



Memorandum

TO: NIFA Participating Lenders
FROM: Susan Lauver, Homeownership Team Leader
DATE: October 10, 2017
SUBJECT: Memo #17-14, Operations Reminder

Since we are not hosting lender training until next spring, we want to take this opportunity to remind everyone of our compliance review procedures and turn times.

Lender partners...we need your help! Our team is experiencing a high volume of rush review requests. We strive to maintain a 24-hour turn time with pre-closing & condition reviews and a 24-hour or less turn time with HBA closing reviews. While we always try to accommodate rush requests, it is difficult to complete a thorough review and clear conditions to meet closing deadlines when loan packages are submitted the day before or the day of closing. Finally, always remember to include the checklist with each package and complete your contact information at the bottom.

NIFA's three-step review process is described below:

Pre-Closing Package

This review is completed prior to closing to determine program eligibility. The biggest component of the pre-closing review is calculating household income, which differs from agency underwriting income. You are doing buyers a favor by completing this step as early in the process as possible. The last thing we want to do is deliver unfavorable news right before closing. We want to remind you that pre-closing packages should be submitted at least 5 days prior to closing.

HBA Closing Package

This review applies to HBA loans only and is completed after the pre-closing review and before closing the first and second mortgage loans. The Closing Disclosures ("CDs") included in the package must be the final version. Our team reviews CDs for program compliance, such as borrower minimum investment and allowable closing fees. We do not review CDs for federal compliance. All revised CDs must be submitted to our office and approved prior to closing.

Once approved, our system generates a Legally Enforceable Obligation Letter that must be included in the file delivered to U.S. Bank for purchase and the FHA case binder for insuring. We want to remind you that HBA closing packages should be submitted at least 24 hours prior to closing, when possible.

Post-Closing Package

This review is the final step for NIFA to approve loans for purchase. Participating Lenders are compensated based on the number of days from loan closing to purchase. We want to remind you that post-closing packages should be submitted at least 10 days from closing.

We are all working together to accomplish the same goal...helping buyers obtain the best loan in the most efficient manner. Please don't hesitate to call our office with any questions. Thanks for your cooperation!