



HomeOwnership Announcement

February 18, 2021

Servicing Transfer Reminders

While we recognize that we are in unprecedented times with high production volumes coupled with the pandemic, we want to remind and update our lenders on the following topics:

- Use of the correct address on the Mortgagee Clause- Flood and Hazard Insurance
- Loan Funding Escrow Credits
- NEW email address to request an Escrow Reimbursement for Lenders
- UCD update
- Extensions of Existing Covid-19 related flexibilities

Reminder to use the correct Mortgagee Clause – Flood and Hazard Insurance

Lenders are to use the MassHousing required Mortgagee Clause for Flood and Hazard Insurance as found in our Seller Guide Sections 1.5 and 6.4:

**Massachusetts Housing Finance Agency
Its Successors and/or Assigns, as their interests may appear
PO Box 5271
Norwell, MA 02061**

In order to better serve our collective customers, we request all Lenders to review the Mortgagee Clause that you provide during the loan origination process and/or insert into insurance notices regarding the transfer of the servicing to MassHousing. We continue to see the incorrect use of our payment/lockbox address and our One Beacon Street address. The use of an incorrect address causes a delay in the receipt of all insurance related documents by our insurance outsource provider.

Reminder of Loan Funding Escrow Credits

MassHousing will net fund the current escrow balance at the time of loan funding per the Seller Guide 7.12.1. There may also be separate line item credits for any Real Estate Taxes (RETAXADJ) and/or FHA MIP monthly premiums (FHAMICREDIT) that were due prior to the funding date and/or within 30-days post-funding. Lenders are responsible for ensuring the appropriate Accounting/Servicing personnel are aware of any adjustment/credit to ensure the escrow disbursements are made timely. Mortgage insurance monthly premiums to the Mortgage Insurance Fund (MIF) will be paid by MassHousing post-purchase. MassHousing reserves the right to seek reimbursement from Lenders for any penalties or interest charges assessed because of late payment of escrowed items by the Lender.





NEW email address for Lender Escrow Reimbursement Request

Lender escrow disbursements made post purchase may vary from the amount allotted on the Purchase Advice (primarily related to Real Estate Taxes). Should a request for reimbursement from MassHousing be necessary, we have established an email address specifically for those requests: HOlenderEsc@masshousing.com. Any reimbursement request should include the reason for the request, the amount, payee and address/attention where the reimbursement check should be mailed. In addition, we require the following documentation included with the email (sent securely as appropriate):

- Transaction history evidencing all escrow activity
- Real Estate tax bill or check supporting the amount disbursed

Any Lender that has an escrow overage to be returned to MassHousing should complete Form #L-104 whenever sending borrower funds to MassHousing and submit the funds and the Form per the instructions on the Form.

UCD Reminder

Freddie Mac and Fannie Mae (the GSEs) announced on August 11, 2020 [\[LINK\]](#) that they are implementing a two year transition to convert certain edits from “warning” to “critical” in their Uniform Closing Dataset (UCD) collection systems . The transition will begin on May 31, 2021. As a reminder, MassHousing requires all UCD submissions to have a “Successful” status prior to loan delivery to us.

Please refer to the [Freddie Mac UCD page](#) and the for additional resources or for more information. [Fannie Mae UCD page](#) for additional resources or for more information.

EXTENSION of GSE Flexibilities

The COVID-19 temporary flexibilities announced by the GSE’s are due to expire for applications dated after March 31, 2021. The extension of these flexibilities was previously outlined in our Announcement 2020.15. Until further notice, MassHousing will align with the GSE’s and FHA’s extensions of existing Covid-19 related flexibilities.

Please contact us at 888- 843-6432 option 1, 4, email homeownership@masshousing.com or contact your Relationship Manager for assistance.

