



MEMORANDUM

TO: All Participating Lenders

FROM: Kay Bowe
Underwriting & Post-Closing Manager

DATE: December 2, 2024

RE: Changes to Service Release Fee Payments

Effective for all loans closed 1/2/2025 and after, all deferred documents will need uploaded within 90 days to receive SRP compensation. Our tiered structure had been in place for years and was used to accommodate the delays that often occurred in mailing paper files and documents. We are updating our policy based on our current technology which allows for the uploading of deferred documents through our website. The SRP payment of .65% with a cap of \$1000 will be paid on all loans cleared within the 90-day time frame. There will be no fee paid after 90 days; however, lenders will have up to 120 days to complete a file before a loan is considered for repurchase. Suspension from our programs may result for lenders who are found to regularly exceed 120 days for completing a loan.

Post-Closing reports are completed with notifications sent using the email addresses which you have provided to us. Initial Post Closing reports are generally completed within 3 days of the loan being purchased, with conditions being reviewed within 5 days and reports updated at that time. The date documents are received is used to determine payment. Several lenders provided group emails. Please make sure that all parties to those emails, as well as individual ones, are kept current and that the lender admin assigns the appropriate role for access to these reports. The reports can be accessed from our Powerlender landing page under Post-Closing Conditions.

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Loans closed prior to January 2, 2025, will continue to be paid under the existing pay structure. This change in policy will begin with loans closed on and after this date. We do appreciate your partnership with the Fund and look forward to working together in the new year. Please don't hesitate to reach out with any questions. Thank you.

See the list of reminders below that may assist in completing the loan in 90 days. Please share with appropriate parties.

- On the Homeownership loans, our Deed of Trust Rider must be recorded with the 1st Deed of Trust. This rider is found on our webpage under lender forms. All other applicable Riders pertinent to the loan are also required, ie: PUD, VA, etc.
- A copy of the recorded Deed to our purchase transaction must be provided as a deferred document. Make sure the borrower(s) and closing agents are aware that no changes should be made to this Deed after closing without consent from WVHDF. Adding people to the Deed after closing will result in the lender receiving a repurchase request.
- The recording stamp on the Deed of Trust and Deed must be legible.
- Notarized documents should be reviewed for correct notary completion and stamp.
- The prior 2-year tax transcripts, along with a copy of the 4506-form used to request these, should be provided in the closed loan or as a deferred document. This is a compliance item.
- The Closing Recapture form is obsolete. All lenders should be providing the Recapture Notice that is required at the time of underwriting.
- On government insured loans (and full loans from delegated lenders) review to ensure the entire credit file is being sent with the closed loan file.
- The Flood Certification with Life of Loan coverage along with a completed transfer of servicing to the Fund is required to be provided in the closed loan file or as a deferred document.
- On FHA loans, the MIC is required to be provided as a closing or deferred document.
- VA and USDA loans require the final approval/guaranty docs.
- The final 1003 should be fully executed by both borrower(s) and LO.
- The notice of servicing transfer should be provided in the files. This is not a document we review for in PC, however this is a document that lenders get cited for in QC.
- All deferred documents should be uploaded via the portal using POST CLOSING CONDITIONS. Be careful when selecting this option in the drop down. Incorrect selection sends documents to other departments and will delay review.