

**QUICK LINKS TO UPDATED FORMS**

No forms have been updated.

**GENERAL ANNOUNCEMENTS**

1. Coleen Baumert is taking over the reigns as Director of the Homeownership Programs division. Coleen previously served as Manager of the Business Development unit within the division. Kate Newton is now serving as the Director of PHFA’s Loan Servicing division.
2. Effective for loans locked with PHFA on or after September 1, the credit rate for [Mortgage Credit Certificates](#) will be tiered based on the loan amount as follows:

Loan Amount	Credit Rate
Up to \$100,000	50%
\$100,001 - \$150,000	40%
\$150,001 - \$200,000	30%
\$200,001 and greater	20%

This is a change from the current credit rate which is 50% regardless of the loan amount. This new tiered structure should allow most borrowers to still obtain the annual maximum credit of \$2,000, while at the same time stretching PHFA’s MCC funding authority so that more borrowers overall can benefit. As an example, if someone is getting a \$175,000 mortgage, their credit rate will be 30%. If their interest rate is 4%, that means they could still claim the full \$2,000 the first year. ( $\$175,000 \times 4\% \times 30\% = \$2,100$ ) Stay tuned for information regarding brief webinars to further explain the change.

3. Regional trainings are back! In the month of September we’ll be conducting live onsite trainings in Harrisburg, Plymouth Meeting, Pittsburgh and Williamsport. Once dates are set more details will follow and registration will be available online.

**LOAN ORIGINATIONS & UNDERWRITING**

1. Effective for loans locked on and after August 15, 2016, the lock policy regarding changes between loan programs has been revised as follows, and the [Seller’s Guide](#) will be updated accordingly:

*In the event the borrower is switching from the Keystone Government Loan to one of the Fannie HFA Programs or vice versa, the original lock will be revised subject to current market rates. However, if the borrower is switching from one of those programs to the Keystone Home Loan program, the borrower will receive the KHL rate that was in effect at the time of the initial lock or the current KHL rate, whichever is higher. In all scenarios, the lock expiration date will be based on the initial lock date.*

2. A new Form 6 will soon be released that will be used to make changes to an existing lock. A notice will be distributed when it’s available. This should help streamline the process.

**CLOSING & POST CLOSING**

1. The loan set up staff, Jane Cooney and Brenda Rudy, are now part of the loan purchasing unit within the Homeownership Programs Division instead of Servicing. Their fax number has changed to 717-780-3872.

2. When completing the loan set up information online using PHFA Form 26, please be sure to properly enter the taxes and insurance funds that were escrowed at closing. The figure that is entered should agree with Line "G" on the Closing Disclosure and initial escrow deposit on the Initial Escrow Disclosure. If the escrow amount entered on the Form 26 does not agree with the figures on these forms, the amount is being corrected by PHFA staff. The corrected amount is what will be reflected on the purchase advice.

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Please [contact us](#) with any questions.