



Via E-Mail

Date: August 14, 2018

To: Participating MRB7 Lenders & MRB Cash Advance Lenders

From: MRB7 Program Bulletin #3

Re: - MRB7 Lender Participation

- Disclosing & Funding of the Second Mortgage

This bulletin serves to notify current MRB7 & traditional bond participating Lenders of two MRB7 program modifications.

MRB7 Lender Participation –

Beginning Wed., August 15th, lenders who are now signed up for the MRB7 product, the MRB Cash Advance Program (traditional bond) will be suspended from your available MHC loan product option for reservations.

MRB traditional bond (Cash Advance) lenders that are ***still in the process of signing up*** for the new MRB7 program, you will have until August 31st, 2018 (MRB Cash Advance Program expiration date) to reserve Cash Advance bond loans but once your MRB7 approval becomes effective, the Cash Advance option will be suspended from your available MHC programs for bond reservations.

MHC will be closing the MRB Cash Advance program down all together in a few weeks and to keep the pipeline and process running smoother MHC has made the decision to begin winding the traditional MRB Cash Advance program down because we're seeing MRB7 lenders reserving loans under both bond programs.

Disclosure & Funding –

Beginning Wed., August 14th, MHC will be revising the process for the MRB7 Lenders regarding the disclosures for both the 1st & 2nd mortgages. The LE's/CD's & 1003 will be in your

company's name. The lender will also be required to **fund the \$7,000 second mortgage loan at closing.**

- The lender will generate the MHC's Second Mortgage Note and Deed of Trust from MHC's system or other document software, but the language cannot be modified, and
- Prepare the 1003, LE, and CD from your system in your name with your loan number.

A revised MRB7 Checklist and revised Attorney Information form is included as a part of this bulletin. The Wiring Instructions (not the Attorney Information Form) requirement has been removed from the Compliance Package and will now be a part of the Purchase Certification (PC) Package for MHC to use to reimburse the \$7,000 second mortgage funds.

Once MHC receives the uploaded PC documents that will now include the lenders wiring instructions, and we receive the **original** executed MHC 2nd Mortgage Note and Recorded Deed of Trust, via regular mail or overnight delivery, a review of the documents will occur within 5 business days from receipt of a **complete** PC package.

If there are no conditions, MHC will then reimburse the funds based on the wiring instructions received within the following 48-hours after updating the MRB loan status to **Purchase Certification.**

Note: Loans reserved under the MRB **Cash Advance** (traditional bond) program, will be processed under the Cash Advance program guidelines.

The MRB Manual will be updated online within the next few days.

MRB PROGRAM CHECKLIST

Borrower (s)

MRB Reservation Number

RESERVATION PACKAGE

- ____ 1. Reservation Form (MRB 001)
- ____ 2. Reservation Confirmation
- ____ 3. Mortgage Revenue Bond Checklist (MRB 002)
- ____ 4. Copy of Executed Sales Contract or HUD Property Disp. Form 958or VA Res. Purch./Sale Agr. Form VRM SC
- ____ 5. Copy of Complete/Executed Loan Application
- ____ 6. Executed Potential Recapture Tax Form
- ____ 7. Notice to Borrower – Second Mortgage (MRB 016)
- ____ 8. Copy of Homebuyer Education Certificate
- ____ 9. Original HAT Loan Agreement (*If Applicable, Upload & Mail Original to MHC prior to MHC approval*)

MHC must receive the uploaded Reservation package documents within three (3) business days of receiving the reservation confirmation.

COMPLIANCE PACKAGE

- ____ 1. Mortgage Revenue Bond Checklist (MRB 002)
- ____ 2. FHA Transmittal or VA Loan Analysis or Fannie Mae 1008
- ____ 3. Verification of Employment (s) and pay stub (s) (All Applicable Household Members)
- ____ 4. MHC Income Calculation Worksheet
- ____ 5. Copy of Credit Report for all Borrowers
- ____ 6. Copy of Fraud Guard Report for all Borrowers
- ____ 7. Executed Borrower Certification (MRB 003)
- ____ 8. Executed Non-Borrower Certification (MRB014, *if applicable*)
- ____ 9. Child Support Statement (MRB015, *if applicable*)
- ____ 10. Copy of Appraisal (URAR or Conditional CRV)
- ____ 11. Notification of Change Form (MRB 011, *if applicable*)
- ____ 12. Attorney Information Form (MRB 010)
- ____ 13. Exception Documentation (*if applicable*)
- ____ 14. Letter of Explanation (*if applicable*)
- ____ 15. Copy of Buydown Agreement (*if applicable*)
- ____ 16. 203(k) Maximum Mortgage Worksheet (*if applicable*)
- ____ 17. Copy of Preliminary Closing Disclosure (*HAT Only*)

MHC requires three (3) business days for the compliance review. Once MHC has reviewed the uploaded documents an email will be sent to confirm the Conditional Commitment approval or to provide a list of conditions.

PURCHASE CERTIFICATION PACKAGE UPLOAD ONLINE

- ____ 1. Mortgage Revenue Bond Checklist (MRB 002)
- ____ 2. Executed Borrower Affidavit (MRB 007)
- ____ 3. Copy of Final Executed Closing Disclosures (1st & 2nd Mortgage)
- ____ 4. Copy of Executed Note (HAT Only)
- ____ 5. Copy of Executed Deed of Trust (HAT Only)

FINAL DOCUMENTS – MUST BE MAILED TO MHC ATTN: SINGLE FAMILY – 735 RIVERSIDE DR., JACKSON, MS 39202

- ____ 6. Original Executed Second Mortgage Note
- ____ 7. Original Executed Recorded Second Mortgage Deed of Trust
- ____ 8. Lenders Wiring Instructions

Once all the closing documents have been received and reviewed for accuracy (5-business days), MHC will modify the loan status to a Purchase Certification (PC) or email a list of conditions. Once the PC is approved, the lender must then deliver the **first** mortgage loan to your MRB Servicer for placement into a Ginnie Mae, Fannie Mae Mortgage Backed Security or Freddie Mac Certificate. MHC will reimburse, per the wiring instructions, the \$7,000 Second mortgage funds within 48-hours after the approval of the PC.

MISSISSIPPI HOME CORPORATION
MORTGAGE REVENUE BOND
CLOSING ATTORNEY & FINAL LOAN DETAIL INFORMATION

MRB RESERVATION NO.: _____

LENDER: _____

PHONE: _____

APPLICANT: _____

LOANS SUBMITTED WITHOUT THIS FORM WILL NOT BE REVIEWED

NAME OF ATTORNEY: _____

NAME OF LAW FIRM: _____

PHYSICAL ADDRESS:
(NO P. O. BOX) _____

PHONE #: _____

CONTACT: _____

CLOSING DATE: _____

FINAL LOAN AMOUNT: \$ _____

ATTACH WIRING INSTRUCTIONS ONLY IF THE LOAN IS A CASH ADVANCE (TRADITIONAL BOND) **OR** IF THE 2ND MORTGAGE LE HAS BEEN DISCLOSED IN MHC'S NAME UNDER THE MRB7 PROGRAM. UNDER MRB7, IF THE LE HAS BEEN DISCLOSED IN THE LENDERS NAME, THE WIRING INSTRUCTIONS ARE TO BE TO MAILED TO MHC WITH THE ORIGINAL 2ND MORTGAGE NOTE OR RECORDED DEED OF TRUST.