

CLOSING & POST CLOSING

1. Loan Set Up Requirements. As a reminder, the Loan Set Up is required to be completed within seven calendar days of closing prior to submitting the Purchase Submission Package for review. In the [previous quarterly update](#), we've requested supporting documents to be uploaded to VirPack directly after the completion of the Loan Set Up. However, this process continues to be missed, and Purchase Submissions are received without completing the required procedures. When this requirement is not followed, it delays the process of importing loans into our system and impacts the review of Purchase Submissions. To support our guidance, effective April 1st lenders will be required to upload the supporting documents necessary for the Loan Set Up process prior to completing the Loan Set Up for all closed loans. The 'Set Up' option within the Loan Set Up menu will only be available if the VirPack 'Submit Loan Set Up Review Documents to PHFA' has been completed. In addition to the change, lenders will not be able to upload Purchase Submission Packages until the Loan Set Up is successfully completed. The ability to upload the Purchase Submission Package in VirPack will become available once the Loan Set Up is completed and processed by PHFA.

The supporting documentation required for the Loan Set Up process includes the following:

- Legal Description of the subject property
- Final Closing Disclosure
- Homeowner's Insurance declaration page
- A copy of the Hello/Goodbye Letter (Form 28) given to the borrower at closing
- Life of Loan Flood Certification listing PHFA as the certificate holder
- Initial Escrow Disclosure
- Tax Certification (Form 27)

Page 4 of Form 58 has been updated to reflect the change in process. Please begin to use the updated Form 58 with your Purchase Submissions on April 1st. A copy of the updated form is attached to this announcement and will be placed on the website shortly.

To become familiar with the new process occurring April 1st, please attend one of the scheduled 'Loan Set Up Requirements' webinar sessions. Please share this information with those individuals responsible for handling this process within your organization. We look forward to seeing you online.

[Monday, 3/17 at 2 PM](#)

[Friday, 3/21 at 11 AM](#)

[Tuesday, 3/25 at 10 AM](#)

[Monday, 4/7 at 2 PM](#)

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



**Homeownership Programs Division
PURCHASE SUBMISSION CHECKLIST**

	Lender Loan #	PHFA Loan #	
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LENDER FILE CONTACT

PHONE # AND EMAIL

The Purchase Submission Package is due prior to the lock expiration date. It must be purchased within 7 days of the expiration date. Late fees will apply if deadline is not met.

DIRECTIONS:

The Lender is responsible to accurately complete each line on this Purchase Submission Checklist, upload and submit a legible purchase submission package as indicated on [Appendix E](#). Place an “X” next to each item included with this Purchase Submission package or indicate “N/A” if not applicable. In the doc type column place a (C) copy, (CC) lender certified copy or (P) previously submitted next to each item applicable to this purchase submission in the order listed on this checklist. For the items indicating that we need the original (O) please mail them to the address listed below. All Forms and Appendices required on this checklist can be located in the PHFA Sellers Guide at www.phfa.org/hop/lenders/.

Electronic Submission Timeline:

Purchase Submission packages submitted **on or before 12 noon** will be reviewed the **current business day** & if the file is complete and accurate it will be funded within 4 business days.
 Purchase Submission packages submitted **after 12 noon** will be documented as received the **next business day**. The review process will not begin until the next business day. These timelines can be longer during periods of high volume.

Please note: A “COMPLETE” Purchase Submission package is submitted to PHFA after the following steps are successfully uploaded and submitted to VirPack:

- 1) Pre-Closing Eligible Notification and the items to clear the Conditions (Reviewed at Purchase)**
- 2) Purchase Package (Form 58 & required documents)**

If you are having trouble uploading the package due to the size, please be sure you are only uploading the required purchase documents. After that is confirmed, then you can break it into 2 separate uploads if needed.

The required Original documents must be mailed to PHFA in a file folder using the following address:

PHFA, - Homeownership Division– Attn: Purchasing Unit
211 North Front Street
Harrisburg, PA 17101

Timing the upload with the date the original items are received by PHFA will help to expedite the purchase process.

PRE-CLOSING ELIGIBLE CONDITIONS (Reviewed with Purchase documents) Upload separately but at the same time as the Purchase Package (Form 58, pages 2 thru 4) Illegible, incomplete, incorrect or missing items may cause the file to be ineligible for purchase		
Required Documents:		
PHFA	Lender 'X' or N/A	Pre-Closing Eligible Conditions (Reviewed at Purchase)
		1) A current copy of the Pipeline Loan Details Report (Eligible date must be indicated) Or a copy of the Pre-Closing Eligible Notification.
		2) Documents required to clear ALL the conditions listed on #1 above.

Purchase Package (Form 58 & required documents)

PURCHASE DOCUMENT CHECKLIST

IMPORTANT INFO: If any of the following items are illegible, incomplete, incorrect or missing from the upload -DO NOT submit the file to the Agency. If an incomplete file is submitted the file will be ineligible for purchase & late fees may accrue. Legend key for columns below:

Program Type: **H** = Home Purchase (Keystone Home Loan with or w/o Assistance.) **G** = Keystone Gov/HFA Preferred
KFLEX = (Keystone Flex w/ K-FIT and Keystone Flex Purchase and Improvement w/ K-FIT)
KFLEX-R = (Keystone Flex Refinance)

PURCHASE DOCUMENTS			
PHFA	Lender 'X' or N/A	Program Type	Directions: Place Page 2 of the Checklist on top of the copies of the following items, in the order listed below.
		H/G	1) Purchase Submission Checklist (Form 58, pg.2).
		H/G	2) Escrow Agreement regardless of whether PHFA or the Lender is holding escrowed funds. Note: If PHFA is holding the escrow our Form 65 must be completed & indicate that PHFA is holding the funds.
		H/G KFLEX	3) Access Home Modifications & Purchase Improvement Loans Form 49 ___ a) Access Home Modification Loan if PHFA will be holding the escrow & Lender is seeking reimbursement for an Initial payment made to the contractor at the Loan Closing. ___ b) Purchase Improvement Loan PHFA will hold the escrow funds. They will be deducted from the purchase funds.
		H/G KFLEX KFLEX-R	4) Final signed and dated Loan Application (1003) & all applicable pages of the HUD 92900A.
		H/G KFLEX KFLEX-R	5) Any & all revised Loan Estimates with change of circumstance documentation for the 1st Mortgage & Advantage or K-FIT Loans.
		H/G KFLEX KFLEX-R	6) Closing Disclosure for First Mortgage & Advantage or K-FIT Loans. Provide the time compliant issued at least 3 days prior to closing and final copy.
		H/G KFLEX	7) Seller's Closing Disclosure, if applicable – Purchases only.
		H	8) Mortgagor's Affidavit Reaffirmation page signed and dated as of loan closing (Form 3, Page 5).
		H	9) Affidavit of Seller (Form 3, page 6), completed, signed and dated.
		H	10) Recapture Tax Notice (Form 4). Include both pages of the form. Please be sure to use the most current income chart (Page2). Page 1 must be signed and dated by the borrower(s) and the maximum recapture figure must be listed in Section B.
		H/G KFLEX KFLEX-R	11) Provide a copy of all applicable Closing Instructions letters that were used in this transaction.
		H/G KFLEX KFLEX-R	12) Conventional loans closed on or after 9/25/17 – Provide a copy of the successful UCD Submission. The final CD must be reflected in the UCD Submission.
		H/G KFLEX KFLEX-R	13) Evidence of Borrower's Identification Verification per "USA Patriot Act".
		H/G KFLEX KFLEX-R	14) VA Loans – VA Report & Certification of Loan Disbursement (Form 26-1820).
		H/G	15) FHA 203K Loans – Rehab Loan Agreement.
		H/G	16) FHA 203K Loans – After the work has been completed, a close out package is required. This package includes the mortgagor's letter of completion, screen shot of the FHA connection close out, final comp. inspection for full 203K, final release & contingency release, title policy endorsement, & completed draw request forms.
		G	17) Homestyle Loans – Provide Form 71 for escrowed payments. After the work has been completed, a closeout package is required. This package includes Form 49, title policy endorsement, and inspection for completion.
PHFA SUBORDINATE DOCUMENTS			
		H/G KFLEX	18) PHFA <u>Second Lien</u> Subordinate Mortgage Note (Forms 54 ADV (Advantage), Form 54 KFIT (K-FIT) or 54a (HOMEstead) loans. The Advantage or KFIT loan must be in second lien position. * Mail Original to PHFA.
		H	19) Disclosures for PHFA HOMEstead & Access Modification Loans.
		H/G KFLEX	20) PHFA Second Lien Subordinate Mortgage Form 55ADV (Advantage), Form 55KFIT or 55 (HOMEstead) with evidence document was sent for recording.
		H	21) PHFA <u>Third Lien</u> Subordinate Mortgage Note (Form 54). * Mail Original to PHFA.
		H	22) PHFA Third Lien Subordinate Mtg. with evidence document was sent for recording (Form 55). The Advantage or KFIT Mortgage cannot be in 3 rd lien position.

If a notice is posted to the PHFA Pipeline Plus regarding missing items from this page, please note the item (s) must be uploaded as purchase conditions: **Documents >> Upload**; Document Type: **Purchase Conditions**

Purchase Package (Form 58 & required documents)

FIRST MORTGAGE DOCUMENT CHECKLIST

Instructions: The following items must be present for ALL Program Types: Items are: 2,3,4,5,6,7, 9 & 10

O = ORIGINAL C = COPY CC = LENDER CERTIFIED COPY E = Emailed Copy

PHFA	Lender 'X' or N/A	<u>FIRST MORTGAGE DOCUMENTS</u>	
		Directions: Place Page 3 of the Checklist on top of the copies of the following items, in the order listed below	
		O*	1) First Mortgage Note with a signed endorsement to the Pennsylvania Housing Finance Agency. *Mail Original to PHFA in file folder & upload a copy. (a) Loan Amount and P & I Payment are correct; (b) The Interest Rate is the PHFA reserved rate disclosed on the Approval Notification; (c) First Payment Date: 1st day of the 2nd month following the date of closing, funding or construction conversion. For loans closed/funded by the 5th calendar day of the month, the first payment date could be the first day of the month following closing if the loan closed with an interest credit or short interest. (d) Maturity Date: One month preceding the 1st payment date plus 30 years; (e) Late Charges: (15 days after due date) 4% FHA, VA and RD Guaranteed; 5% Conventional; (f) All First Mortgage Notes submitted for purchase must have the following Legible Endorsement: "Pay without recourse to the Pennsylvania Housing Finance Agency". Endorsement to be signed by an authorized officer of the lender. Lender's name should appear with the signature of the authorized signer. The typed Officer's name & title needs to appear with the signature. (g) If applicable, Legible Endorsement from an authorized affiliated entity to the participating lender submitting the loan for purchase. (h) NMLS Information must be present.
___(a)	___(a)		
___(b)	___(b)		
___(c)	___(c)		
___(d)	___(d)		
___(e)	___(e)		
___(f)	___(f)		
___(g)	___(g)		
		O*	2) Co-signer certification (Form 21), if applicable. * Mail Original to PHFA.
		O*	3) Addendum to Note/Construction Loan (Form 19), if applicable. *Mail Original to PHFA.
		CC	4) Mortgage Instrument with the following attachments and signed evidence document was sent for recordation (See item # 6 below for the acceptable forms of evidence of recording). If the mortgage references additional attachments, all items must be included. (a) Legal Description must be present. (b) Condo/PUD/Manufactured Home Affixation Riders. (c) NMLS Information must be present.
___(a)	___(a)		
___(b)	___(b)		
		O	5) Mortgage Modification Agreement (Form 40). Before using a modification please check with PHFA to determine that is the best option to make the correction.
		CC	6) Assignment of First Mortgage to Pennsylvania Housing Finance Agency (Form 20) with evidence the document was sent for recording such as: (a) Individual receipt from recorder of deeds for the document that was submitted for recording OR (b) The following signed statement typed on a copy of the document: "I hereby certify that this is a true and correct copy of the original which was submitted for recordation". By: _____ Date: _____ Name of Title Insurance Company Agency or Lender Authorized Officer
___(a)	___(a)		
___(b)	___(b)		
		CC	7) If applicable , an Assignment of Mortgage from an authorized affiliated entity to the participating lender submitting loan for purchase, with evidence document was sent for recording as referenced above in #6.
		CC	8) Subordination Agreement – signed and stamped certified true copy of the doc, sent for recording.
		CC/O	9) A copy of a notarized Name Affidavit must accompany the Note. If there is an additional person (s) on the mortgage, we need a copy of the notarized name affidavit for that person as well. Copies need to be uploaded into the electronic system. Any inconsistencies/variations between the printed name and signature will require an original Name Affidavit be mailed to PHFA.
		E	10) Instant Title Policy with all required addendums & endorsements. The Title Policy must contain an authorized agent's countersignature. *eMail from Title Agent/Company stating it is the original is required.
		C	11) Executed Deed that was sent for recording. This is required for all loans types except for Refinance Loans.
		CC	12) Non-PHFA Additional Assistance Program – Includes Other County Programs Subordinate Mortgage and Subordinate Note if approved to use with this loan transaction.
		C	13) Survey, if common and typical to area. (This is not a PHFA requirement).
		C	14) Power-Of Attorney, if applicable. Please include the communication with PHFA staff granting permission to close with the POA.

IMPORTANT NOTICE: THE FINAL DOCUMENTS, APPROPRIATE GOVERNMENT INSURING CERTIFICATE & ALL MISCELLANEOUS ITEMS THAT WERE REQUIRED BY PHFA MUST BE SUBMITTED TIMELY TO RECEIVE THE FULL SRP. PLEASE CLICK ON THE LINK FOR SRP SCHEDULE <http://www.phfa.org/forms/sellersguide/sellersguide.pdf>. THE FOLLOWING DOCUMENTS (when applicable) ARE REQUIRED TO BE UPLOADED TO VIRPACK. REFER TO THE FINAL DOCUMENT PACKAGE CHECKLIST.

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| 1. RECORDED FIRST MORTGAGE AND ASSIGNMENT(S) | 5. FHA MORTGAGE INSURANCE CERTIFICATE |
| 2. RECORDED PHFA SUBORDINATE MORTGAGE(S) | 6. VA LOAN GUARANTY CERTIFICATE |
| 3. ORIGINAL MORTGAGE MODIFICATION AGREEMENT | 7. RD LOAN NOTE GUARANTY |
| 4. RECORDED NON-PHFA SUBORDINATE MTG. | |

PURCHASE PACKAGE - SERVICE RELEASED CHECKLIST

LENDER TO COMPLETE <u>ALL</u> BLANKS IN THIS SECTION	Borrower's Name: _____	Lender: _____	Date Completed _____
	PHFA Loan # (on PHFA Approval) _____	Contact: _____	
		Tel. # _____	
		Email: _____	

DIRECTIONS: Place this Page 4 of the Checklist with the items in the order listed below. These items are uploaded with the Purchase Package with Form 58: **Documents >> Upload**; Document Type: **Purchase Package**. For any questions regarding these items, email sfservicingconditions@phfa.org or call(717)780-3871.

LENDER "X" OR N/A	<u>Loan Set Up Review Documents</u>
	The Loan Set Up Sheet must be completed by accessing it at https://lenders.phfa.org . The closing information must be completed within 7 calendar days after closing or before the lock expires, if the lock expired Secondary@phfa.org must be notified to reactivate the loan so that the loan set up information can be completed. PLEASE NOTE: Loan Set Up must be completed after the required Loan Set Up Review Documents are submitted and processed. The documents listed below are required to be submitted and must be processed prior to the Loan Set Up being made available. Use Appendix E as a reference for submitting Loan Set Up Review Documents.
	1) Provide a copy of the Legal Description for the subject property.
	2) Provide a copy of the Final Closing Disclosure.
	3) Homeowners Insurance declaration page must be effective no later than the closing date. If the CD references the insurance as a POC, proof of payment in full for the first year's premium is required. The Ins. Agent must document payment was received. For PHFA to PHFA refis /only the dec. page is required.
	4) Copy of Hello/Goodbye letter with the PHFA Privacy Disclosure (Form 28 – all pages) given to the mortgagor at closing with the complete payment information.
	5) Life of Loan Flood Certification (must list PHFA's name & address).
	6) Initial (Aggregate) Escrow Account Statement Disclosure.
	7) Tax Certification verifying payment of School, County and City/Twp or Boro taxes. Form 27 may be used if fully completed with all taxing authorities, tax amounts and discount dates listed and signed by the lender. All tax figures must match figures on the Final Closing Disclosure. Please note if property contains multiple parcels, tax amounts must be reflected separately.
	<u>Servicing Release Documents</u>
	Directions: Please this Page 4 of the Checklist with the documents in the order listed below. These items are uploaded with the Purchase Package with Form 58: Documents >> Upload ; Document Type: Purchase Package . For any questions regarding these items, email sfservicingconditions@phfa.org or call 717.780.3871 *The below documents are required to be submitted with the Purchase Package.
	1) If Real Estate tax must be paid, include tax bill and note that bill must be paid immediately. Please not that if the Closing Disclosure reflect the current year taxes as paid a receipt will be required to be submitted as verification.
	2) Automatic Withdrawal (ACH form) (Form # 67). (Document must be faxed to the Agency within 4 business days after closing). Optional.
	3) Guaranteed Rural Housing Form 3555-18E Conditional Commitment for Single Family Housing Loan Guarantee (4 pages) with proof servicing was transferred . If this is done electronically, we will accept screen shots from the USDA website of the GLS lender loan closing confirmation & update on loan closing in place of the form. This document is only required on RD loans.
	4) W-9 Form for all borrowers.
5) FHA purchase loans only - include the applicable Addendums and FHA Settlement Certification that accompany the Closing Disclosure.	
6) Letter to Insurance Co. (Form 42) advising of change of Servicer – This is required when PHFA is not listed on the declaration page. The correct address is PHFA, P.O. Box 15057, Harrisburg, PA 17105.	
7) If flood Ins is required – Provide proof of Flood Ins. with acquired by including a fully executed & dated application. A payment receipt for first year's premium is needed even if it is listed as a POC.	
8) Proof of Mine Subsidence Insurance, with receipt for first year's premium and/or copy of check, if applicable.	
9) Copy of Right of Rescission addressed to each owner for all Refinance Loans.	
10) For Condominium units, provide a copy of Certificate of Association's Insurance for Hazard and/or Flood and a unit owner's HO-6 policy for replacement.	
11) Copy of clear MI Certificate, including an acknowledgement that the servicing was transferred to PHFA. The certificate must also include proof of payment as applicable per the MI Company. (Required on HFA loans with MI.)	
12) Provide the Initial PMI Cancellation Disclosure and the Amortization Schedule. (Required on Conventional loans with MI and PHIF.)	
13) Authorization letter from borrower for PHFA to use the escrow funds to apply to the new loan. Required on PHFA to PHFA refinances per FHA in ML 2013-29.	
14) If applicable, non-liable co-owner's name _____ (This is needed when another person is living in the home but he/she is not on the note.) Social Security # _____ Date of Birth: _____	
15) Address of co-borrower not occupying property.	

If a notice is posted to the PHFA Pipeline Plus regarding missing items from this page, please note the item (s) must be uploaded as Servicing conditions: **Documents >> Upload**; Document Type: **Servicing Conditions**