

Pre-Purchase Due Diligence

Missing Documentation

A high percentage of loan files submitted to Titan are missing the following documentation:

- TRID Closing Disclosure (“CD”)
- Homebuyer Counseling Certificates
- Proof of Borrower’s Intent to Proceed
- Homebuyer Counseling list/disclosure

It is important that loan files are complete to ensure our ability to purchase your loans in a timely basis.

Pre-Closing

First Look Program

Lenders who are required to submit files under MassHousing’s “First Look” program should ensure that the files are fully documented and have been underwritten prior to submission to MassHousing. A number of the loan packages submitted have not been underwritten and/or fully documented which delays the First Look process. Help us help you by submitting complete files.

Post Closing

FNMA Audits

FNMA selects loans for audit on a monthly basis and reports those results to MassHousing. A majority of the findings from those audits cite insufficient assets (including gifts) and/or reserves. It is recommended that lenders ensure that all assets are entered correctly into DO and funds for closing and reserves are fully documented.

Collateral Underwriter

Please be reminded that lenders are required to use FNMA’s Collateral Underwriter with all DO submissions. Recent repurchase requests from FNMA have cited “Inadequate Comparable Adjustment(s)”. We recommend that lenders perform an in-depth analysis of their appraisals, including comparable sales data. Your review of CU alerts will also highlight potential appraisal issues.

The *Quality Assurance*

Newsletter is a new 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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