

Closing and Post-Closing Steps*

NC Home Advantage Mortgage™

NC 1st Home Advantage Down Payment™

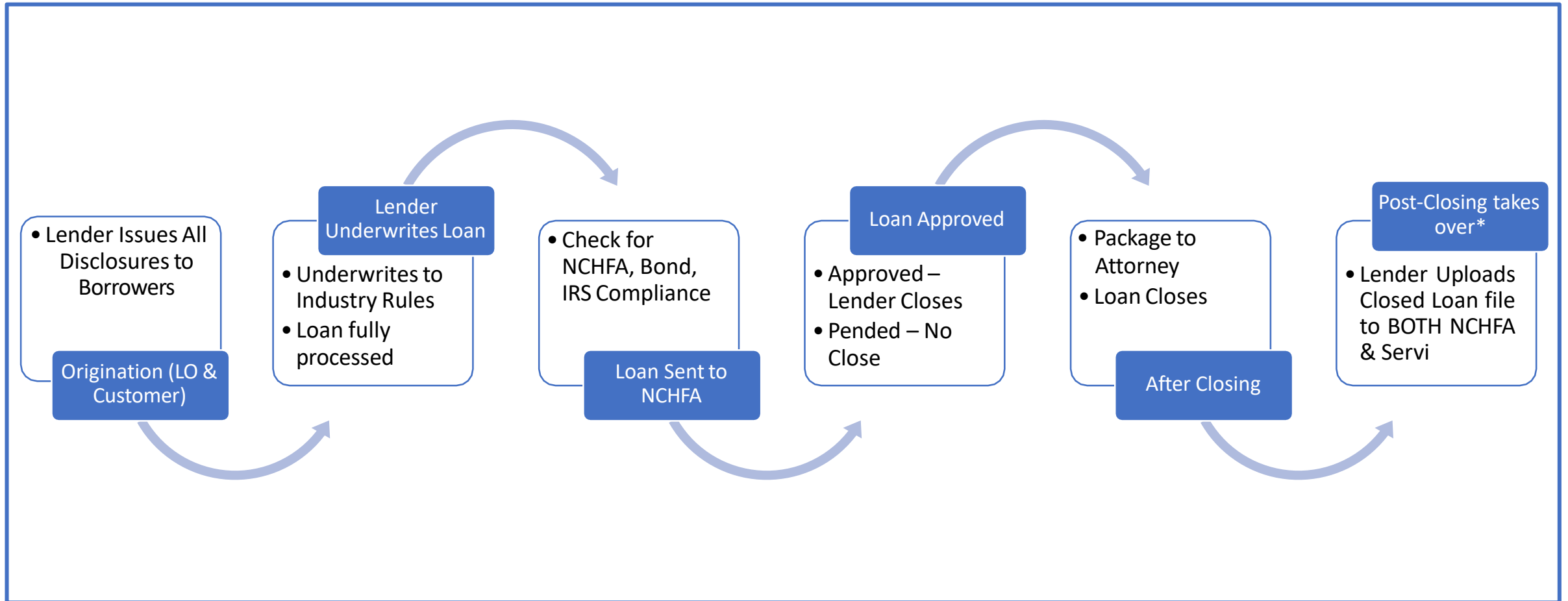
NC Home Advantage Tax Credit™

Process varies Between \$8,000 DPA and the 3%/5% DPA Loans

September 2021

*Post-Closing Power Point posted on the Forms & Resources Lender page at www.NCHFA.com

Steps from Origination to Closing



*For complete review of Post-Closing process see: CLOSED LOAN PROCESS power point on the Forms and Resources page.
https://www.nchfa.com/sites/default/files/page_attachments/ClosedLoanProcess.pdf

At Closing Process: NC Home Advantage Tax Credit (MCC)

All Forms found on the Forms & Resources page:

<https://www.nchfa.com/homeownership-partners/lenders/forms-and-resources>

- Borrower Closing Affidavit - Form 101
- Lender Closing Affidavit - Form 102
- Recertification of Income if paystub older than 120 days – Form 103
- Recapture Tax Closing Packet - Form 107

At Closing Process: NC Home Advantage Mortgage™ as a stand alone, or with 3% & 5% DPA

- Closing Disclosure required – must include 1st and 2nd (DPA) amounts
- Promissory Note and Deed of Trust must be downloaded from NCHFA site and provided to closing attorney
 - Form 405 – DPA Deed of Trust
 - Form 406 – DPA Promissory Note
- **Legal description** MUST be on Deed of Trust
- Closing and Disbursement should be on the same day; with minor exceptions for holidays.
- **Names on General Warranty Deed MUST match** names on Deed of Trust
- 10 days – Closed loan file MUST be uploaded to BOTH ServiSolutions and NCHFA within 10 days after closing.

After Closing Process: NC Home Advantage

Mortgage™ as a stand alone, or with 3% & 5% DPA

- 10 days – Closed loan file MUST be uploaded to BOTH ServiSolutions and NCHFA within 10 days after closing.
- **Use Closing Package Checklist** from www.servsol.com to upload file in exact order to Servi/Alabama website
- **Only one person** can be listed as contact person
 - All stips/pended/missing item requests go to that person listed on Contact sheet
 - Make sure they don't go on vacation!
- Check up on pended items using **eDocs website** provided by ServiSolutions

At Closing Process: NC 1st Home Advantage with \$8,000 DPA

- Closing Disclosure required – must include 1st and 2nd (DPA) amounts
- Promissory Note and Deed of Trust must be downloaded from NCHFA site and provided to closing attorney
 - Form 405 – DPA Deed of Trust
 - Form 406 – DPA Promissory Note
- **Borrowers must sign** Form 101 – Borrower Closing Affidavit – at closing table
- **Form 102** – Lender Closing Affidavit - at closing table
- **Recapture Tax Packet** - Form 107 – provided at closing
- **Legal description** MUST be on Deed of Trust
- Recording and disbursement ***should be on same day; with minor exceptions for holidays.***
- **Names on General Warranty Deed MUST match** names on Deed of Trust
- 10 days – Closed loan file MUST be uploaded to BOTH ServiSolutions and NCHFA within 10 days after closing.

After Closing Process: NC 1st Home Advantage

\$8,000 DPA

- 10 days – Closed loan file **MUST** be uploaded to BOTH ServiSolutions and NCHFA within 10 days after closing.
- **Use Closing Package Checklist** from www.servsol.com to upload file in exact order to Servi/Alabama website
- **Only one person** can be listed as contact person
 - All stips/pended/missing item requests go to that person listed on Contact sheet
 - Make sure they don't go on vacation!
- Check up on pended items using **eDocs website** provided by ServiSolutions
- Upload a **recorded General Warranty Deed** to NCHFA website
- **Names on General Warranty Deed MUST match** names on Deed of Trust

Misc. Closing Items: NC Home Advantage
Mortgage™ & NC 1st Home Advantage

- **Cash back** can **NEVER** exceed \$1,000
 - Regardless of due diligence, earnest money, or any other invested funds
 - Re-run the 1st loan amount to reduce cash back to less than \$1,000
- Principal reductions **at Closing:**
 - Do **Not** change the Promissory Note
 - Amend the Closing Disclosure to reflect the amount of the Principal Reduction
 - Post-Closing, after ServiSolutions has **purchased** the loan, send the amount of the Principal Reduction to:
 - ServiSolutions
 - Data Validation
 - 7560 Halcyon Pointe Dr, Ste 200
 - Or PO Box 242967
 - Montgomery, Al 36227

*Misc. Closing Items: NC Home Advantage
Mortgage™ & NC 1st Home Advantage*

- Lender closes the 1st and the 2nd (2nd closed in NCHFA name)
 - No MERS transfer required on 2nd (remember, it closed in our name)
- For loans ***closing after July 31st***, all taxes for current/prior year MUST be paid in full with proof provided with closing package – for **complete** escrow requirements go to ServiSolutions. ALLREGS.com. See Slide.
- ***Proof of PMI payment*** required with closing file
- All questions on closed loans/closing pends go to ServiSolutions
- 120 days – Drop Dead Date!!!!!!
 - No loan will be purchased/reimbursed if not fully cleared by ***120 days after closing***

ServiSolutions

- These are NOT all closing steps. A slide deck cannot provide all details – see Allregs @ www.servsol.com for full details.
- Become familiar with the Alabama/ServiSolutions eDocs system
- Stay up on pended loans / stips from ServiSolutions
- Look for specific requirements – like Escrows

ACCESS YOUR ACCOUNT

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ServiSOLUTIONS®

CUSTOMER CARENET

HOMEOWNERS

LENDERS

BANKSERV

Your Mortgage Servicing Provider

ServiSolutions – Lender Resources – AllRegs

Lender Resources

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 Allregs
Link



Search ALLREGS in ServiSolutions

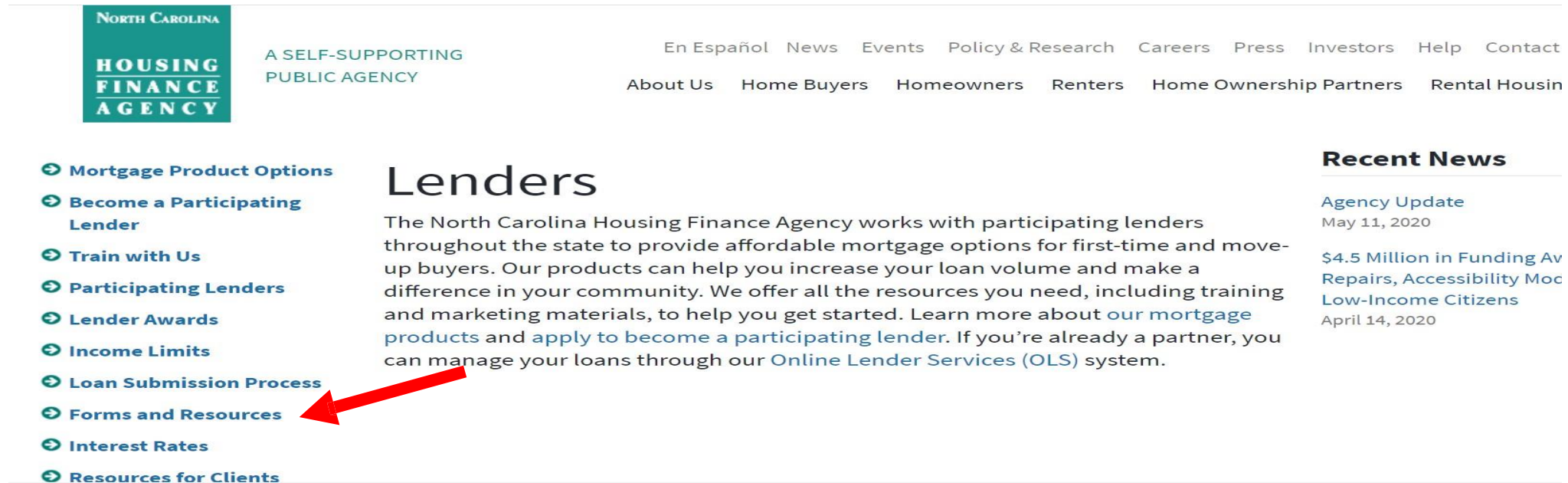
Enter search subject, like
property “property tax”
or “escrow”



Advanced Search ▾ 

Lastly

- These are NOT all closing steps. A slide deck cannot provide all details – see Program Guides and ServiSolutions’ Allregs.
- Go to: NCHFA website www.nchfa.com
- YOU are a Homeownership Partner – Go to the Forms & Resources page
- Open the Document Submission Matrix under Misc Forms



The screenshot shows the North Carolina Housing Finance Agency website. The header includes the agency logo, the tagline "A SELF-SUPPORTING PUBLIC AGENCY", and a navigation menu with links for "En Español", "News", "Events", "Policy & Research", "Careers", "Press", "Investors", "Help", and "Contact". Below the header, there is a secondary navigation menu with links for "About Us", "Home Buyers", "Homeowners", "Renters", "Home Ownership Partners", and "Rental Housing".

The main content area is titled "Lenders" and contains the following text: "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."

On the left side, there is a sidebar menu with the following items: "Mortgage Product Options", "Become a Participating Lender", "Train with Us", "Participating Lenders", "Lender Awards", "Income Limits", "Loan Submission Process", "Forms and Resources", "Interest Rates", and "Resources for Clients". A red arrow points to the "Forms and Resources" link.

On the right side, there is a "Recent News" section with two items: "Agency Update" dated May 11, 2020, and "\$4.5 Million in Funding Av Repairs, Accessibility Moc Low-Income Citizens" dated April 14, 2020.

Document Submission Matrix
Checklist Reminder for NCHFA Programs

	NC Home Advantage	\$8,000 DPA ("Bond" Program)	Mortgage Credit Certificate
Required Documents	No DPA; 3% DPA; 5% DPA	\$8,000 DPA Program ¹	MCC Program ¹
Lender Provided Documents Needed - <u>BEFORE</u> Closing:			
1003 (loan amounts must match AUS Findings)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
URAR – Appraisal – All Pages (color, PDF)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Form 08 Underwriter Certification		<input checked="" type="checkbox"/>	<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"/>	<input checked="" type="checkbox"/>
VOEs		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Credit Report for All Occupying Borrowers/Mortgagors		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
W2s/1099s for Previous Tax Year Only		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Federal Tax Transcripts or Signed Returns - Last 3 Years		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
NCHFA Documents Needed - <u>BEFORE</u> Closing:			
Form 013 – Seller Affidavit		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Form 015 – Preliminary Notice to Applicants of Potential Recapture		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Form 016 – Mortgage Affidavit and Borrower Certification		<input checked="" type="checkbox"/>	<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"/>	<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"/>	<input checked="" type="checkbox"/>
Form 102 – Lender Closing Affidavit		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
General Warranty Deed (copy, unrecorded okay)		<input checked="" type="checkbox"/>	<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.

Thank you

- **ServiSolutions contacts:**

- Candi Clapp – cclapp@ahfa.com (will set up lender pipeline calls to walk through issues if needed)
- Brian Hunt – bhunt@ahfa.com (oversees the new lender & recertification approval processes)
- Angie Wilson – awilson@ahfa.com (Supervisor of the pre-purchase review of the loans)
- Lisa Treece – ltreece@ahfa.com (Operations Manager)

- **NCHFA Contacts**

- Jane Cavanagh – jane@nchfa.com
- Rob Rusczak – rob@nchfa.com
- Jan Ott – jlott@nchfa.com