



LENDER NOTICE Closed Loan Audits

June 13, 2023

Introduction

This lender notice relates to closed loan audits performed by New Hampshire Housing.

Summary

While we understand that mistakes can happen, we have noticed two recurring closing issues that we would like to address. To maintain the highest quality standards and ensure a smooth lending partner experience, we kindly request your cooperation in promptly resolving these matters:

1. Tax-Exempt Financing Rider for Home First Mortgages

a. The [NH Housing Tax-Exempt Financing Rider](#) must be attached to the first mortgage for all Home First loans. Funding is held on all loans that close without the rider attached to and recorded with the first mortgage. Correction is required prior to loan purchase.

Common mistakes include:

- i. Not including the rider
- ii. Attaching the rider to the cash assistance mortgage
- iii. Missing or inaccurate information on the rider including the lender name, property address, and/or borrower(s) name(s)

b. The [NH Housing Tax-Exempt Financing Rider](#) is only required on Home First loans. The rider should not be attached to the mortgage for Home Flex or Home Preferred loans.

c. Funding delays beyond the 60-day rate lock period will result in a reduction of lender compensation.

2. Seller Fees on Borrower's Closing Disclosure

a. NH Housing has identified several borrower closing disclosures that do not include all costs and non-loan costs, specifically those related to the seller. As a reminder, all real estate brokerage fees (commission), title fees, transfer taxes, recording fees, deed preparation fees, discharge tracking fees, and wire/overnight mail fees must be included on the borrower's closing disclosure.

b. Please refer to Section 1026.38 (g)(4) and/or Section 1026.38 (t)(5) from Reg Z for more detail. Incorrect documents will be conditioned for correction as a post-closing item. Lenders should determine the necessary actions to avoid this error.

Effective Date: Immediately

If you have any questions, please contact Chrissy Gossel at (603) 310-9246 or cgossel@nhhfa.org

Sincerely,

Homeownership Team

New Hampshire Housing
ownershipinfo@nhhfa.org
NHHomeownership.org

About New Hampshire Housing As a self-sustaining public corporation, New Hampshire Housing promotes, finances, and supports housing solutions for the people of New Hampshire. NH Housing operates a number of rental and homeownership programs that assist low- and moderate-income persons in obtaining affordable housing. Since its inception, NH Housing has helped more than 50,000 families purchase their own homes and has been instrumental in financing the creation of almost 16,000 multifamily housing units. Learn more at NHHomeownership.org

NHHomeownership.org | NHHousing.org | [#NHHousing](https://www.facebook.com/NHHousing) | [@NewHampshireHousing](https://www.instagram.com/NHHousing) | [@NHHousing](https://www.facebook.com/NHHousing)

New Hampshire Housing, P.O. Box 5087, Manchester, NH 03108, 603-472-8623 |
NHHomeownership.org

Unsubscribe

