

Resources

MassHousing Training:

Multiple trainings will be presented by MassHousing Underwriters in the coming weeks. These trainings will be an intense review of the guidelines and requirements of underwriting, locking, and closing a MassHousing mortgage presented by the knowledge experts at MassHousing. You can register on eMassHousing.com for one of the following live trainings!

- *Underwriting a MassHousing Mortgage*
- *Lock Desk*
- *Closing & Post Closing*

The *Quality Assurance Newsletter* is a quarterly publication from MassHousing to provide information for our lenders and bring greater simplicity and certainty in the delivery of quality loans.

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Underwriting

Calculating Multi-Family Rental Income in Refinance Transactions:

Lenders should refer to the FNMA Guide Section B3-3. 1-08 when calculating rental income. Note: Rental income should be included as part of the MassHousing compliance income check.

eMassHousing.com

Income – Bonus, OT, commission and 2nd job income all should be broken out from base and should be entered in the “other” income field.

Pre-Purchase Due Diligence

Missing Documentation:

A significant percentage of loan files have been missing the following documentation;

- 6D Certificate
- Plot Plan or evidence of ALTA 9 Endorsement on Title Insurance Policy
- Verbal Verification(s) of Employment must be completed within 10 business days of commitment

Timing of Issuance of Disclosures

The LPMI Disclosure is required to be provided to the borrower(s) prior to or at commitment.

Post Closing

TRID

Audits have recently been completed by Adfitech on the first TRID loans which closed in the month of January 2016. A high percentage of loan files were cited for the following deficiencies.

Incomplete Closing Disclosures:

- **Page 1**
 - o Missing MI Certificate #
 - o Settlement agents file #
- **Page 2**
 - o Contact information is not being completed

Loan Estimate: Settlement Service Provider list not included in the loan package

NOTE TO OUR LENDERS: Recent month's audits show a high percentage of the CDs are completed with this information. Thank you!

FNMA Audits

AUS/DO – FNMA selects loans for audit on a monthly basis and reports those results to MassHousing. A number of findings from those audits cite incorrect income calculation. Bonus, OT, commission and 2nd job income all should be broken out.

Debt not correctly calculated has also been cited on a number of loans.

It is recommended that lenders ensure that all income calculation and debt are entered correctly into DO.

