- For borrowers that are entities, the signatory must be a representative who is duly authorized in writing to bind the entity and evidence of such written authority must be maintained by the lender
- Lenders are not permitted to have borrowers sign documents in blank or with incomplete documents
- E-signatures and the accompanying dates must be clearly visible of all e-signed documents
- **E-signatures are NOT Permitted on promissory notes, deeds of trust, mortgages, documents that require notarization or witnesses, or transactions utilizing a power of attorney**
- E-signatures must meet all state and federal laws and regulations

Interim Servicing

- Lenders must have the in-house capability and legal authority to provide interim servicing and accept payments of closed loans until the loan is formally purchased by ServiSolutions.
- Bi-weekly payments are not allowed.

Loan Approvals – Clear to Close

Prior to Closing, you must have the following:

- ❖ NCHFA's Home Advantage Mortgage™ Commitment form (all loan types)
 - ❖ **FHA Loans will also receive a FHA Award letter**
- ❖ If MCC used - separate Conditional Commitment form (all loan types)
- ❖ Loans Closed before NCHFA Approval **will not** be purchased by the master servicer

Sample FHA Conditional Commitment



North Carolina Housing Finance Agency
3508 Bush Street
Raleigh, NC 27609
(919) 877-5700

NC Home Advantage Mortgage™ Mortgage Revenue Bond Commitment May 24, 2024

This Commitment is issued by the North Carolina Housing Finance Agency (NCHFA) based on information furnished by the borrower(s) to the lender and certified as true by the lender under the NC Home Advantage Mortgage program.

Lender:	Property Address:	
Loan #:	Loan Type:	FHA
Borrower Name(s):		
Co-Owner Name(s):		
1st Mortgage Amount	\$202,268	
Interest Rate on 1st Mortgage	7.000% Fixed	
Term of 1st Mortgage	30 Years	
Subordinate Mortgage Amount:	\$15,000 NC 1st Home Advantage Down Payment	
Subordinate Mortgage Loan Terms:	15 years (deferred, forgiven at 20% per year at the end of years 11-15)	

This Commitment is contingent upon ServiSolutions' receipt of the final Closing Disclosure and AUS Findings which should match the terms and conditions shown above. The loan amount(s), interest rate(s), term(s), and loan type must match exactly as shown on this Commitment. Any change in terms must be approved by NCHFA prior to closing. DTI cannot exceed 45.00% under any circumstance.

Notice: The addition of any individuals as Titleholders not listed above on the General Warranty Deed or Deed of Trust will result in the loan becoming invalid. **If other people are added to title, this commitment becomes null and void and loan will be cancelled.**

Changed circumstances, misrepresentation of facts or misstatements by borrower(s) or lender may disqualify the borrower(s) from the NC Home Advantage Mortgage program. This Conditional Commitment is subject to the receipt and proper execution of the following documents which must be included in the closing package uploaded to OLS:

These NCHFA forms will be required at closing:

- Form-101 - signed and completed
- Form-102 - signed and completed
- Form-405 - signed and completed
- Form-406 - signed and completed
- FHA Down Payment Assistance Award Letter, signed by borrower(s)/co-borrower(s)
- Provide a copy of the recorded Free-Trader Agreement showing it was recorded before the General Warranty Deed conveying property from seller to our borrower.
Maximum cash back CANNOT exceed \$2,500 regardless of amount paid outside of closing by borrower(s).

This Commitment will expire on June 28, 2024. If the loan is not purchased by ServiSolutions by June 28, 2024, it will be subject to extension fees or mark-to-market fees as directed in the NC Home Advantage Mortgage Program Guide.

After closing, please upload the closing documents in accordance with the checklist provided by ServiSolutions detailed in the following link http://servsol.com/lenders/nchfa_documents.aspx. The closing package must be uploaded in two locations: ServiSolutions Lender Portal and as a single PDF file into the NCHFA OLS within 10 calendar days after closing for transmission to ServiSolutions. **Closed loans not cleared for purchase 71 days after closing may be denied for purchase and original documents returned to the sender.**

(Mortgage amounts are subject to IRS 9-year Recapture Tax regulations. Borrower(s) may be eligible for Recapture Tax reimbursement by NCHFA.)



HousingBuildsNC.com

Sample FHA Down Payment Assistance Award Letter



North Carolina Housing Finance Agency
3508 Bush Street
Raleigh, NC 27609
(919) 877-5700

Down Payment Assistance (DPA) Award Letter

This Letter is intended by North Carolina Housing Finance Agency to satisfy the requirements of HUD Handbook 4000.1 II.A.4.d.ii.(C) for a letter documenting an eligible Government Entity's provision of the borrower's cash to close including the required Minimum Cash Investment.

Date: Friday, May 24, 2024

Borrower Name(s):

Property Street Address:

City, State Zip Code:

Re: The Subordinate Mortgage Loan Details

Subordinate Mortgage Amount: \$15,000 NC 1st Home Advantage Down Payment
Subordinate Mortgage Loan Terms: 15 years (deferred, forgiven at 20% per year at the end of years 11-15)

Dear Sir or Madam:

This letter documents that the North Carolina Housing Finance Agency (NCHFA), a state housing finance agency and agency of the State of North Carolina (and a §115 entity under the Internal Revenue Code), has awarded down payment assistance to the Borrower(s) in the form of the above-described Subordinate Mortgage Loan under NCHFA's NC Home Advantage Mortgage program in an amount and on the terms stated above. The only relationship between NCHFA and Borrower(s) is as Lender and Borrower. **This award of down payment assistance is a loan that must be repaid by Borrower(s) according to the terms of the Subordinate Mortgage Promissory Note.**

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Farmer".

Scott Farmer
Executive Director
Authorized Officer

Accepted by Borrower: _____

Accepted by Co-Borrower(if applicable): _____

Sample FHA Obligation Letter



North Carolina Housing Finance Agency
3508 Bush Street
Raleigh, NC 27609
(919) 877-5700

Legally Enforceable Obligation Letter

For HUD Mortgagee Letter 2013-14 and HUD Handbook 4000.1 II.A.4.iii.(F)(3) Gift Letter

May 24, 2024

Re: Subordinate Mortgage Loan

Borrower Name(s):
Property Address:

Subordinate Mortgage Amount: \$15,000 NC 1st Home Advantage Down Payment
Subordinate Mortgage Loan Terms: 15 years (deferred, forgiven at 20% per year at the end of years 11-15)

Dear Sir or Madam:

The North Carolina Housing Finance Agency (NCHFA) is an agency of the State of North Carolina and is exempt from federal income taxation pursuant to §115 of the Internal Revenue Code. Therefore, the NCHFA is a §115 entity and should be treated as an "instrumentality of government" for purposes of FHA's secondary financing program. The NCHFA is also a Governmental Entity as required in Mortgagee Letter 2013-14.

The North Carolina Housing Finance Agency has, at or before closing, incurred a legally enforceable liability as a result of its agreement to provide the funds towards the borrower's required Minimum Cash Investment. Pursuant to and in accordance with the Origination and Sale Agreement by and between NCHFA, Alabama Housing Finance Authority, d/b/a ServiSolutions, as Master Servicer, and Primis Mortgage Co. dba Primis Bank, NCHFA hereby agrees to purchase the Subordinate Mortgage Loan described above which will be made by Primis Mortgage Co. dba Primis Bank (whether closing in NCHFA's name or in the name of Primis Mortgage Co. dba Primis Bank) under the NCHFA's NC Home Advantage Mortgage program. As provided for in the Mortgage Origination Agreement, the Subordinate Mortgage Loan is to be closed in the name of the North Carolina Housing Finance Agency on forms of promissory note and deed of trust provided by NCHFA for such loans. By signature on this document, NCHFA documents that it has incurred a legal obligation to fund the borrowers MRI prior to or at closing.

In accordance with the Mortgage Origination Agreement by and between NCHFA and Primis Mortgage Co. dba Primis Bank, NCHFA hereby agrees to purchase the Subordinate Mortgage Loan described above which will be made by Primis Mortgage Co. dba Primis Bank (whether closing in NCHFA's name or in the name of Primis Mortgage Co. dba Primis Bank) under the NCHFA's NC Home Advantage Mortgage program. As provided for in the Mortgage Origination Agreement, the Subordinate Mortgage Loan is to be closed in the name of the North Carolina Housing Finance Agency on forms of promissory note and deed of trust provided by NCHFA for such loans.

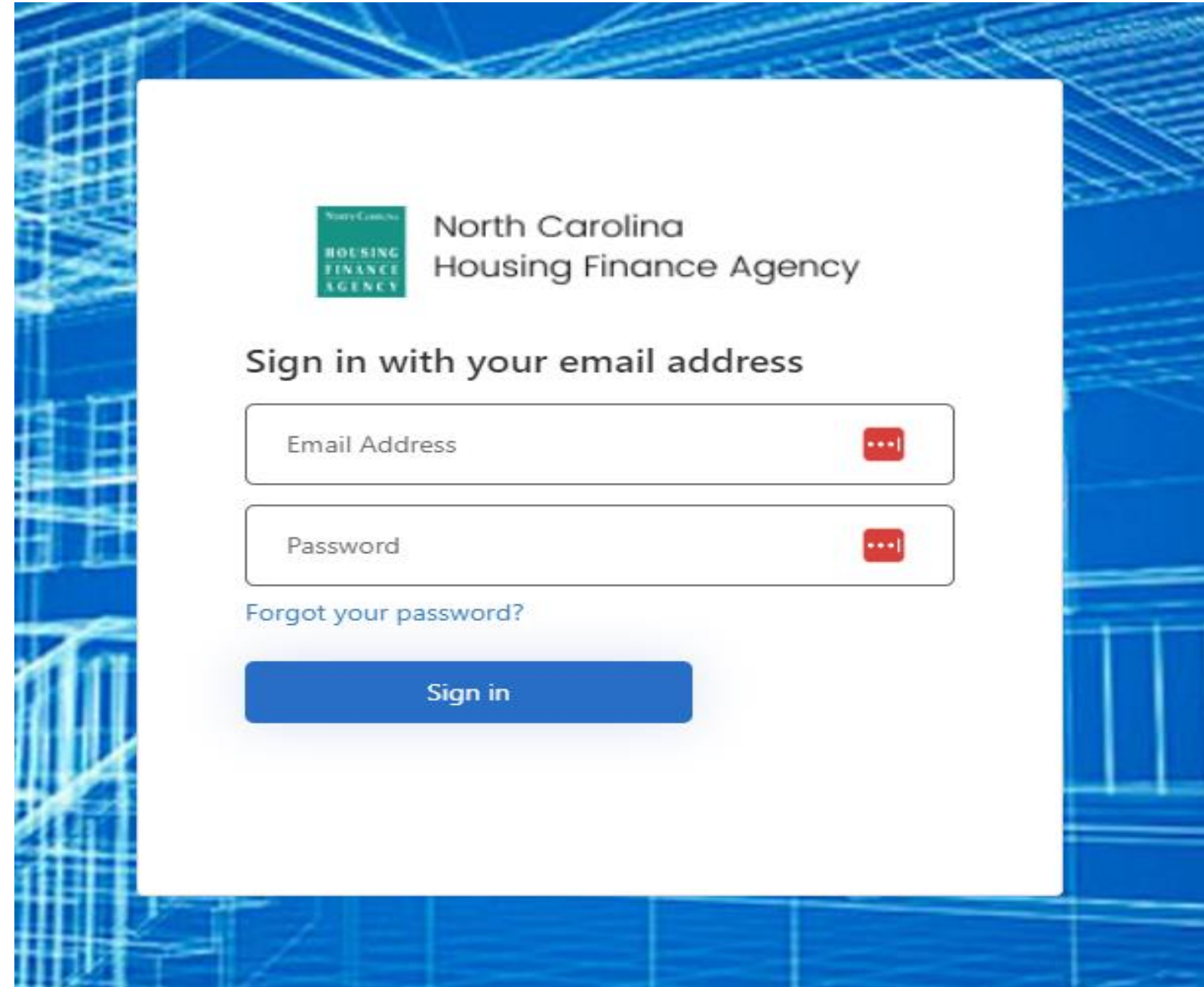
Prior to applying for FHA insurance on the associated first mortgage loan, Primis Mortgage Co. dba Primis Bank must (i) put a copy of this letter in the FHA case binder and (ii) put a copy of the Award Letter executed by the Borrower(s) (pursuant to HUD Handbook 4000.1.II.A.4.iii.(F)(3)) in the FHA case binder.

Sincerely,

Scott Farmer

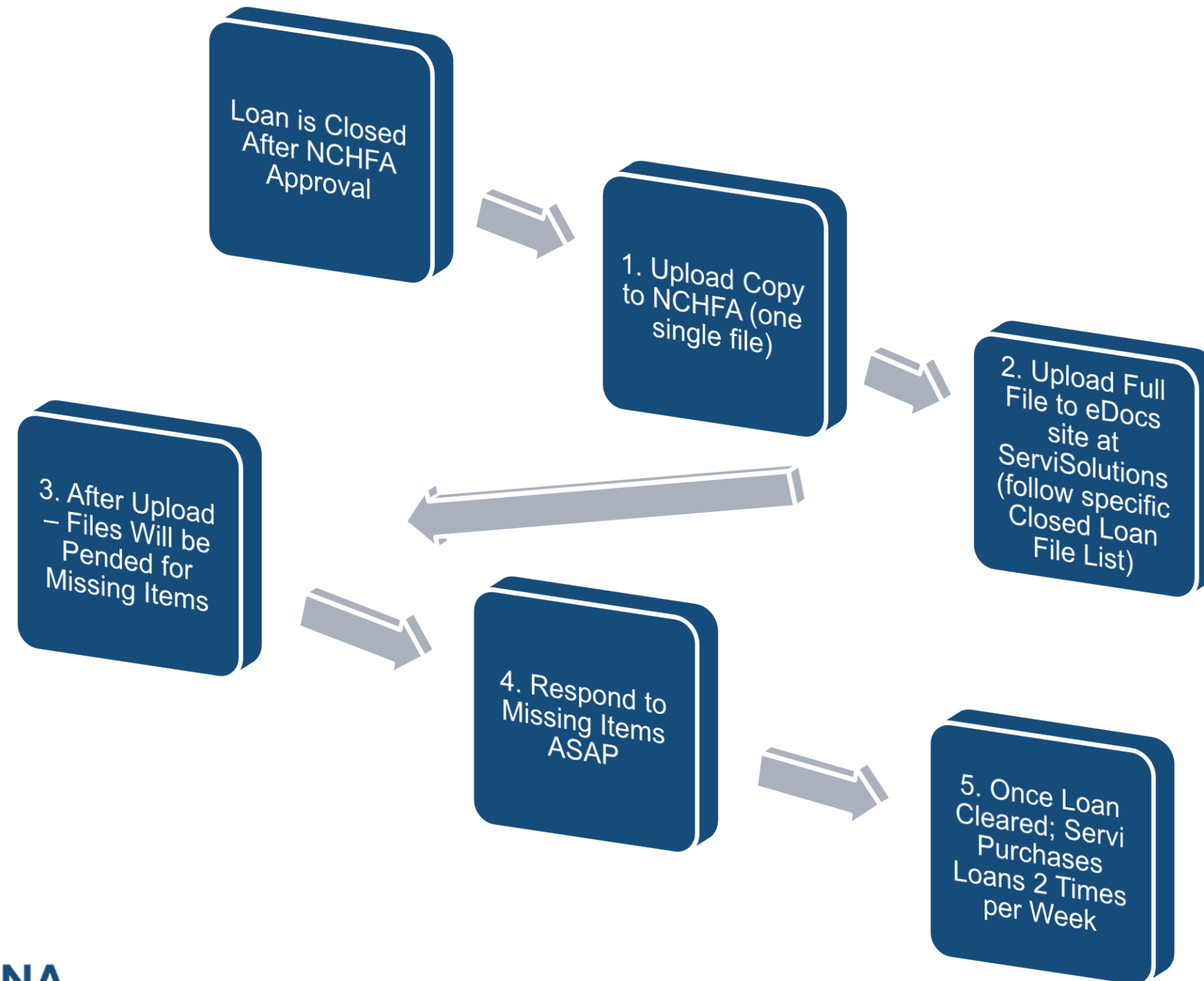
Uploading Closed Loans to NCHFA and ServiSolutions


Log In To Online Lender Services (OLS)

A screenshot of the North Carolina Housing Finance Agency's online login interface. The page has a blue background with a white grid pattern. At the top, there is a logo for the North Carolina Housing Finance Agency, which consists of a green square with the text 'North Carolina HOUSING FINANCE AGENCY' and the text 'North Carolina Housing Finance Agency' to its right. Below the logo, the text 'Sign in with your email address' is displayed. There are two input fields: 'Email Address' and 'Password', both with red eye icons to the right. Below the password field is a link that says 'Forgot your password?'. At the bottom is a blue button with the text 'Sign in'.

You must have access
credentials to access OLS

Closed Loan File Flow After Closing



 **Closing Document Submittal for Loan Number:** [Redacted]

Use this web page to attach, upload and submit the closing document to be submitted to ServiSolutions for this reservation lock in the NC Home Advantage Mortgage loan program.

Welcome: Rob [Redacted]

Please upload the documents indicated below:

Lender Closing Disclosure (CD) [Required]

No file chosen

Recorded DPA Deed of Trust (Form - 405) [Required]

No file chosen

DPA Promissory Note (Form - 406) [Required]

No file chosen

Borrower Closing Affidavit (Form - 101) [Required]

No file chosen

Lender Closing Affidavit (Form - 102) [Required]

No file chosen

Recorded General Warranty Deed [Required]

No file chosen

NCHFA Closing Package

Please upload your closing package in accordance with the instructions below:

- Please upload all closing package documents as one pdf file. Checklist of items to upload can be found here: http://servisoi.com/Content/VUDocuments/servisoi.com/docs/FINAL_NCHFA.pdf
- Note: Effective 12/15/2018 lenders must also upload a separate closing file directly to ServiSolutions (including full package below) at <https://lenders.ghfa.com/Bin/Display.exe/ShowSection>
- The closing package will not be reviewed until the complete closing files have been uploaded to BOTH ServiSolutions and NCHFA.

NC Home Advantage Mortgage Reservation Lock Summary

Loan Number [Redacted]

Reservation Date: 12/19/2023
 Expiration Date: 02/17/2024
 Reservation Period: 60 days

Loan Amount	Type	Term	Note Rate
\$164,100	Conventional	30 year	7.000% Fixed
Sub. Loan Amount \$15,000		Term of Sub. 15 year	Note Rate on Sub. 0.000%

Borrower(s): [Redacted] Name [Redacted] SSN [Redacted]
 No. in Household: 2

Property: [Redacted] Ave [Redacted]
 Charlotte, NC [Redacted]
 Mecklenburg County

Lender: [Redacted] Mortgage

Location: Charlotte, NC 28202

Contact: [Redacted]
 Entered By: [Redacted]

The above image is an example of the NC Home Ad Closing Doc Submittal

ServiSolutions

NCHFA's Master Servicer

- ALL NC Home Advantage and NC 1st Home Advantage loans will be serviced by ServiSolutions.
- ServiSolutions requires the closed loan file be uploaded through their website by 5:00 pm CST within 10 days of Closing.
- Use ServiSolutions checklist PRECISELY. Failure to adhere to the checklist will delay your loan's purchase.
- Review ServiSolutions Closed Loan File Submission Video on their website. <https://www.youtube.com/watch?v=T1WXNh0pEtw>

ServiSolutions Website

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Lenders

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Lenders

ServiSolutions is a division of the Alabama Housing Finance Authority. As ServiSolutions, AHFA acts as the master servicer for housing finance agencies (HFAs) in Arkansas, Mississippi, Missouri, and North Carolina.

Loan Delivery Turn Times

Documents must be received by 5 p.m. CT. All conditions should be uploaded into the loan file on Lender Online. To maintain the lowest possible turn time from submission to purchase, please submit all purchase suspense conditions at one time.

- Closed Loans Submitted for Purchase: 3-4 business days
- Pended for Purchase Loan Conditions: 3-4 business days

Key Contacts

- Questions about training? Contact the pertinent HFA in your state. Alabama lenders can view the training resources at <http://www.ahfa.com/lenders/training-resources>.
- Questions about uploading closed files? Contact the pertinent HFA in your state.

Stay Connected

- [Subscribe for Lender Updates](#)
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Lender Library/AllRegs

Welcome to our Lending Library.

This resource is available for:


- Lenders participating in AHFA's Single-Family programs
- Lenders in Arkansas, Mississippi, Missouri, and North Carolina whose loans are serviced by ServiSolutions
- Community banks in Alabama whose loans are serviced by ServiSolutions


Click this link https://www.allregs.com/tpl/public/al_hfa_allregs_tpl.aspx for our program manuals, loan delivery guidelines, pertinent forms and documents as well as links to our Training Resources and Lender Notices.

*** The information contained in this Lending Library does not modify, replace, or substitute information from the various Agency Selling Guides, related release notes or supplements. Information contained herein is subject to change without notice. Lenders are reminded to review Agency guidelines, applicable HFA overlays, and Servicer's guidelines, then apply the most restrictive when requirements differ.*

Click on the link for AllRegs

Choose Lender Checklists, then NC Stacking Order Checklist

**ALABAMA HOUSING
FINANCE AUTHORITY**
Come on home, Alabama.

**ServiSOLUTIONS®**
A Division of the Alabama Housing Finance Authority

Alabama Housing Finance Authority Lending Library

Search by keyword or Guideline section or mortgage type

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Refine Your Search

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CONTACT US

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Lending Library****Lender Training****Lender Notices****Lender Checklists**[Alabama Stacking Order Checklist \(02/15/24\)](#)[Arkansas Stacking Order Checklist \(02/22/24\)](#)[North Carolina Stacking Order Checklist
\(02/15/24\)](#)**Housing Finance Agency Programs****Loan Delivery and Purchase Guidelines****Single Family Operations Contact
Information**

This resource is available for:

Lenders participating in AHFA's Single-Family programs

Lenders in Arkansas, Mississippi, Missouri, and North Carolina whose loans are serviced by ServiSolutions

Community banks in Alabama whose loans are serviced by ServiSolutions

You will find program manuals, loan delivery guidelines, pertinent forms and documents as well as links to our Training Resources and Lender Notices.

The information contained in this Lending Library does not modify, replace, or substitute information from the various Agency Selling Guides, related release notes or supplements. Information contained herein is subject to change without notice. Lenders are reminded to review Agency guidelines, applicable HFA overlays, and Servicer's guidelines, then apply the most restrictive when requirements differ.Company Announcements**

No company announcements at this time

Lender Delivery Checklist

Home ALL RECENTS(6)

Alabama Housing Finance Authority Lending Library

- Lender Training
- Lender Notices
- Lender Checklists

[Alabama Stacking Order Checklist \(02/15/24\)](#)

[Arkansas Stacking Order Checklist \(02/22/24\)](#)

[North Carolina Stacking Order Checklist \(02/15/24\)](#)

Housing Finance Agency Programs

- Alabama
- Arkansas
- North Carolina

- Loan Delivery and Purchase Guidelines
- Single Family Operations Contact Information

ServiSOLUTIONS
LENDER DELIVERY CHECKLIST

Borrower Name _____

AHFA Loan Number _____

Lender _____

Upload complete loan file in checklist order to Lender Online:
<https://lenders.ahfa.com/Bin/Display.exe/ShowSection>

> **Documents Required for All NCHFA Loans**

- ☐ Payment History
- ☐ Original Note endorsed to ServiSolutions, a Department of Alabama Housing Finance Authority (provide copy of Note in closed loan file uploaded to eDocs)
- ☐ Original Down Payment Assistance Note, Form 406 and 506 if applicable (provide copy of Note in closed loan file uploaded to eDocs)
- ☐ Copy of Power of Attorney, if applicable
- ☐ Name Affidavit for all borrowers, if applicable
- ☐ MIM Summary for 1st mortgage
- ☐ Title Commitment-Short Form (FHA-12 mo. chain of title/Conv-6mo chain of title)
- ☐ Certified copy of all mortgages with legal description and applicable riders (Form 405 and 505 required for DPA mortgage)
- ☐ Master Condo Policy (HO-6 Policy and Cert of Prop Ins) with policy number- Liability Ins. not accepted as Master Policy)
- ☐ Hazard Insurance Policy (12 mo. policy period) with policy number
- ☐ Life of Loan Flood Certification
- ☐ Flood Policy and/or Wind Policy with policy numbers, if applicable
- ☐ Property Tax Certification
- ☐ First Payment Letter
- ☐ Initial Escrow Account Disclosure Statement
- ☐ Copy of initial and final Closing Disclosure for first mortgage
- ☐ Fee Details Worksheet with points/fees test results, no high-cost loans permitted
- ☐ Evidence of upfront MIP paid
- ☐ Automated Underwriter Findings, Approve/Eligible
- ☐ Appraisal with color photos
- ☐ Final Inspection with color photos if appraisal is subject to completion
- ☐ Repair Escrow Documentation, if applicable
- ☐ 1008 Transmittal Summary or HUD 92900-LT
- ☐ Initial and Final 1003 for 1st, executed by all parties
- ☐ SCIF Form for all applications signed/dated 3/1 or after
- ☐ Credit Report used for AUS Findings
- ☐ SSN for all borrowers passed data checks with OFAC or fraud reports
- ☐ Final Authorization to verify SSA (SSA-89) signed by all borrowers
- ☐ Sales Contract and all addendums
- ☐ Homebuyer Education Certification, first-time homebuyers or per AUS
- ☐ Loan Estimate for 1st and DPA mortgages/any corrective LE's
- ☐ All income documents
- ☐ All asset documents
- ☐ All other applicable credit docs
- ☐ All federal disclosures to the borrower
- ☐ All other applicable regulatory disclosures

*The entire credit package must be uploaded to ServiSolutions.

Contact Name _____

Contact Email Address _____

Contact Phone Number _____

Reference our Loan Delivery and Purchase Guidelines:
https://www.allregs.com/tpl/public/al_hfa_allregs_tpl.aspx

> **Additional Docs for FHA/CONV/USDA/VA and MFR Homes**

FHA

- ☐ Electronic Appraisal Delivery (EAD) results for FHA Connection Appraisal Logging
- ☐ Conditional Commitment DE Statement of Appraised Value (HUD Form 92800-58)
- ☐ Initial 92900A and final 92900A, required on all Govt. loans
- ☐ All Award and Obligation Letters specific to the program
- ☐ All other FHA queries, notices, and disclosures

FHA New Construction

- ☐ Certificate of Occupancy and Builder's Permit or Final Inspection with photos
- ☐ Builder's Certification/Soil Treatment and Warranties signed
- ☐ Completion of Construction signed
- ☐ Direct Endorsement to HUD/FHA signed by direct endorser

Manufactured Homes- Govt Loans Only

- ☐ Evidence from tax assessor where property is classified and taxed as real estate
- ☐ Engineers Report indicated MFR home is permanently attached to the land
- ☐ Declaration of Intent to Affix the MFR home to real property, must list model, year, and serial number-VIN, and must be executed and recorded w/ the security instrument (if applicable)
- ☐ Executed MFR Home Rider recorded with 1st mortgage

Conventional

- ☐ UCD Feedback Certificate
- ☐ PMI Certificate
- ☐ New construction docs per agency guidelines
- ☐ Loan Closing Advisor Feedback Certificate, FHLMC only
- ☐ FNMA Appraisal Findings/SSR Report/FHLMC UCDP SSR
- ☐ Loan Product Advisor (Accept/Eligible), FHLMC only
- ☐ 4506C's with AHFA's pre-filled information (available on AHFA's AllRegs page)

USDA

- ☐ Form RD 1980-19 Guaranteed Loan Closing Report or AGLS Electronic Submission Certification
- ☐ Form RD 3555-18 Conditional Commitment
- ☐ Electronic submission of funding fee
- ☐ GUS Findings, Accept/Eligible

VA

- ☐ VA 26-1820 Report and Certification of Loan Disbursement
- ☐ Evidence of NOV (termite cert and Lender NOV/warranty docs)
- ☐ VA 26-6393 Loan Analysis
- ☐ VA 26-0592 Counseling Checklist for Military Homebuyers
- ☐ Electronic submission of funding fee
- ☐ Certificate of Eligibility

HFA Specific Documents

- ☐ Borrower Rate Lock Agreement or copy of NCHFA reservation
- ☐ NC Home Advantage Mortgage Commitment Letter

Upload complete loan file in checklist order to:
<https://lenders.ahfa.com/Bin/Display.exe/ShowSection>



LENDER DELIVERY CHECKLIST

Borrower Name

AHFA Loan Number

Lender

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Contact Name

Contact Email Address

Contact Phone Number

Reference our Loan Delivery and Purchase Guidelines:
https://www.allregs.com/tpl/public/al_hfa_allregs_tpl.aspx

➤ **Documents Required for All NCHFA Loans**

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- ☐ **All asset documents**
- ☐ **All other applicable credit docs**
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- ☐ **All other applicable regulatory disclosures**

➤ Additional Docs for FHA/CONV/USDA/VA and MFR Homes

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- ☐ VA 26-0592 Counseling Checklist for Military Homebuyers
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- ☐ Certificate of Eligibility

HFA Specific Documents

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- ☐ NC Home Advantage Mortgage Commitment Letter

Alabama Housing Finance Authority Lending Library

Search by keyword or Guideline section or mortgage type

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Refine Your Search



▼ Housing Finance Agency Programs

► Alabama

► Arkansas

▼ North Carolina

[North Carolina Housing Finance Agency](#)

▼ ServiSolutions Documents for NCHFA

[Document Delivery Processes \(10/24/18\)](#)

[Final Document Transmittal \(03/28/17\)](#)

[Form 4506 C](#)

[Funding Authorization \(11/18\)](#)

[Purchase Advice Contact Form \(07/02/20\)](#)

[Quality Control Certification and
Authorization \(01/16\)](#)

[Lender Online \(AHFA\)](#)

► Loan Delivery and Purchase Guidelines

► Single Family Operations Contact Information

On the next
few slides you
will review
each of the
forms
mentioned
here

NORTH CAROLINA – DOCUMENT DELIVERY PROCESSES

1.) Reservation and Compliance

- Reserve loan via North Carolina Housing Finance Agency Online Lender Services
- Upload compliance package to North Carolina Housing Finance Agency Online Lender Services



2.) Closed Loan File

- Upload closed loan file in 1 upload to North Carolina Housing Finance Agency Online Lender Services
<https://lenders.ahfa.com/Bin/Display.exe/ShowSection>
(see ServiSolutions NCHFA Request for Funding Checklist for stacking order) <http://servsol.com/lenders/nchfa-documents>
 - A. Closing Package
 - B. Credit Application Package
 - C. Disclosures Package

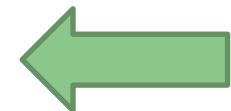


3.) Conditions

- Upload conditions to AHFA Lender Online - Request for Funding Package 3
<https://lenders.ahfa.com/Bin/Display.exe/ShowSection>
 - UPLOADED FUNDING SUSPENSE ITEMS
- Locate the email sent by ServiSolutions reviewer (with conditions attached), reply all to that email advising conditions are uploaded to eDocs

4.) Final Documents

- Mail original final documents to:
Alabama Housing Finance Authority
Attn: Final Document
7460 Halcyon Pointe Dr., Suite 200
Montgomery, AL 36117



Final Document Transmittal

Deliver to:

ServiSolutions
FHA ID #94058 / Fannie Mae ID #261330008
7460 Halcyon Pointe Drive, Suite 200
Montgomery, AL 36117

Borrower's Name(s): _____

AHFA Loan #: _____

Lender: _____

Contact Person: _____

Contact Email Address: _____

Contact Phone Number: _____

Contact Fax Number: _____

***Required Documents:**

Original Mortgage Documents

- ☐ Original Recorded 1st Mortgage ☐
- ☐ Original Recorded 2nd Mortgage-if applicable ☐

Title Policy

- ☐ Original Final Title Policy ☐

MIC/Guaranty

- ☐ USDA Loan Guaranty Certificate (lender must request guarantee within 30 days of closing) ☐
- ☐ VA Loan Note Guaranty ☐
- ☐ FHA endorsement must be able to be verified via FHA Connection within 120 days of closing ☐

MERS

- ☐ Original Recorded Intervening Assignment/MERS Assignment ☐

**Must be delivered within 120 days of loan closing.*

Revised 3/28/17

Final
Documents
must be
delivered
within 120
days of the
loan
closing

Send
this
form to
closing
for all
loans

Form 4506-C (October 2022)		Department of the Treasury - Internal Revenue Service IVES Request for Transcript of Tax Return		OMB Number 1545-1872	
Do not sign this form unless all applicable lines have been completed. Request may be rejected if the form is incomplete or illegible. For more information about Form 4506-C, visit www.irs.gov and search IVES.					
1a. Current name			2a. Spouse's current name (if joint return and transcripts are requested for both taxpayers)		
i. First name	ii. Middle initial	iii. Last name/BMF company name	i. Spouse's first name	ii. Middle initial	iii. Spouse's last name
1b. First taxpayer identification number (see instructions)			2b. Spouse's taxpayer identification number (if joint return and transcripts are requested for both taxpayers)		
1c. Previous name shown on the last return filed if different from line 1a			2c. Spouse's previous name shown on the last return filed if different from line 2a		
i. First name	ii. Middle initial	iii. Last name	i. First name	ii. Middle initial	iii. Last name
3. Current address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)					
a. Street address (including apt., room, or suite no.)			b. City	c. State	d. ZIP code
4. Previous address shown on the last return filed if different from line 3 (see instructions)					
a. Street address (including apt., room, or suite no.)			b. City	c. State	d. ZIP code
5a. IVES participant name, ID number, SOR mailbox ID, and address					
i. IVES participant name KCB Credit LLC			ii. IVES participant ID number 304088		iii. SOR mailbox ID fawcettinc
iv. Street address (including apt., room, or suite no.) 1407 N Batavia St. #201			v. City Orange	vi. State CA	vii. ZIP code 92867
5b. Customer file number (if applicable) (see instructions)			5c. Unique identifier (if applicable) (see instructions)		
5d. Client name, telephone number, and address (this field cannot be blank or not applicable (NA))					
i. Client name Alabama Housing Finance Authority				ii. Telephone number 334-244-9200	
iii. Street address (including apt., room, or suite no.) P.O. Box 242967				iv. City Montgomery	v. State AL
				vi. ZIP code 36124	
Caution: This tax transcript is being sent to the third party entered on Line 5a and/or 5d. Ensure that lines 5 through 8 are completed before signing. (see instructions)					
6. Transcript requested. Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request for line 6 transcripts					
a. Return Transcript <input type="checkbox"/> b. Account Transcript <input type="checkbox"/> c. Record of Account <input type="checkbox"/>					
7. Wage and income transcript (W-2, 1098-E, 1099-G, etc.) <input type="checkbox"/>					
a. Enter a max of three form numbers here; if no entry is made, all forms will be sent.					
b. Mark the checkbox for taxpayer(s) requesting the wage and income transcripts. If no box is checked, transcripts will be provided for all listed taxpayers					
Line 1a <input type="checkbox"/> Line 2a <input type="checkbox"/>					
8. Year or period requested. Enter the ending date of the tax year or period using the mm dd yyyy format (see instructions)					
Caution: Do not sign this form unless all applicable lines have been completed.					
Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or, if applicable, line 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, at least one spouse must sign; however, if both spouses' names and TINs are listed in lines 1a-1b and 2a-2b, both spouses must sign the request. If signed by a corporate officer, 1 percent or more shareholder, partner, managing member, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-C on behalf of the taxpayer. Note: This form must be received by IRS within 120 days of the signature date.					
<input type="checkbox"/> Signatory attests that he/she has read the above attestation clause and upon so reading declares that he/she has the authority to sign the Form 4506-C. See instructions.					
Sign Here	Signature for Line 1a (see instructions)		Date	Phone number of taxpayer on line 1a or 2a	
	<input type="checkbox"/> Form 4506-C was signed by an Authorized Representative		<input type="checkbox"/> Signatory confirms document was electronically signed		
	Print/Type name				
	Title (if line 1a above is a corporation, partnership, estate, or trust)				
	Spouse's signature (required if listed on Line 2a)			Date	
	<input type="checkbox"/> Form 4506-C was signed by an Authorized Representative		<input type="checkbox"/> Signatory confirms document was electronically signed		
Print/Type name					



WIRE FUNDING AUTHORIZATION

Affiliated HFA: ☐ ADFA ☐ AHFA ☐ MHDC ☐ MSHC ☐ NCHFA

Company Name: _____

Beneficiary

Account Name: _____

Account Number: _____

Beneficiary Bank

Bank Name: _____

Bank Routing Number: _____

Intermediary Bank Information (if applicable)

Routing Number: _____

Address: _____

Additional Information:

The undersigned lender accepts responsibility to report to ServoSolutions any financial institution changes, account number changes, lender name changes or any other vital information necessary for transfer of funds. Failure to notify ServoSolutions could result in funding delays. ServoSolutions may rely on this authorization until it receives written notice of any change.

Signature

Type Name

Title

Date

Do Not Write Below This Line — for AHFA Use Only

Date Received

Date Entered

Initials



Purchase Advice Contact Form

Lender Name: _____

Please complete the Purchase Advice Contact Form and return to purchaseadvice@ahfa.com.

- Lender may list up to three recipient emails (do **NOT** list group emails, the encryption site does not support them) below. Purchase Advices will be sent the day before every funding, between 8:00 a.m. and 5:00 p.m. CST.
- Review the Purchase Advice section of the Loan Delivery and Purchase Guidelines for more information.

Applicable HFA: ☐ ADFA ☐ AHFA ☐ NCHFA

Recipient Name:

Email Address:

_____ _____ _____

_____ _____ _____

- Lender must provide at least 2 business days' notice for Purchase Advice recipient changes. All requested recipient changes will NOT be effective for the most recent PA. With adequate notice, PA contact changes will be effective for the next scheduled funding.

***This section must be completed by the lender's management.

Signature: _____ Date of Request: _____

Printed name: _____ Title: _____

***AHFA USE ONLY

Date Approved: ____/____/____ Effective Date: ____/____/____

Signature: _____

Revised 07/02/2020



QUALITY CONTROL CERTIFICATION AND AUTHORIZATION

The undersigned certify the following:

1. I/We, the undersigned borrower(s), understand that following loan closing, my/our file may be selected by _____ (the Lender), its agent or assignee, for a QUALITY CONTROL REVIEW which is intended to insure quality service to all borrowers and to verify that the mortgage loan conforms to lending regulations, as well as investor requirements.
2. I/We understand that such a review involves a reverification of the credit and employment information previously obtained and a review of the property appraisal report. Any information obtained in the granting of the loan may be reverified with third parties such as credit reporting agencies, employers, depository institutions, etc.
3. I /We hereby agree to cooperate fully with the Lender, its agent or assignee to the extent necessary to accomplish this objective and understand that the information obtained by the Lender, its agent or assignee is to be used only for purposes of the quality control review referred to above.
4. I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both to knowingly make any false statements when applying for this mortgage. (Title 18, United States Code, Section 1014.)

AUTHORIZATION TO RELEASE INFORMATION

To Whom It May Concern:

1. As part of the application process, The Lender, its agent or assignee and the mortgage guarantee insurer may verify information contained in my/our loan application and in other documents required in connection with the loan, either before the loan is closed or as part of its quality control program.
2. I/We authorize you to provide to The Lender, its agent or assignee, to any investor to whom The Lender may sell my mortgage, and to the mortgage guaranty insurer any and all information and documentation that they request. Such information includes, but is not limited to, employment history and income; bank, money market, and similar account balance; credit history; and copies of income tax returns.
3. A copy of this authorization may be accepted as an original.
4. Mortgage guaranty Insurer (if applicable): _____

Borrower

Date

Social Security Number

Delivery of a Closed Loan File



Alabama Housing Finance Authority Lending Library

Search by keyword or Guideline section or mortgage type

ADVANCED SEARCH
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▼ Lender Checklists

[Alabama Stacking Order Checklist \(02/15/24\)](#)

[Arkansas Stacking Order Checklist \(02/22/24\)](#)

[North Carolina Stacking Order Checklist \(02/15/24\)](#)

► Housing Finance Agency Programs

▼ Loan Delivery and Purchase Guidelines

[Overview \(03/28/19\)](#)

[Obtaining and Maintaining Lender Approval \(02/16/24\)](#)

[Delivery Of a Closed Loan File \(06/07/23\)](#)

[Collateral Package Funding Documentation Requirements \(03/04/24\)](#)

[Power Of Attorney \(11/22/22\)](#)

[Life of Loan Flood Certification \(01/19/22\)](#)

[Enforceable Insurance Policy \(03/28/19\)](#)

[Hazard Insurance Policy And/Or Binders \(07/02/21\)](#)

- [General](#)
- [Helpful Hints](#)
- [Aged Loan Policy](#)

General

- The closed loan file must be delivered to ServiSolutions by 5:00 pm CST within 10 days of the closing date.
- The *Stacking Order Checklists* are required on all loans being submitted for purchase. The lender must include all applicable documentation as outlined on the forms. Items not provided as indicated on the forms may cause a delay in the review and subsequent purchase of the loan.
- All loans must be Owner Occupied Purchase Transactions.
- Loans not uploaded in the proper checklist stacking order will not be considered received until uploaded correctly. Loans uploaded in the incorrect order may be deleted by ServiSolutions.
- ServiSolutions/AHFA has no COVID 19 specific overlays. Follow all applicable credit/agency guidelines.

Helpful Hints

- Provide contact information on every *Stacking Order Checklist* form.
- Re-run AUS report prior to closing once final numbers are known, if the resulting numbers exceed the 2% tolerance. (i.e., appraised value, property address, property type, special feature codes)
- If funds for closing increase or funds available for closing decrease, you must re-run AUS report.
- Review AUS findings to make sure file documentation matches last AUS run.
- Make sure all AUS conditions have been met.

Aged Loan Policy

- Aged loans are defined as any loan that is closed and not purchased by ServiSolutions within 70 days of the closing date.
- Loans aged beyond 70 days from closing are ineligible for purchase and will be cancelled. The original note will be returned to the lender with a lender provided return label.



Important Timelines

- **10 Days** After Closing – Upload Closed Loan File to NCHFA On-Line Lender Services and ServiSolutions
 - Download and follow ServiSolutions “**Lender Delivery Checklist**”
 - Use the NCHFA “OLS” Portal and ServiSolutions “eDocs” Portal
- **70 Days** After Closing – Any/All pended items that ServiSolutions may request must be cleared by them
- **120 Days** After Closing – Last day that all trailing docs must be shipped (FedEx) and cleared to ServiSolutions

ServiSolutions - Closed File/Contact Info.

- For ServiSolutions Closing Package Checklist and other information visit their website:
- <https://www.servsol.com/lenders>
- Physical Address:

ServiSolutions
Final Documents
7460 Halcyon Pointe Dr, Ste 200
Montgomery, AL 36117
- Phone/email: (334) 244-9200 or **inquiries@servsol.com**

Closing/Post Closing Process

- Closed Loans will be Uploaded VIA NCHFA's OLS system
- Loans will be purchased by ServiSolutions bi-weekly and are reviewed in a timely manner.
- Extensions for loans delivered prior to 60 days will be in 7 day increments with an associated extension fee of .0625% for each 7 day extension until the loan is purchased.
- **FEES:** Funding fee \$211 - Tax Service \$85
- **Docs at closing/post-closing:**
 - Form 405 – Promissory Note
 - Form 406 – Deed of Trust

Frequent Post Closing Package Deficiencies

NO MIN SUMMARY FOR 1ST MORTGAGE – Requires someone to register the loans in MERS Post-Closing and print the MIN Summary Report prior to Loan Delivery and then provide it to the Shipper/Loan File.

NO EVIDENCE THE UPFRONT MIP ON FHA LOAN HAS BEEN PAID – Requires someone to run case query in FHA Connection after closing and upload to Loan Record/Shipper prior to Loan Delivery.

NO SIGNED BORROWER'S CERTIFICATION AND AUTHORIZATION FORM – Either not getting signed at the time of Loan Application or not getting signed at Closing. Make sure this document part of your required Borrower signed documents.

MISSING THE UNERWRITER'S INCOME CALCULATIONS -These can be on a designated worksheet , on the 1008 or 92900 Loan Transmittal (Underwriter Duty)

MISSING THE NCHFA LOCK CONFIRMATION – We must verify the terms of the loan and NCHFA's approval agree with the way the loan closed.

Frequent Post Closing Package Deficiencies

MISSING: FHA CASE QUERY SHOWING BORROWER VALIDATION “SUCCESSFUL”.
(PROCESSOR DUTY)

MISSING: E-CONSENT DISCLOSURE SIGNED AND DATED BY BORROWER.
(LO/PROCESSOR DUTY)

MISSING: COPY OF DPA LOAN ESTIMATE DATED WITHIN 3 DAYS OF INITIAL 1003. (LO DUTY)

UCD FOR FANNIE MAE LOANS NOT TRANSFERRED TO AHFA. (FHLMC UCD's do not require the transfer prior to purchase, but Fannie loans do!) (POST-CLOSING DUTY)

MISSING: Chain of title on Title Commitment. This is an FHA, VA, USDA and Fannie/Freddie Requirement. Conventional and VA loans require a 6-month chain of title. FHA & USDA RD loans require a 12-month chain of title. We will not accept a separate warranty deed as proof. Must be contained within the commitment or on Title company letterhead, signed by appropriate agent of the title company. (should be ordered upfront same as with endorsements).

ServiSolutions Contact List

- Candi Clapp – cclapp@ahfa.com - Lender On-Line Issues
- Brian Hunt – bhunt@ahfa.com - New Lender Approval and Re-Certification
- Ashley Rawlinson – arawlinson@ahfa.com – Closed Loan Delivery/Pended Condition Questions
- Lisa Treece – ltreece@ahfa.com Policy Questions

NCHFA Contact List

- Kathy Rufiange – Sr. Training Coordinator – kprufiange@nchfa.com
- Rob Ruscza – Manager of Homeownership Lending - rrrusczak@nchfa.com
- Jan Ott – Bond Closing Specialist - jlott@nchfa.com

Thank you for your
participation with
NCHFA Programs!