

GENERAL ANNOUNCEMENTS

1. Loan production as of 12/3/2018: 78 loans closed for \$1.3 million; with an additional 28 loans approved, but not yet closed.
2. Prior Quarterly Program Updates are located at the bottom of PHFA's Pennvest Homeowner Septic Loan participant webpage at <https://www.phfa.org/hop/programs/pennvest.aspx> Please review these to ensure the accuracy of your loan submissions.
3. The PHFA – Pennvest Authority program review meeting occurred Wednesday, December 19, 2018. Both agencies are pleased with the program's continued growth. The 2019 meeting will be held at the beginning of 2020 in order to avoid holiday schedules.
4. The USPS Priority Mail service and the Flat Rate shipping envelope or box are big enough for most Origination and Closing files due to PHFA. Please save customers money by switching from overnight mail to Flat Rate.

LOAN ORIGINATIONS & UNDERWRITING

1. Participants must communicate to applicants that this loan will take at least 30-45 days to close and possibly longer if applicants are slow to provide requested information. Please convey that the security interest in their home is why the Agency can provide such a low interest rate for 15-20 years. .
2. For clarification, all non-medical collections larger than \$251 and all judgments must be paid" prior to credit pre-approval. All medical collections must be explained. Please update any versions of the [Guidelines](#) downloaded in your offices to the version dated 1/1/2019.
3. Participants no longer need to order the *Record of Account* on the [IRS 4506T](#). We will accept the *Return Transcript*.
4. Lenders who must deny an applicant due to failure to meet program guidelines or loan use requirements, must issue a Credit Determination Letter that specifies that this denial "is on PHFA's behalf" and submit the file including the letter, to PHFA.
5. The [Closing Disclosure](#) has been revised to correct how PHFA handles partial payments. Please begin using the corrected form from our website immediately.
6. Lenders must review Current Owner Property Reports for Pennvest, upon receipt, for issues with the lien position requirements of this loan program. Homeowners should be instructed to provide documentation of satisfied older mortgages ASAP in the origination process. We have seen an uptick in applications with this problem. We will condition the Construction Approval for proof of previous lien satisfaction.

CLOSING & POST CLOSING

1. Per PHFA policy, first payment and maturity dates are based off of CLOSING DATES, regardless of the right of rescission date. Please observe this policy for Pennvest Homeowner Septic loans.

Please contact the Homeownership Special Initiatives staff with any questions at
SEPTIC@PHFA.ORG OR 717.780.3817

Or here is a link to all PHFA Homeownership and Servicing contacts: [contact us](#)