

GENERAL INFORMATION

1. Recertification Reminder. The 2026 annual Participating Lender Recertification is due April 30, 2026. This is the final deadline for a complete recertification package, though recertifications may be submitted as early as January 1, 2026. Submissions received earlier in the year are appreciated to allow time for staff to communicate follow up or missing documentation in advance of the final deadline. The 2026 [Recertification Checklist](#) is now available and must be submitted with the required corresponding documents via VirPack. Please refer to [Appendix E](#) for uploading instructions. For staff to submit the recertification package, the 'Recertification' menu item must be added to their Pipeline Plus profile. The Pipeline Plus administrator for each lender can grant access if needed.

LOAN ORIGATION & UNDERWRITING

1. Condominiums. For all conventional loans, the name of the condominium project must be entered in DU. If the DU findings indicate that the project name is missing or if the project name does not match the other documents in the Pre-Closing submission package, the loan will be suspended for the project name to be entered or corrected. Please keep in mind that DU Approve/Eligible is required for all Conventional KHL and Conventional KFLEX loans. DU findings with a recommendation of DU Approve/Ineligible are not acceptable for PHFA financing.

2. Neighborhood LIFT Downpayment Assistance Program. Effective immediately, the Neighborhood LIFT Downpayment Assistance Program may not be combined with any PHFA mortgage programs due to language in the Neighborhood LIFT Restrictive Covenant. Any loans submitted for Pre-Closing review with Neighborhood LIFT Downpayment Assistance will be Ineligible and the loan must be re-structured without this program.

3. Fannie Mae Selling Guide Announcement. Fannie Mae released Selling Guide Announcement ([SEL-2026-02](#)) on March 4, 2026. This announcement introduces new policies, policy changes and clarifications to improve clarity and consistency for income assessment. Effective immediately, PHFA will begin following the updates in this announcement for all conventional loan programs.

CLOSING & POST CLOSING

1. IRS Tax Transcripts. Lenders are reminded to include the two most recent years of tax transcripts in the PreClosing submission. If transcripts are omitted, a purchase condition will be added to the PreClosing approval requiring documents to be provided. Please note that the loan cannot be purchased until the required tax transcripts are received. Tax returns will not be accepted unless the borrower is self-employed.

2. Sellers Affidavit. Please note that the sellers listed on and signing the deed must match the sellers signing the Seller's Affidavit, [page 6 of Form 3](#) for the Keystone Home Loan program to be eligible for purchase. Any inconsistencies in the Seller's information may cause confusion and potential delays during the review process.

3. PreClosing Eligibility Notification. Please review the PreClosing Eligibility Notification carefully prior to submitting your purchase package. Omission of any required documentation or uncleared conditions will cause the loan to be ineligible for purchase. Lenders should ensure all conditions are satisfied prior to closing so that the purchase package includes all required documentation for submission.

4. Non-Liable Co-Occupants/Additional individuals added at closing. Only individuals approved at the time of PreClosing review may appear on the loan closing documents. The addition of any non-liable co-occupants at closing without prior disclosure and PreClosing approval will result in the loan being ineligible for purchase. Pertinent information regarding any non-liable co-occupant must be reviewed, including income, assets and homeownership status, to determine eligibility under applicable program guidelines.

5. Property Addresses. The legal property address must be reflected on all loan documents and remain consistent throughout the entire file. Any discrepancies may cause delays and require document corrections. Please verify the address for accuracy before submitting documents for review.

6. [Form 28](#). As a reminder, all applicable addresses on Form 28 Hello/Goodbye Letter should reflect the subject property address, **NOT** the address the borrower is moving from as that address is obsolete. When utilizing our online PDF fill in format documents from our website, the address typed in the first address block populates to the payment coupons on the following page.

7. Unpaid taxes. In the [4th Quarter Update for 2025](#), we requested a receipt or other proof of payment for any past due taxes that are paid at or prior to settlement on the Closing Disclosure (CD). Many Service Release Packages received do not have the required documentation in the file when the Purchase Package is submitted. As a reminder, please ensure all required documentation is in the file upon submission. The documentation provided in support of proof of payment must match the amount and payee indicated on the CD. If there is a discrepancy, a written explanation must be provided.

The supporting documentation acceptable as proof of payment of the required property taxes may include any of the following:

- Cleared check made out to the appropriate tax collector
- Proof of completed transfer of funds applied to outstanding taxes if the payment was processed electronically.
- Paid receipt from tax collector.
- Documentation from the tax assessment office showing all applicable taxes have been paid.
- Tax Certification from the tax collector confirming all applicable taxes have been paid.

8. FHA MIC Certificate: We have recently identified instances where borrower names are misspelled or entered incorrectly on the Mortgage Insurance Certificate (MIC) for FHA insured loans. To help prevent this issue, we ask that lenders carefully review the borrower's name(s) entered in FHA Connection prior to final submission to ensure the spelling and formatting are accurate. Errors on the MIC can be difficult to correct after submitting the certificate to the Final Documents unit for review and may result in processing delays, including delays in the final SRP payout. Your attention to verifying borrower's information at the time of entry will help avoid these issues and ensure timely processing.

9. Final Documents Submission. Effective immediately, final documents must be uploaded to VirPack for review. Documents submitted via email will no longer be accepted. Submitting documents through the secure loan submission system ensures sensitive information remains protected and that all documents are properly timestamped upon submission for review.

10. Modification Agreements. As a reminder, legal descriptions are required to be included with the modification agreement. Please also ensure page 3 is fully completed, including the borrower's printed names beneath their signatures and within the notary section.

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