

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: October 9, 2018
TO: All Originating Agents
FROM: Rhonda Ronnow, Director of Loan Operations
SUBJECT: **Servicing Procedures Update**

THDA has had some challenges receiving all required documentation to purchase loans prior to the first payment due date. Loans cannot be on-boarded by our servicing division VMLS until they are purchased by THDA. **When a loan is purchased after the first payment due date, the Originating Agent (OA) is responsible for all servicing activities up to the THDA purchase date and subsequent servicer transfer effective date. This includes but is not limited to collecting payments, timely disbursement of PMI/MIP, disbursement of additional Hazard Insurance or tax payments and sending a new Goodbye Letter meeting all RESPA requirements. The OA is also expected to coordinate the service transfer effective date with VMLS.**

Effective November 1, 2018, THDA will continue to pay a Service Release Premium (SRP) of 100 bps of the loan amount on timely closed loan submissions. All closed loan packages must be received and purchased by THDA prior to the first payment due date and meet the delivery deadlines described in Section 8.2 of the OA Guide.

Within 10 calendar days of closing, THDA must receive

- the THDA Closed Loan Transmittal
- the original notes
- all other required initial submission documentation listed on the closing checklist

Within 120 days of closing, THDA must receive all necessary documentation listed below

- the recorded Deed of Trust
- Title Insurance Policy
- final inspections
- insuring/guarantee certificate

The only original document THDA needs to receive is the original note, all other documentation can be uploaded to the THDA portal, THELMA. All loans currently with outstanding conditions are subject to the above schedule.

Thank you for your continued participation in the THDA mortgage loan programs. If you have any questions, please call 615-815-2100 or send an e-mail to SFask@thda.org.