

# Closing/Post Closing Training

Josh Shapiro, Governor

Robin L. Wiessmann, Executive Director



## PHFA MISSION

*In order to make the Commonwealth a better place to live while fostering community and economic development, the Pennsylvania Housing Finance Agency provides the capital for decent, safe and affordable homes and apartments for older adults, persons of modest means and those with special housing needs.*

[www.phfa.org](http://www.phfa.org)



# PHFA, who are we?

- Created in 1972
- Non- profit; Quasi Government Agency
- Headquarters in Harrisburg, PA
- Several departments: Homeownership
- Considered an “Investor”
- Over 201,537 loans purchased, worth 18.9 billion dollars

# Agenda

- PHFA Process
- How do I close a PHFA Loan?
- Insurance Requirements
- Selling the Loan to PHFA
- Purchase Package Upload
- Contact Information

# OUR TEAM

April O'Connell



Business Development  
Manager

Emily Murray



Business Development  
Officer

Jeffery Sowers



Business Development  
Officer

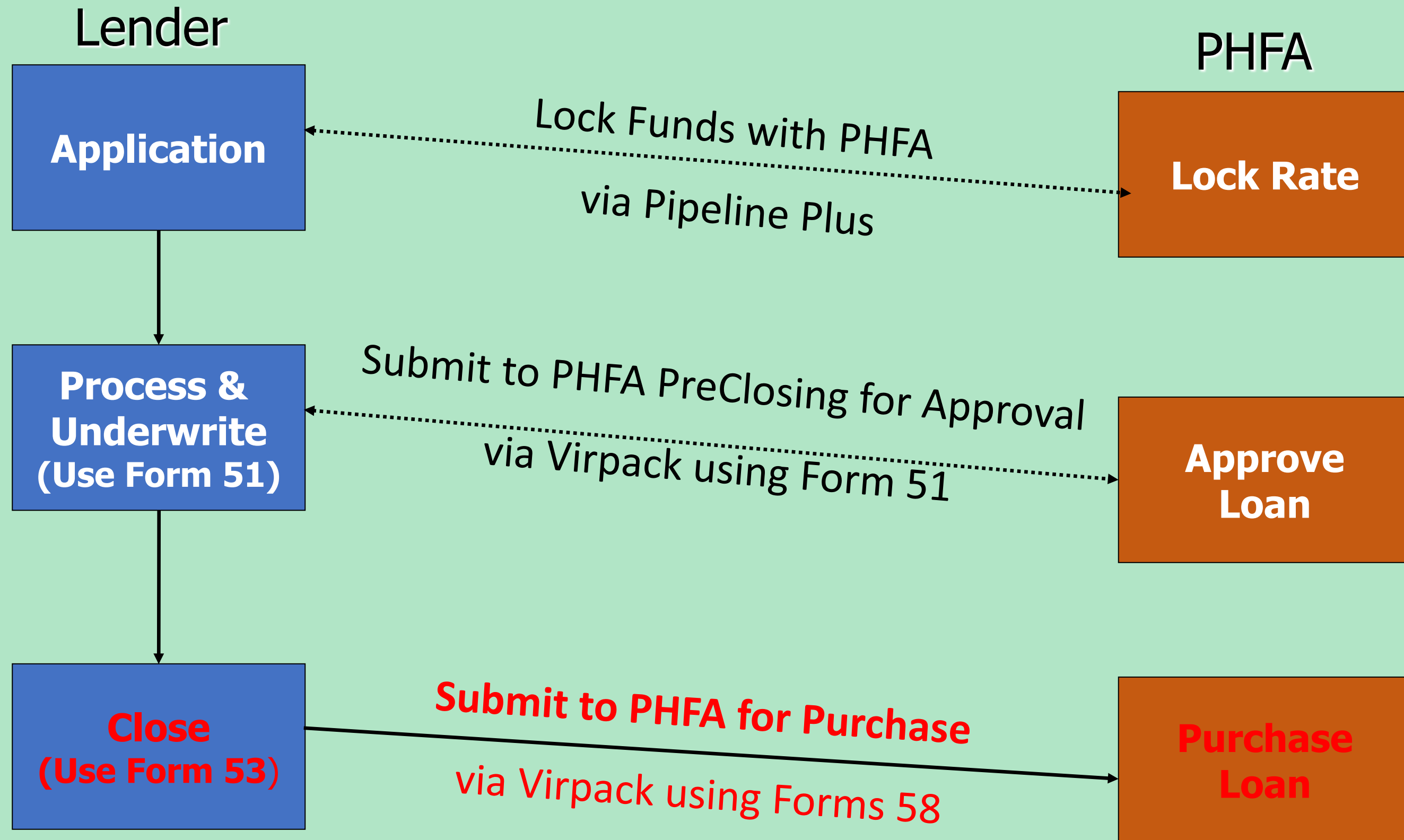
Alexandra Arocho



Business Development  
Officer

Business Development Team of  
PHFA's Homeownership Programs Division

# PHFA PROCESS



# How Do I Close A PHFA Loan?

# Allowable Fees

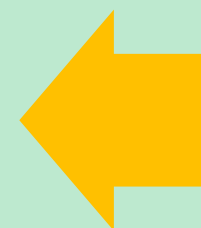
**\$1,500 Administrative fee** to cover overhead expenses for all purchase loans and HFA refinances.



**\$1,100 Administrative fee** to cover overhead expenses for FHA/VA Streamline refinances only.



Cash back to the borrower is limited to **\$100 in excess of standard items paid outside of closing** (inspection fee, appraisal fee, etc.).



If third party fees charged on PHFA loans exceed provider's cost refund will be required to the borrower with new closing disclosures.



# Allowable Fees

Actual amount (or your standard fees) for items including, but not limited to:

- Credit report
- Appraisal fee
- Filing and recording fees
- Wood-destroying insect report
- Tax certification fees can be charged on all loans
- \$93 tax service fee must be charged on all loans:
  - PHFA sends to CoreLogic
  - Borrower or lender paid
  - Reflected on Loan Estimate and Closing Disclosure
- Reasonable notary fee of \$20 may be charged for the Advantage Mortgage and K-FIT Mortgage

# Pricing

- The maximum a lender may retain from the loan price is 103% of the loan amount
- Maximum earnings on Keystone Home Loans and Keystone Flex with KFIT is 102.375%
- Additional compensation above 103% must be provided to the borrower in the form of a credit toward their closing costs or utilized toward a refundable Single Lender Paid Mortgage Insurance Premium

# Pricing

## All loans are sold with servicing released to PHFA:

- The lender locks the interest rate as well as the price that PHFA will pay for the loan
- Price includes the origination and the Servicing Release Premium (SRP)

The final SRP (.625%) will be withheld at the time of purchase and paid when the file is cleared according to the payout schedule.

# Pricing

## **SRP Calculation:**

- The calculation of the final SRP payment is based on the date we received the document(s) that cleared the file, not the date we reviewed them
- Second/additional SRP paid in weekly batches (calculated from the clear date) and sent via ACH

## Pricing

- Regardless of when the loan was locked, the second portion of the SRP/loan price will be paid when **all loan conditions** are cleared according to the schedule below:
  - 0.625% if cleared within 30 days
  - 0.50% if cleared within 60 days
  - 0.375% if cleared within 90 days
  - 0.25% if cleared within 120 days
  - 0.125% if cleared within 150 days
  - 0% if not cleared within 150 days

# Pricing

- Borrowers will be able to pay up to two discount points in exchange for a lower rate. Available with HFA Preferred™ Lo MI and Keystone Government

*The Keystone Home Loan and Keystone Flex Loan programs do not permit borrowers to buy down the interest rate, because only one rate is offered.*

# Pricing

## Pre-Closing Performance Premium

Lenders with at least twelve purchased loans in the previous twelve months may qualify for a quarterly Pre-Closing Performance premium, providing:

- The combined quarterly average of Pre-Closing Eligibility Percentage and Quarterly Pull Through Percentage greater than or equal to 70%  
**and**
- Was approved on its initial Pre-Closing review may qualify for an incentive of up to \$75 per loan, in accordance with the table below:

<b>Combined Average Percentage</b>	<b>Pre-Closing Performance Premium</b>
100 – 90%	\$75
89 – 80%	\$50
79 – 70%	\$35

## Pricing

An extra \$250 would be paid for Access Modification loans.

The Access Home Modification program provides financial assistance to persons with disabilities or who have a disabled family member living with them to purchase a home and make it accessible according to their needs.



### CLOSING FORMS

Form #	Form Name	When Submitted to PHFA	When Required	Notes
53	<a href="#">Closing Instruction Addendum</a>	N/A	As needed	Instructions for closing
3 pg. 5	<a href="#">Mortgagor's Affidavit, Reaffirmation</a>	With purchase package	Required for KHL and HOMEstead	Must be signed and notarized at closing.
3 pg. 6	<a href="#">Sellers Affidavit</a>	With purchase package	Required for KHL and HOMEstead	If initial seller's affidavit was not completed before closing it must be completed at closing.
4	<a href="#">Notice of Maximum Recapture Tax</a>	With purchase package	Required for KHL and HOMEstead	Please note this form has 2 pages.
27	<a href="#">New Loan Tax &amp; Insurance Info.</a>	With purchase package	Always	
28	<a href="#">Hello/Goodbye Letter</a>	With purchase package	Always	Required for 1st Mortgage and Keystone Advantage Loan
20	<a href="#">Assignment of Mortgage</a>	With purchase package	Always	Must be recorded simultaneously with Mortgage; can use your own form if contains same info.
20MERS	<a href="#">Assignment of Mortgage - MERS</a>	With purchase package	When mortgage documents reference MERS	PHFA is not a member of MERS
40	<a href="#">Mortgage Modification Agreement (PHFA may request post-closing)</a>	With purchase package/upon PHFA request	When needed/upon PHFA request	
19	<a href="#">Addendum to Note/Construction Loan</a>	With purchase package	For new construction when there is one closing	
54	<a href="#">Subordinate Note</a>	With purchase package/final doc submission	Used ONLY for Access DP and Access MOD loan(s)	
54A	<a href="#">HOMEstead Subordinate Note</a>	With purchase package/final doc submission	Used ONLY for HOMEstead loan(s)	
54ADV	<a href="#">Keystone Advantage Note</a>	With purchase package	When Keystone Advantage is used	Lender should supply LE (may use PHFA Form 56ADV or Standard LE).
55	<a href="#">Subordinate Mortgage</a>	With purchase package/final doc submission		Used for subordinate PHFA loan(s)
55ADV	<a href="#">Keystone Advantage Second Mortgage</a>	With purchase package	When Keystone Advantage is used	
55 KFIT	<a href="#">K-FIT Subordinate Mortgage</a>	With purchase package	When K-FIT, Keystone Flex with K-Fit or Keystone Purchase & Improvement with K-FIT is used	
56 ADV	<a href="#">Keystone Advantage Loan Estimate</a>	With purchase package	When Keystone Advantage is used	
56 K-FIT	<a href="#">K-FIT Loan Estimate</a>	With purchase package	When K-FIT, Keystone Flex with K-Fit or Keystone Purchase & Improvement with K-FIT is used	
57 ADV	<a href="#">Keystone Advantage Closing Disclosure</a>	With purchase package	When Keystone Advantage is used	
57 K-FIT	<a href="#">K-FIT Closing Disclosure</a>	With purchase package	When K-FIT, Keystone Flex with K-Fit or Keystone Purchase & Improvement with K-FIT is used	
65	<a href="#">Escrow Agreement for Postponed Exterior Improvements</a>	With purchase package	As needed	
21	<a href="#">Co-Signer's Certification</a>	With purchase package	For all loans with a co-signer	
49	<a href="#">Acknowledgment of Completion of Repairs/Improvements (Used during/after construction or repairs)</a>	With purchase package or within 90 days after closing	As needed	
50	<a href="#">Satisfactory Completion Cert. (may be obtained post-closing depending on circumstances)</a>	With purchase package or after purchase with approval for postponed items	As needed	
71	<a href="#">Authorization Request for Escrowed Mortgage Payments</a>	Submit completed form for each monthly payment	Required for Fannie Mae Homestyle Renovation Loan Program or 203K Loan Program	Form must be completed by the borrower and given to the lender to submit to PHFA when mortgage payments will be collected at closing and placed into an escrow account.

### POST-CLOSING/LOAN PURCHASE FORMS

Form #	Form Name	When Submitted to PHFA	When Required	Notes
PP	<a href="#">New Loan Set-Up Sheet via Pipeline Plus</a>	<b>ONLINE</b> within 7 calendar days of closing	Always	Must be completed <b>ONLINE</b> within 7 calendar days of closing
58	<a href="#">Purchase Submission Checklist</a>	With purchase package	Always	Upload and submit via Virpack
30	<a href="#">Final Document Submission Cover Letter</a>	With final docs after purchase package sent	As needed	

# Closing Instructions

- **Form 53**: An addendum to your closing instructions that summarizes PHFA's specific instructions
- The lender should not close the loan without the pre-closing eligible notification from PHFA
- Pre-Closing Eligible notifications can be found on Pipeline Plus. Pipeline Plus details also indicate loan eligibility

# Closing Forms

- Mortgagors Affidavit - **Form 3, Page 5 and 6:**
  - For Keystone Home Loan and HOMEstead only
  - Must be signed at closing
- Recapture Tax Notice- **Form 4:**
  - For Keystone Home Loan and HOMEstead only
  - Fill in maximum tax: 6.25% of the loan amount
- Hello/Goodbye Letter- **Form 28: ALL Loans**
  - Required for all PHFA loans, completed at closing
  - Fulfills RESPA requirement as a loan being sold to PHFA
  - Indicates mortgage payment and first payment date
  - Includes temporary payment coupon for the mortgage payment to be made to PHFA, **NO OTHER PAYMENT COUPONS SHOULD BE ISSUED**



Pennsylvania Housing Finance Agency  
 Loan Servicing Division  
 P.O. Box 15057  
 Harrisburg, PA 17105-5057

Toll free: 855-827-3466  
 TTY: 800-854-5864  
 Mon-Fri, 8 a.m.-7 p.m.  
 www.PHFA.org

Borrower's Name(s)  
 Address

Date

Street address

Loan No. Lender Loan Number

Re: Notice of Purchase and Servicing Transfer,  
 Dear

The Pennsylvania Housing Finance Agency (PHFA) has acquired your mortgage loan and will be servicing it. **EFFECTIVE IMMEDIATELY ALL PAYMENTS FOR YOUR MORTGAGE SHOULD BE SENT TO PHFA.** You may pay your bill online or set up automatic payments by visiting PHFA's Online Servicing Center at <https://loansphereservicingdigital.bkiconnect.com/phfa/#/login>. You may also call PHFA at 1.855.827.3466 to have an automatic payment authorization form mailed to you.

Your first payment is due on Payment Date. All payments are due on the 1st of each month. A late charge will be imposed if your payment has not been received by PHFA by the 16th of the month.

**Partial Payment:** As your lender, PHFA may hold partial payments in a separate account until you pay the rest of the payment, and then apply the full payment to your loan. If this loan is sold, your new lender may have a different policy.

The assignment of your mortgage is effective as of the date of your mortgage loan closing and is recorded in the office of the Recorder of Deeds in the county where your mortgaged property is located. As your servicer, PHFA will be collecting your mortgage loan payments from you. Nothing else about your mortgage loan will change. If you have any questions for either PHFA or for your originating lender about your mortgage loan or this transfer, please use the contact information below:

**Servicer:**  
 Pennsylvania Housing Finance Agency  
 Loan Servicing Division  
 P.O. Box 15057  
 211 North Front Street  
 Harrisburg, PA 17105-5057  
 Telephone: 1.855.827.3466

**Originating Lender:**  
 Lender's Name  
 Address  
 Telephone: Lender's Phone Number

If you receive an insurance invoice for your home, please forward it to PHFA so we can pay it out of your escrow account. Your monthly mortgage payment amount may change based on PHFA's review of actual tax and insurance escrow invoices.

If you wish to write PHFA because you believe an error was made while servicing your mortgage or if you wish to request information about your mortgage, you must use the following address: **Pennsylvania Housing Finance Agency, ATTN: Qualified Written Request Department, P.O. Box 15057, Harrisburg, PA 17105-5057.**

You will soon be receiving a monthly billing statement from PHFA. Please use the payment coupon at the bottom of the monthly billing statement and mail it along with your check to the address listed on the payment coupon to ensure proper posting to your account. If you do not receive a billing statement before your first payment is due, please use the included temporary coupon for your payment and call PHFA at 1.855.827.3466.

Sincerely,  
  
 Kathryn Newton  
 Director of Loan Servicing

There is no interim servicing. Do not board PHFA loans into your servicing system.

**TEMPORARY PAYMENT COUPONS**

You should be receiving a billing statement from PHFA in the near future. If you do not receive a billing statement before your first payment is due, please use the coupons below to make your payment and call PHFA at 1.855.827.3466.

Please note: if you have a Keystone Advantage Assistance Loan, please include a separate check and the second payment coupon for payment of your subordinate mortgage. If you do not have a Keystone Advantage Assistance Loan, you may disregard the second coupon.

**FIRST MORTGAGE  
 TEMPORARY PAYMENT COUPON**

\*Please include a copy of this coupon with your payment

**Make check payable to PHFA & mail to:**  
 PENNSYLVANIA HOUSING FINANCE AGENCY  
 Loan Servicing Division  
 P.O. Box 15057  
 211 North Front Street  
 Harrisburg, PA 17105-5057

<b>Account No.</b>	<b>PHFA's Loan Number</b>
Borrower(s):	
Address:	

<b>First Payment</b>	
<b>(Due on )</b>	
<b>\$</b>	

**KEYSTONE ADVANTAGE ASSISTANCE LOAN  
 TEMPORARY PAYMENT COUPON**

*(if applicable – disregard if incomplete)*

If utilizing Advantage:

\*Please include a copy of this coupon with your payment

**Make check payable to PHFA & mail to:**  
 PENNSYLVANIA HOUSING FINANCE AGENCY  
 Loan Servicing Division  
 P.O. Box 15057  
 211 North Front Street  
 Harrisburg, PA 17105-5057

<b>Account No.</b>	<b>PHFA's Loan Number</b>
Borrower(s):	
Address:	

<b>First Payment</b>	
<b>(Due on )</b>	
<b>\$</b>	

# Automatic Withdrawal for Borrower Payments

Automatic Withdrawal – Form 67:

- May be used for borrowers to set up automatic monthly payments
- Lenders may include the completed form with their purchase submission package or fax it to the number on the bottom of the form.
- **Please do not email** this document due to the personal identifiable information
- PHFA borrowers may also set up their online account with us by visiting our Online Servicing Center.

**PENNSYLVANIA HOUSING FINANCE AGENCY**  
 211 North Front Street  
 P.O. Box 15057  
 Harrisburg, PA 17105-5057  
 Fax (717) 780-3899  
 1-800-346-3597

AUTHORIZATION AGREEMENT FOR AUTOMATIC WITHDRAWAL PAYMENTS

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

PHFA Mortgage Acct Number: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

I hereby authorize Pennsylvania Housing Finance Agency to initiate automatic withdrawals referred to as ACH entries from my checking/savings account through the financial institution listed below.

Financial Institution Name: \_\_\_\_\_

Financial Institution Telephone # \_\_\_\_\_

Financial Institution ABA/Routing Number \_\_\_\_\_

Checking OR Savings Account Number: \_\_\_\_\_

Circle the type of account to be drafted.

- *If Checking is indicated attach a voided check from your checking account.*
- *If Savings is indicated, submit a letter on the financial institution's letterhead with the savings account number and the ABA/routing numbers.*

Draft Day, Choose Draft Date You Prefer, (first through the sixteenth of the month): 1st <sup>thru</sup> 16th \_\_\_\_\_

Monthly Mortgage Payment \$ \_\_\_\_\_ (Estimated at time of closing)

Additional Principal Payment \$ \_\_\_\_\_ (Optional)

Total ACH Amount \$ \_\_\_\_\_

This authority is to remain in full force and effect until the above listed financial institution has received written notification from the undersigned of changes in such time and to afford the above listed financial institution a reasonable opportunity to act on it.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**A REPRESENTATIVE OF THE ORIGINATING LENDER MUST INCLUDE THIS FORM WITH THE PURCHASE SUBMISSION PACKAGE OR FAX IT TO (717) 780-3899.**

## Closing Disclosures

- CDs must be provided for the first mortgage and any subordinate financing:
  - May use **Form 57ADV-CD** for the Advantage Loan
- May use **Form 57KFIT-CD** for K-FIT:
  - PHFA K-FIT CD is customized to exclude the late fee language, as K-FIT does not have a monthly payment schedule. Lenders who wish to utilize their own disclosures for K-FIT, are responsible to ensure late fee language is eliminated and not disclosed to the borrower
- The initial (time compliant) and final Closing Disclosures must both be submitted
- Conventional loans- provide proof of the final successful UCD submission. Any additional corrections to the CD will require a new UCD submission

**Loan Assumptions -**  
Seller's Guide: Page 44

**3. Loan Assumptions**

Assumptions are permitted only with the approval of the Agency, acting in its sole discretion, and then, only if all requirements of the applicable sections of the Internal Revenue Code of 1986, as amended, including the Income Limitation, Principal Residence Requirement, and Three-Year Non-Homeowner Requirement and the Purchase Price Limitations are met with respect to the assumption. It also provides for an acceleration of the mortgage loan if the mortgagor sells, rents or otherwise transfers any interest in the property without prior approval of the Agency or fails to occupy the premises as a principal residence.

- i. *Program Assumptions.* When completing the Loan Estimate and Closing Disclosures, please keep in mind that not all PHFA loan products are eligible for assumption. For more information, please see the chart below:

<b>Program</b>	<b>Assumable</b>
HFA Preferred™ & HFA Preferred Risk Sharing™	No
Keystone Government Loans (K-Gov) FHA & VA Loans	Yes
Keystone Government Loans (K-Gov) RD Loan	No
Keystone Home Loans (KHL) Conventional, FHA & VA Loans	Yes
Keystone Home Loans (KHL) RD loan	No
Keystone Flex Loans (K-Flex) Conventional, FHA & VA Loans	Yes
Keystone Flex Loans (K-Flex) RD Loans	No
Keystone Advantage Assistance Loan	Yes
Keystone Forgivable in Ten Years Loan (K-FIT)	Yes
Renovate & Repair (R&R)	No
Pennvest	No
Homeowners Energy Efficiency Loan Program (HEELP)	No
Refinance to an Affordable Loan (REAL)	No
Homeowner's Equity Recovery Opportunity (HERO)	No

Loans assumable under the Keystone Home Loan (KHL) program must meet the mortgage revenue bond guidelines. KHL Conventional loans must also be approved by the Private Mortgage Insurance Company if insurance is in place.

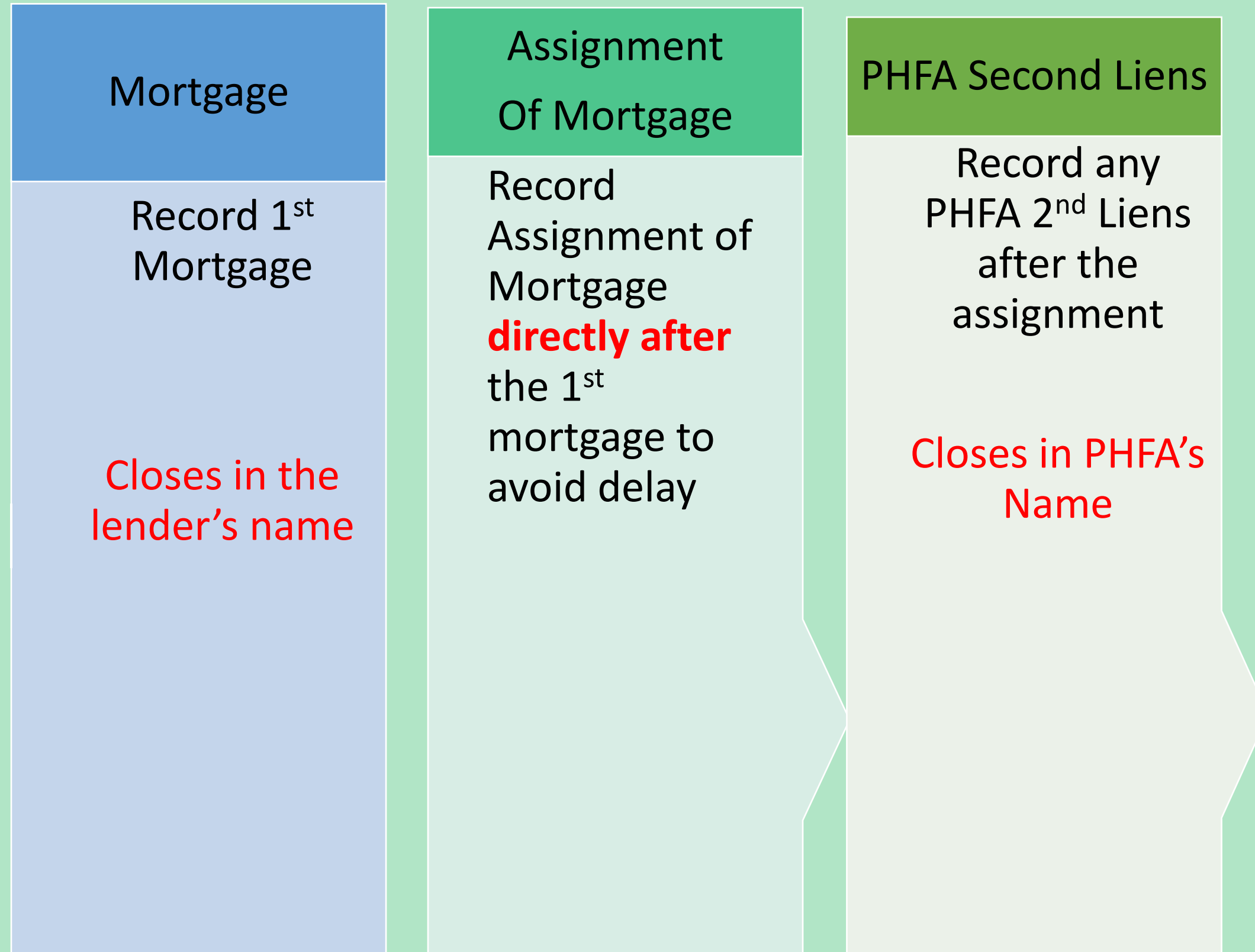


# Mortgage

- True and certified copy of the original sent for recording with initials/signature
- The first mortgage is funded by the lender and closes in the lender's name
- The legal description must be included
- Applicable riders must be included (condos, PUDs, FHA rehab, manufactured homes, etc.)

**Certificate of Residence** – **Not required** to be completed; however, if it is completed, the signature must match the name typed. If the signature is a different person than the person that is typed below, the mortgage will need to be re-recorded to correct the name.

# Recording the Mortgage(s)



## Assignment of Mortgage

- The first mortgage closes in the lender's name
- Immediately assigned to PHFA using Form 20 or 20 MERS if a MERS Mortgage
- True and certified copy of the original sent for recording with initials/signature
- The Assignment **cannot be dated prior** to the mortgage
  - Assignment should have the same date as the mortgage or be dated after the mortgage

Prepared by & Return to:

\_\_\_\_\_  
(Contact and Department Name)

\_\_\_\_\_  
(Address of Lender)

PIN/ID Number: \_\_\_\_\_

*Above space is intentionally left blank for recording data.*

**ASSIGNMENT OF MORTGAGE**

For value received, the undersigned, \_\_\_\_\_, (Originating Lender) does hereby grant, sell, convey, assign and deliver unto the PENNSYLVANIA HOUSING FINANCE AGENCY, its successors and assigns, the following described Mortgage, together with the Note secured thereby:

Name of Original Mortgagor(s): \_\_\_\_\_

Secured by the real property located at: \_\_\_\_\_

Original Principal Amount of Mortgage: \$ \_\_\_\_\_ Mortgage Dated: \_\_\_\_\_

County Recorded in: \_\_\_\_\_ Municipality: \_\_\_\_\_

Recorded simultaneously with the above referenced Mortgage OR it must reference the mortgage information below if it is recorded at a later date.

The recording information is as follows: Mortgage Recording Date: \_\_\_\_\_ Record Book  
Page \_\_\_\_\_ or Instrument Number: \_\_\_\_\_

IN WITNESS WHEREOF, the undersigned, has caused this **Assignment of Mortgage** to be executed by its duly authorized officer.

Date: \_\_\_\_\_  
\_\_\_\_\_  
(ORIGINATING LENDER)

By: \_\_\_\_\_

Title: \_\_\_\_\_

Commonwealth of Pennsylvania

County of \_\_\_\_\_

This record was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_, who represents he/she is an authorized officer of \_\_\_\_\_ and that he/she executed the record for the purposes stated in the record.

\_\_\_\_\_  
Signature of Notarial Officer

**CERTIFICATE OF RESIDENCE OF ASSIGNEE**

The below officer certifies that the principal business and mailing address for this assignment and assignee is: PHFA, 211 North Front Street, Harrisburg, PA 17101

\_\_\_\_\_

# Assignment of Mortgage

The mortgage recording information is not needed if:

- The simultaneous language is listed on the assignment form OR
  - The PHFA assignment, Form 20, contains this verbiage. If this language is missing and the mortgage recording info is not referenced on the assignment, a corrective assignment will be required
  - If it is not recorded simultaneously, it must reference the mortgage recording information
- 
- **Must be signed by an Authorized Officer (Form 29 must be on file).**
    - If this information is missing, a “CORRECTIVE” Assignment will be required. If the individual that signed the Assignment is not an Authorized Officer, request [Form 29](#). If the Lender will not complete a [Form 29](#) to authorize the individual to sign documents on their behalf, then a “CORRECTIVE” Assignment must be submitted and be signed by an authorized officer.
    - The Authorized Officer’s signature must also be a “WET” signature. It cannot be stamped – if it is stamped, the file must be rendered ineligible.

**LIST OF AUTHORIZED OFFICERS AND UNDERWRITING PERSONNEL**

**LIST OF AUTHORIZED OFFICERS**

The following is a list of officers authorized to execute, on behalf of \_\_\_\_\_, all documents relating to any mortgage loan to be purchased by the Pennsylvania Housing Finance Agency. Signatures must match the way they are endorsed on assignment of mortgages, the allonge to notes, etc. List employees who will be signing mortgage documents for loans sold to PHFA.

NAME	TITLE	SIGNATURE <small>(wet signatures required)</small>	RESUME <small>"X" to indicate attached</small>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>

All signatures must be wet signed.

Lender: \_\_\_\_\_  
 Fictitious Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

Annually this list is required to be included with the Lender Recertification Package. Throughout the year this list must be updated as authorized signers change. Include resumes for all persons listed on this form, including current job description and duties within the organization. Please forward updated information to [sfpurchasing@phfa.org](mailto:sfpurchasing@phfa.org).



## First Mortgage Note

- Must be an original
- All first mortgage notes must have the following legible endorsement:
  - “Pay without recourse to the Pennsylvania Housing Finance Agency”
  - Lender’s name should appear above the signature of the officer
  - Must be signed by an authorized officer:
    - Use **Form 29** to update authorized officers

## Subordinate Note

- Subordinate Note- **Form 54ADV:**
  - Keystone Advantage Assistance Loan
- Subordinate Note- **Form 54KFIT:**
  - Keystone Forgivable in Ten Years Loan Program (K-FIT)
  - Any loan forgiveness of \$600 or more must be reported to the IRS. Borrowers may expect to receive an information return (1099-C) from PHFA each year in which at least \$600 of principal is forgiven. This information is included in the note
- Subordinate Note- **Form 54:**
  - Access Home Modification Loan
  - Access Downpayment and Closing Cost Assistance
  - For HOMEstead Program- **Form 54A**



# Subordinate Mortgages

- Subordinate Mortgage **Form 55ADV:**
  - Keystone Advantage Assistance Loan
  - Funded by the lender and closes in PHFA's name
  - Assistance amount is added to the lender's purchase proceeds
- Subordinate Mortgage **Form 55KFIT:**
  - K-FIT Loan Subordinate Mortgage
  - Funded by the lender and closes in PHFA's name
  - Assistance amount is added to the lender's purchase proceeds

# Subordinate Mortgages

- **Form 55:**
  - HOMEstead Loan
  - Access Home Modification Loan
  - Access Downpayment and Closing Cost Assistance Loan
  - Funded by PHFA via ACH after Pre-Closing Eligible Notice is issued and closed in PHFA's name

# Subordinate Mortgages

- PHFA assignment is not required for PHFA subordinate loans:
  - Subordinate loans close in PHFA's name
- Subordinate mortgage must be recorded in second lien position:
  - Lender must provide copies of any additional subordinate mortgages used (with recording information included)
  - When using PHFA subordinate, other liens must be in 3<sup>rd</sup> lien position

# Name Affidavit

Copies of the original notarized name affidavit are acceptable.

When there are discrepancies with typed and signed name, the **original**, notarized Name Affidavit for each person signing the Mortgage and Note must accompany the Note sent to PHFA.

**Name Affi... 1**

**SIGNATURE/NAME AFFIDAVIT**

Date: \_\_\_\_\_ Lender: \_\_\_\_\_ Loan #: \_\_\_\_\_  
Borrower(s): **ANNE** MIN: \_\_\_\_\_

I, the undersigned Borrower, state that I am one and the same person named in the Note and Security Instrument. I also swear and affirm that the signature below is my true and exact signature for execution of the loan documentation.

I hereby certify that:  
**ANNE**  
**ANNE**  
**ANN**  
**ANNA**

\_\_\_\_\_ are one and the same person.  
**ANNE**  
(Print or Type Name)

Signature \_\_\_\_\_ Date \_\_\_\_\_  
**ANNE**

State of **PENNSYLVANIA** )  
County of **LYCOMING** )  
**COLUMBIA** )

On this 11<sup>th</sup> day of August, before me, the undersigned, a Notary Public in and for said State, personally appeared **ANNE** known to me, or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

Witness my hand and official seal.

Signature \_\_\_\_\_  
Notary Public for **PENNSYLVANIA**

Commonwealth of Pennsylvania - Notary Seal  
- Notary Public

# Parcel Numbers

Parcel numbers, including multiple parcel numbers must be consistent throughout all documents.

This would include:

- Appraisal
- Mortgage instrument
- Assignment of Mortgage
- Deed
- Legal description for both the mortgage and the deed
- Parcel numbers must also be listed on Form 27- which lists tax information for the property

# Parcel Numbers

- For properties that are sub-divided, it is necessary to obtain a new deed and updated parcel number(s) for the subject property. This way the correct taxes for the real estate secured with PHFA financing is paid.

**LOANS SUBMITTED FOR PURCHASE WITH INCONSISTENT PARCEL NUMBERS WILL BE INELIGIBLE FOR PURCHASE UNTIL THE APPROPRIATE DOCUMENTS ARE PROVIDED.**

## True Certified Copies

- True and Certified copies of these documents must be included in the Purchase Package:
  - First Mortgage
  - Assignment of Mortgage (**Form 20**), form 20MERS for MERS Mortgages
  - All Subordinate Mortgages (if applicable)
- Certification must include a signature or initials, in addition to the certified true copy language, the file
- will be ineligible without the signature or initials

# Title Policy

- Short Form Residential Policy is preferred
- Long form policy is also acceptable with the endorsements referenced on **Form 53** and in Chapter 12 of Seller's Guide
- Acceptable Alternatives to original:
  - **Emailed copy:** Acceptable only with a copy of the email from the title agent to the lender. The email and the title policy must be included in the final document portion of the purchase package
  - **Certified copy:** Acceptable if it includes the original certification and signature of the title agent. The certification must include both items so that it is clear the title agent certified the copy

**Commitment binders are not acceptable**

In cases where multiple Title Policies are issued with different Policy numbers, or both a Short Form and Long Title Policy are provided, written clarification must be provided by the Title Agent, indicating which Policy is valid.



# Award Letter

Located with the  
Preclosing  
Eligible Notice –  
FHA Loans

**Pennsylvania Housing Finance Agency** Homeowne **PHFA - Aw... 1**

211 North Front Street  
Harrisburg, PA 17101  
(717)780-3871 FAX (717)780-3872  
[lenders.phfa.org](http://lenders.phfa.org)

**AWARD LETTER**

8/10/2023

Dear ANNE

This letter documents that the Pennsylvania Housing Finance Agency, an instrumentality of the Commonwealth of Pennsylvania and the investor in your mortgage financing, has awarded a loan of \$8,750.00 to be applied toward your purchase of the property located at:

CATHERINE ST,

This loan must be used towards closing costs and/or the down payment in conjunction with your purchase of the property referenced above. Any and all excess funds must be returned to the Agency. Repayment of this loan is required as specified in the Subordinate Mortgage and Note.

\_\_\_\_\_  
Recipient's Signature and Date

\_\_\_\_\_  
Recipient's Signature and Date

Sincerely:



# Insurance Requirements

# Flood Insurance

- The maximum deductible is **\$5,000 for all loan types:**
  - If the mortgage insurer/guarantor requires a lower amount the borrower must qualify at the lowest deductible permitted
- Flood insurance will be required when any portion of a detached structure is located within a Special Flood Hazard area **and** the structure is valued at \$5,000 or higher based on the appraisal
- Complete the Transfer of Servicing on the Life of Loan Flood Cert to PHFA. The Flood Cert in the purchase package should reflect **PHFA** as the Lender

# Flood Insurance

- Private policies are acceptable for Conventional, RD, VA and FHA financing
- When submitting private policies ensure private insurers/licensed agents are registered in the Commonwealth of PA to provide coverage from surplus lines
- The policy must contain the compliance aid statement within the policy or an endorsement to the policy:
  - **“This policy meets the definition of private flood insurance contained in 42 U.S.C. 4012a(b)(7) and the corresponding regulation”**
- Completed application for flood insurance must be included in the **Pre-Closing package**

# Insurance Policies

- Insurance must be effective the day of closing, **not after**
- The homeowner's insurance policy must be pre-paid for a full 12 months and in effect at time of closing
  - Installment payments are **not acceptable**
  - The maximum allowable deductible is the lesser of 1% not to exceed \$3,000 of the face amount of the policy
  - Per RD guidelines deductibles should not exceed the greater of either \$1,000 or 1% of the policy coverage
- **Please Note:** PHFA requires the declarations page for the homeowner's insurance policy to purchase the loan. We do not accept binders. While the difference is usually obvious, on Erie policies it is not. On those declaration pages, the policy number must start with a **Q**. If it doesn't, it is a binder.

Please make sure the correct figures for mortgage insurance are disclosed on the closing disclosure for all loan types.

## Insurance Policies

- The Homeowner's, Flood and/or Mine Subsidence (if applicable) must carry the following Mortgagee clause:
  - Mortgage Clause was changed, and Pennsylvania Housing Finance Agency does not need to be spelled out. It was changed to:

**PHFA ISAOA**

P.O. Box 15057, Harrisburg, PA 17105-5057

## FHA Mortgage Insurance Premium

For FHA loans, lenders are to remit only the **upfront premium** to FHA.

Please do not send monthly premiums, PHFA will send them directly to FHA.

# IRS Tax Transcripts

**IRS Tax Transcripts.** IRS Tax Transcripts will be required to be submitted with the purchase submission package to be eligible for loan purchase. This item will no longer be a post purchase condition.





**QUESTIONS?**

# **SELLING THE LOAN TO PHFA**

# Loan Set Up

- Completed via **Pipeline Plus**, double check figures prior to submission. **CD Section G and Form 27** must match Loan Setup figures
- Monthly figures should be used to complete the taxes, insurance (flood, homeowners) and mortgage insurance (MI)
- If final PITI increase exceeds 2% on gov't loans or 3% on conventional loans, loan will be ineligible for purchase
- A revised AUS and 1003 will be required along with proof of loan insurance/guarantee

## NEW PROCEDURE: Accelerated Tax Set Up

PHFA will now require the legal description of the subject property to be uploaded via VirPack for closed loans with Loan Set Up completed **on or after October 21, 2024.**

This new process will allow us to *fast-track* the entry of real estate taxes for School, County and City/Township or Borough as applicable into our mortgage servicing system and obtain accurate tax information for PHFA borrowers.

## Taxes and Escrows

- **All taxes that are due and payable must be paid at closing**
  - Extra funds should be collected to account for any interim assessments
- A cushion of one to two months for the initial escrow account is acceptable
- Do not include interest collected at closing (These are lender funds)
- The initial escrow payment in the loan setup screen should match line G on the CD

<b>G. Initial Escrow Payment at Closing</b>	<b>\$1,037.44</b>
01 Homeowner's Insurance \$157.92 per month for 2 mo.	\$315.84
02 Mortgage Insurance per month for mo.	
03 Property Taxes \$43.94 per month for 4 mo.	\$175.76
04 School Tax \$64.28 per month for 12 mo.	\$771.36
05	
06	
07	
08 Aggregate Adjustment	-\$225.52

## Taxes and Escrows

- When calculating monthly taxes, the tax amount of the next bill (discount period or face amount) should be used
  - If the tax amount of the next bill due is not available, have the title company estimate the tax amounts of the next bill
- Newly constructed homes - Estimate the monthly escrow tax amount based on an 'as completed' property, including land and improvements

## Taxes and Escrows

- A tax certification is preferred to verify taxes were paid for school, county, city/township or borough as applicable. **Form 27** can also be used as a tax certification form
- Use the last month of the discount period for the disbursement due date on all real estate taxes
- The tax cert must also list multiple parcels, if applicable, if missing the file must be made ineligible for purchase. The tax figures for the additional parcel must be provided and the lender must indicate if the tax amount for the additional parcel is included in the mortgage payment; if not, an updated CD is required to include the parcel tax amount

# Property Taxes and Homestead Exemptions

- Borrowers can apply for the Homestead Tax Exemption, if applicable in their county.
- Many counties are experiencing property reassessments **after** the home is purchased and some may receive interim tax bills during that time.
- PHFA is not responsible to pay those interim tax bills, borrowers should pay any interim tax bills received. The property taxes may increase after the reassessment occurs and will be reflected in the upcoming tax cycle which may increase their monthly mortgage payment.



**NEW LOAN TAX AND INSURANCE INFORMATION**  
**(This form shall also be used as a tax certification form)**

Please complete all sections

**\*Please note if property contains multiple parcels, tax amounts must be reflected separately.**

**\*\*All tax figures must match figures on the Final Closing Disclosure.**

Mortgagor(s) Name(s) \_\_\_\_\_  
Property Address \_\_\_\_\_  
Previous Owner \_\_\_\_\_

Is this New Construction? YES  NO   
If this was a new construction, please estimate tax on as completed/fully assessed property.

Is this borrower Homestead Tax Exemption Eligible? YES  NO   
If yes, provide supporting documentation of tax exemption discount with this form.

List each tax collector that will collect a tax assessment for this property. All bills that are available and become delinquent or lose discount prior to the First Pay Date should be paid at closing. If they are not paid, an explanation must be listed on page two.

1. Type of tax: (Choose one) School  County  Township/Boro/Municipality   
Tax Authority Name \_\_\_\_\_  
Address \_\_\_\_\_  
Phone No. \_\_\_\_\_  
Tax ID/Parcel/Lot/Block # \_\_\_\_\_  
Amount of last bill: \_\_\_\_\_ Date of Last Payment: \_\_\_\_\_  
Amount of next (discount) bill: \_\_\_\_\_ Next (Discount) Due Date: \_\_\_\_\_

2. Type of tax: (Choose one) School  County  Township/Boro/Municipality   
Tax Authority Name \_\_\_\_\_  
Address \_\_\_\_\_  
Phone No. \_\_\_\_\_  
Tax ID/Parcel/Lot/Block # \_\_\_\_\_  
Amount of last bill: \_\_\_\_\_ Date of Last Payment: \_\_\_\_\_  
Amount of next (discount) bill: \_\_\_\_\_ Next (Discount) Due Date: \_\_\_\_\_

3. Type of tax: (Choose one) School  County  Township/Boro/Municipality   
Tax Authority Name \_\_\_\_\_  
Address \_\_\_\_\_  
Phone No. \_\_\_\_\_  
Tax ID/Parcel/Lot/Block # \_\_\_\_\_  
Amount of last bill: \_\_\_\_\_ Date of Last Payment: \_\_\_\_\_  
Amount of (discount) next bill: \_\_\_\_\_ Next (Discount) Due Date: \_\_\_\_\_



4. Hazard Insurance

Hazard Insurance Co. Name \_\_\_\_\_ Policy # \_\_\_\_\_  
 Address \_\_\_\_\_ Premium Amt. \_\_\_\_\_  
 Agent's Name \_\_\_\_\_  
 Agent's Address \_\_\_\_\_  
 Phone No. \_\_\_\_\_

5. Mortgage Insurance (Choose one) HUD  Private Mortgage Insurance

Company Name \_\_\_\_\_ Premium Amt. \_\_\_\_\_  
 Certificate No. \_\_\_\_\_  
 FHA Case No. \_\_\_\_\_  
 How is premium paid? (check one) Monthly  Annually

6. Flood Insurance (if applicable)

Insurance Co. Name \_\_\_\_\_ Policy # \_\_\_\_\_  
 Address \_\_\_\_\_ Premium Amt. \_\_\_\_\_  
 Agent's Name \_\_\_\_\_  
 Agent's Address \_\_\_\_\_  
 Phone No. \_\_\_\_\_

7. Mine Subsidence (if applicable) Department of Environmental Protection

Certificate # \_\_\_\_\_  
 Address \_\_\_\_\_ Premium Amt. \_\_\_\_\_  
 Agent's Name \_\_\_\_\_  
 Agent's Address \_\_\_\_\_  
 Phone No. \_\_\_\_\_

AVAILABLE TAXES NOT PAID BECAUSE: \_\_\_\_\_

\_\_\_\_\_

Settlement Agent Name: \_\_\_\_\_ Phone # \_\_\_\_\_

Preparer's Signature: \_\_\_\_\_

Closer's Name: \_\_\_\_\_ Phone # \_\_\_\_\_

# Loan Setup via VirPack

## Preliminary Loan Setup

- Must be completed within **seven (7) calendar days** from closing
- Loans not displayed may be due to an expired or canceled lock Contact [secondary@phfa.org](mailto:secondary@phfa.org) to reactivate expired loans
  - If the loan is reactivated due to an expired lock, loan set up must be completed the same day (within 24 hours) to avoid the loan from being canceled again

# Preliminary Loan Set-up

## Loans to be Setup


Borrower Name	Social Security	
Patrick Bateman	123-456-7890	<a href="#">Setup</a>
		<a href="#">Setup</a>
		<a href="#">Setup</a>
		<a href="#">Setup</a>
		<a href="#">Setup</a>
		<a href="#">Setup</a>
		<a href="#">Setup</a>
		<a href="#">Setup</a>
		<a href="#">Setup</a>



## Loans Setup but Processing Pending by PHFA


# Preliminary Loan Set-up


Loan Program: [REDACTED] Type: [REDACTED] Property Type: [REDACTED]  
PHFA Loan Number: [REDACTED] Rate: [REDACTED] Reservation Date: [REDACTED] Rate Lock Days: [REDACTED]

19 Minutes 49 Seconds until session time out

Date of Loan Closing: [REDACTED] 

1st Payment Date: [REDACTED]  

Short Interest:  

Is Property Tax Exempt? No 

Note Interest Rate: [REDACTED]

Borrower: [REDACTED]

Co-Borrower: [REDACTED]

Property Address: [REDACTED]

[REDACTED]

[REDACTED]

Home Phone Number: [REDACTED]

Borrower Work Phone: [REDACTED]

Borrower Cell Phone: [REDACTED]

Borrower Email: [REDACTED]

# Preliminary Loan Set-up

Borrower Email:	<input type="text"/>
Co-Borrower Work Phone:	<input type="text"/>
Co-Borrower Cell Phone:	<input type="text"/>
Co-Borrower Email:	<input type="text"/>
Approved Advantage Loan Amount:	<input type="text" value="\$2,980.00"/>
Modified Advantage Loan Amount:	<input type="text" value="\$2,980.00"/>
Loan Amount:	<input type="text" value="\$73,150.00"/>
Monthly Principal and Interest:	<input type="text" value="\$323.39"/> <a href="#">i</a>
<input type="checkbox"/> The Monthly Principal and Interest amount entered above matches the amount on the Note.	
Monthly Tax Escrow	County: <input type="text" value="\$0.00"/>
	School: <input type="text" value="\$0.00"/>
	Local: <input type="text" value="\$0.00"/>
	School/Local: <input type="text" value="\$0.00"/>
	County/Local: <input type="text" value="\$0.00"/>
County/School/Local:	<input type="text" value="\$0.00"/>
Monthly Homeowners Insurance:	<input type="text" value="\$0.00"/>
Monthly Flood Insurance:	<input type="text" value="\$0.00"/>
PMI Company:	<input type="text" value="FEDERAL HOUSING ADMINISTRATION"/>
Monthly PMI Insurance/FHA-MIP:	<input type="text" value="\$0.00"/>
Total Monthly Escrow:	<input type="text" value="\$0.00"/> <a href="#">Calculate</a>
PMI Cert #/FHA Case # (if applicable):	<input type="text" value="4424351484703"/>
Initial Escrow Payment at Closing (Please refer to Disclosure Statement or CD):	<input type="text" value="\$0.00"/> <a href="#">i</a>
<input type="checkbox"/> Initial Escrow Deposit is Zero (\$0.00).	
Final PITI:	<input type="text" value="\$323.39"/>
Approved PITI:	<input type="text" value="\$610.00"/>
Prepared By:	<input type="text" value=""/>
Phone Number:	<input type="text" value=""/>
Lender Name:	<input type="text" value=""/>

## Preliminary Loan Set-up

- If there is a PITI error message displayed:
  - Before submitting, recheck the figures entered to confirm they are MONTHLY figures
  - If all figures are accurate, submit the information and PHFA will provide further review
  - If final PITI increase exceeds 2% on gov't loans or 3% on conventional loans, loan will be ineligible for purchase
    - A revised AUS and 1003 will be required along with proof of loan insurance/guarantee



## Effective for Loan Set Ups on or after October 21, 2024

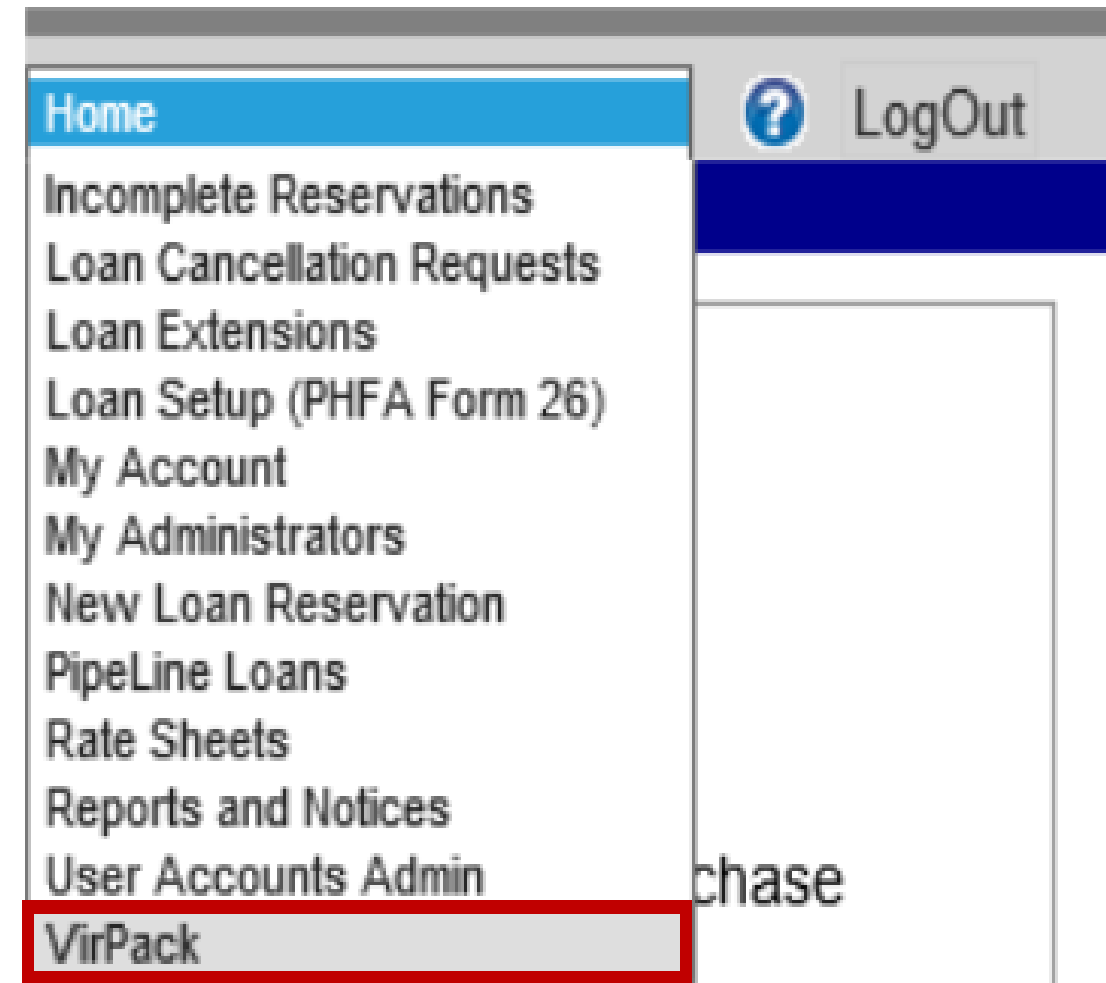
- After loan set up has been completed, the legal description must be uploaded to Virpack using the submission path of '**Legal Description – Loan Set Up Review**'.  
**Please Note:** PHFA staff will only import loans with legal descriptions received.
- Delays in providing the legal description and/or completing the loan set up within the required time will result in a slowdown of boarding loans onto our mortgage servicing system. The task of uploading the legal description must occur **directly after the loan set up** has been completed.
- When the legal description is not provided after the loan set up is completed, the reviewer will email the submission contact and request for the legal description to be uploaded immediately. We must receive the legal description within 24 hours of when the request was made. We can not set up the borrower's account without this document.

# Uploading Legal Description to VirPack

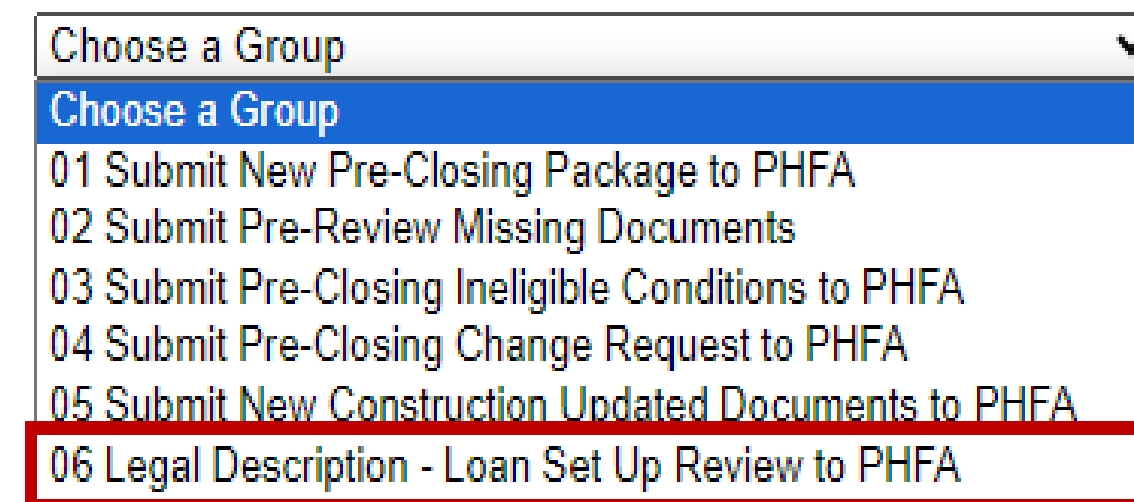
Once the loan set up has been completed successfully, the legal description must be uploaded to Virpack using the submission path of 'Legal Description – Loan Set Up Review'.

## Submitting Legal Description – Loan Setup Up Review

- Select the 'VirPack' menu option from the Home dropdown



- Select 'Submit Legal Description – Loan Set Up Review to PHFA' from the Group dropdown



# Upload VirPack

- A list of available loans will display
  - Select the 'Documents' link to begin uploading the required documentation

Loan	Borrower Name	Application Date		
		5/30/2017	<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>
		6/2/2017	<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>

- Select 'Browse' to find your saved documents then select 'Upload'
  - Continue these steps until all the documents have been uploaded

### Pending

No Files Pending

### Processed

No Records Found

- Select the 'Legal Description' Document Type

	File Name	Document Type	
	<a href="#">TEST.pdf</a>	Legal Description ▼	

Select 'Process' to submit the documents to VirPack

# Purchase Package

- Preclosing Conditions Reviewed at Purchase and Purchase package must be uploaded and submitted via Virpack
- Loans not displayed may be due to an expired or canceled lock. **Contact secondary@phfa.org to reactivate**
  - Loan setup must be completed the same day to avoid the loan from being canceled again
- Use **Form 58** as a guide to assemble a complete purchase package
- Purchase Package has **two sections**:
  - Pre-Closing Eligible letter with Pre-Closing Conditions to be cleared (Form 58 Checklist pg. 1)
  - Purchase Package (Form 58 Checklist pgs. 2-4)

**PRE-CLOSING PACKAGE REVIEW RESULTS**

ELIGIBLE

The following loan has been approved by PHFA, subject to any conditions listed below. If you have questions concerning this approval or if any of the information listed below is incorrect, please contact the Agency at [PreClosing@phfa.org](mailto:PreClosing@phfa.org).

NOTE: Price shown assumes post-purchase conditions are cleared within 30 days of purchase and does not include any applicable loan-level pricing adjustments such as for FICO or property type. Loans purchased by PHFA 30 days after the lock expiration date are subject to worse case-reprice.

---

Name(s) of Borrower(s):

Property Address:	Pre-Closing Eligible Date:	
2203 CULLUM DR	Expiration Date:	
	Interest Rate:	5.750 %
	Price:	102.375
	Mortgage Amount:	
	PHFA Loan #:	
	PHFA Contact:	
Keystone Home Loan KFIT		
VA		
Loan Purpose:		
* Purchase *		

**ASSISTANCE APPROVED:**

Assistance totaling \$3,181 has been approved for this loan. Under the terms of the Master Origination and Sale Agreement and the Seller's guide, at closing PHFA has a legally enforceable obligation to provide the funds for the assistance.

**PURCHASE CONDITIONS:** Attach documentation to clear the items listed below to a copy of this notification and upload at the same time as the purchase package.

1. You will be responsible to ensure that the purchase package contains the documentation needed to satisfy the Fannie Mae DU findings report Verification Messages/Approval Conditions. In addition, all Day 1 Certainty Vendor Reports will be required as applicable.
2. Provide a verbal verification of employment for each borrower within 10 calendar days prior to the Note date. For self-employed borrowers under the HFA program, the verbal VOE can be within 120 calendar days of the Note date. For military income, a military Leave & Earnings Statement (LES) dated within 30 calendar days prior to the note date is acceptable.
3. A Keystone Forgivable in Ten (KFIT) loan has been approved for this file. This loan must be in second lien position. Borrower(s) cannot receive cash back at closing.
4. Provide proof that "all" the repairs, alterations, inspections, or conditions that the appraisal was subject to were completed/satisfied.

## Submission Deadline

- Submission Deadline:
  - Completed **purchase package** must be received by PHFA **by the lock expiration date**
  - Late fees - two basis points of the loan amount multiplied by the number of days past due
  - Will appear as a deduction on purchase statement
- Loans that cannot be purchased by PHFA **within 30 days of the rate expiration date** will be subject to a worse case re-price
- Pipeline Plus expired lock report show loans past due and/or loans ineligible for purchase

The background is a solid teal color with a subtle texture. It is decorated with various white line-art icons related to finance and economics. These include stacks of money, individual coins, a piggy bank, a bar chart, a line graph, and a hand holding a coin. The icons are scattered around the perimeter of the page.

**QUESTIONS?**

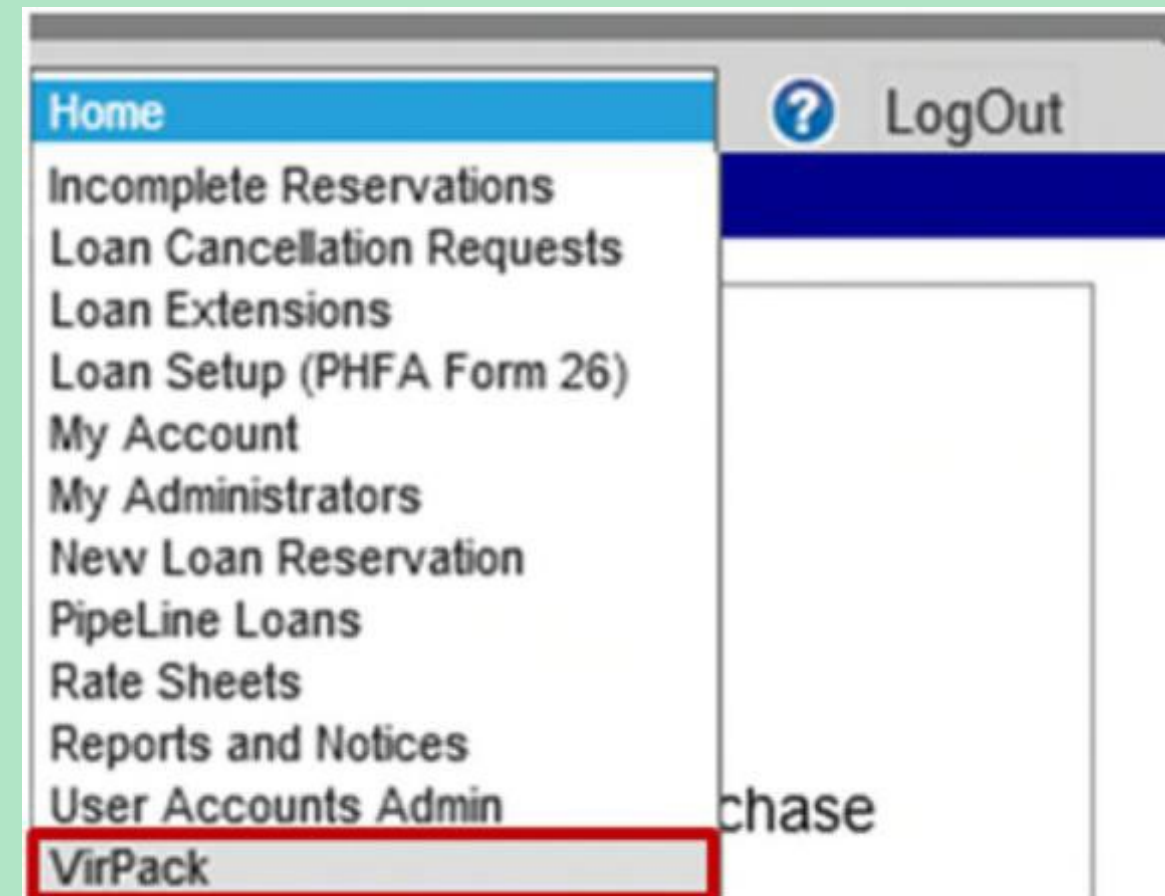
# Uploading your Purchase Package

VIRPACK INSTRUCTIONS - **APPENDIX E**



# Accessing Virpack

- Utilize Appendix E – VirPack Instructions
  - Can be found at <http://www.phfa.org/hop/lenders/>
- Log into the PHFA Pipeline Plus System
- Continue to use the PHFA Pipeline Plus System to check loan status and view reports/notifications
- Account Administrators would add the VirPack menu item to users submitting any portion of a file to PHFA



# Pipeline Plus Security

**To access VirPack, each person must have a PHFA Pipeline Plus System account**

Accounts where the user does not log in within 60 days:

- Notices will be provided at 60-days
- **Starting at 61 days without logging in**, user will receive daily reminders to log in
- Failure to access the account within 75 days, account will be deactivated
- PHFA is providing a 15-day courtesy for lenders to access their accounts prior to deactivation

When the access is deactivated, the User Account Admin must:

- Reactivate the account
- Ensure that the user logs in so that the account does not deactivate the next day
- Ensure all accesses are accurate

**General accounts are not permitted.** Each user must have their own individual accounts

# Virpack Instructions

Purchase Package must be in the stacking order of PHFA Form 58  
(Purchase Submission Checklist)

Choose a Group	Records found: 0
01 Submit New Pre-Closing Package to PHFA	
02 Submit Pre-Closing Ineligible Conditions to PHFA	
03 Submit Pre-Closing Change Request to PHFA	
04 Submit Purchase Package to PHFA	
05 Submit Purchase Conditions to PHFA	
06 Submit Servicing Conditions to PHFA	

et Explorer 9+ at 1024 x 768 screen resolution.

g Finance Agency

# Virpack Instructions

- Select 'Documents' link for corresponding borrower
- If link to borrower does not display, confirm lock expiration date
- If it expired, you must contact [Secondary@PHFA.org](mailto:Secondary@PHFA.org) to re-activate the file

04 Submit Purchase Package to PHFA				Records found: 31	
Loan	Borrower Name	Application Date			
321XXXX	Ronald		<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>	
321XXXX	Abigail		<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>	
321XXXX	Waseem		<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>	



# Virpack Instructions

- Click 'Browse' to select your file, then click 'Upload'
  - Uploaded files will appear under 'Pending'
- Select the appropriate document type for each upload
- Pending files uploaded in error may be deleted

**Documents for loan 694XXX - Submit Purchase Package to PHFA**

Max File Size: 60 MB  
Max Number of Files: 5  
Select Multiple: Use CTRL or Shift Keys

**Pending**

	File Name	Document Type
	<a href="#">316XXXXpre closing conditions purchase test.pdf</a>	Pre-Closing Conditions ▾
	<a href="#">316XXXXpurchase package purchase test.pdf</a>	Purchase Package ▾

**Processed**  
No Records Found

# Virpack Instructions

- After uploading and labeling all required files, finalize the submission by selecting 'Process'
- Be sure to only select 'process' once
- 'Pending' files will transition over to 'Processed' files
- Note: There will be a 10-15-minute window before processed documents may be viewed
- Processed files cannot be deleted


**Documents for loan 694XXX - Submit Purchase Package to PHFA**

Max File Size: 60 MB  
Max Number of Files: 5  
Select Multiple: Use CTRL or Shift Keys

**Pending**  
No Pending Files

**Processed**

Document Type	Group	File Name	File Uploaded	Uploaded By	File Processed	Processed By	Sent to VirPack
Pre-Closing Conditions	Submit New Purchase Package to PHFA	Approval_Conditions.pdf					
Purchase Package	Submit New Purchase Package to PHFA	Purchase_package.pdf					



# Virpack Instructions

- Choose a Group >> Submit Purchasing Conditions to PHFA
- Select 'Documents' link for corresponding borrower

Choose a Group

- 01 Submit New Pre-Closing Package to PHFA
- 02 Submit Pre-Closing Ineligible Conditions to PHFA
- 03 Submit Pre-Closing Change Request to PHFA
- 04 Submit Purchase Package to PHFA
- 05 Submit Purchase Conditions to PHFA**
- 06 Submit Servicing Conditions to PHFA

Records found: 0

0+ or Internet Explorer 9+ at 1024 x 768 screen resolution.

Pennsylvania Housing Finance Agency

05 Submit Purchase Conditions to PHFA

Records found: 44

Loan	Borrower Name	Application Date		
318XXXX	Nathan		<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>
318XXXX	Theodore		<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>
318XXXX	Michael		<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>

# Virpack Instructions

- Click 'Browse' to select your file, then click 'Upload'
  - Uploaded files will appear under 'Pending'
- Select the appropriate document type for each upload
- Pending files uploaded in error may be deleted

**Documents for loan 307XXXX - Submit Purchasing Conditions to PHFA**

Max File Size: 60 MB  
Max Number of Files: 5  
Select Multiple: Use CTRL or Shift Keys

**Pending**

	File Name	Document Type
	<a href="#">316XXXXapv_conditions_tiff.pdf</a>	<input type="button" value="Purchasing Conditions"/> ▾

**Processed**  
No Records Found



# Virpack Instructions

- After uploading and labeling all required files, finalize the submission by selecting 'Process'
- 'Pending' files will transition over to 'Processed' files
- Note: There will be a 10-15-minute window before processed documents may be viewed
- Processed files cannot be deleted

**Documents for loan 307XXXX - Submit Purchasing Conditions to PHFA**

Max File Size: 60 MB  
Max Number of Files: 5  
Select Multiple: Use CTRL or Shift Keys

**Pending**  
No Pending Files

**Processed**

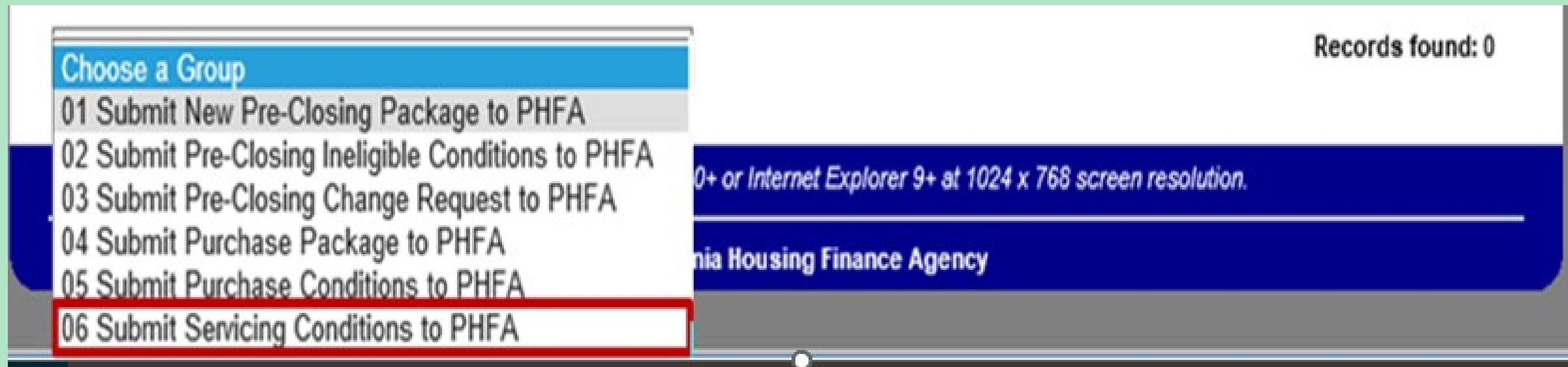
Document Type	Group	File Name	File Uploaded	Uploaded By	File Processed	Processed By	Sent to VirPack
Purchasing Conditions	Submit Purchasing Conditions to PHFA	Purchasing_Conditions.pdf					

## Submitting Servicing Conditions

**Servicing Released Conditions.** Lenders must submit outstanding servicing released conditions via VirPack as servicing conditions. Those missing items should not be submitted as purchasing conditions. Any inquiries related to servicing conditions should be sent to [sfservicingconditions@phfa.org](mailto:sfservicingconditions@phfa.org)

# Submitting Servicing Conditions

- Choose a Group >> Submit Servicing Conditions to PHFA



- Select 'Documents' link for corresponding borrower

06 Submit Servicing Conditions to PHFA Records found: 5

Loan	Borrower Name	Application Date		
322XXXX	Daniel		<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>
322XXXX	Anthony		<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>
322XXXX	Elizabeth		<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>

# Submitting Servicing Conditions

- Click 'Browse' to select your file, then click 'Upload'
  - Uploaded files will appear under 'Pending'
- Select the appropriate document type for each upload
- Pending files uploaded in error may be deleted

**Documents for loan 307XXXX - Submit Servicing Conditions to PHFA**

Max File Size: 60 MB  
Max Number of Files: 5  
Select Multiple: Use CTRL or Shift Keys

**Pending**

	File Name	Document Type
	<a href="#">316XXXXapv_conditions_tiff.pdf</a>	Servicing Conditions ▼

**Processed**  
No Records Found

# Submitting Servicing Conditions

- After uploading and labeling all required files, finalize the submission by selecting 'Process'
- 'Pending' files will transition over to 'Processed' files
- Note: There will be a 10-15-minute window before processed documents may be viewed
- Processed files cannot be deleted

**Documents for loan 307XXXX - Submit Servicing Conditions to PHFA**

Max File Size: 60 MB  
Max Number of Files: 5  
Select Multiple: Use CTRL or Shift Keys

**Pending**  
No Pending Files

**Processed**

Document Type	Group	File Name	File Uploaded	Uploaded By	File Processed	Processed By	Sent to VirPack
Servicing Conditions	Submit Servicing Conditions to PHFA	LSAMS#_Servicing_Conditions.pdf					

# Final Documents Submitted via VirPack

Examples of documents to upload to VirPack:

- Recorded Mortgage
- Recorded Assignment of Mortgage
- Recorded Subordinate Mortgage
- Recorded Modification Agreement
- Endorsement to the Final Title Policy
- Mortgage Insurance Certificate:
  - VA Loan Guaranty Certificate (LGC)
  - FHA Mortgage Insurance Certificate (MIC)
  - RD Loan Note Guarantee (LNG)
- Any other additional or miscellaneous docs requested

**NOTE:** Prior to mailing Final Documents to PHFA, a copy of each document must be uploaded to VirPack.

# Final Documents Mailing Address

Please utilize Form 30 when sending recorded docs to PHFA

## Overnight Mail

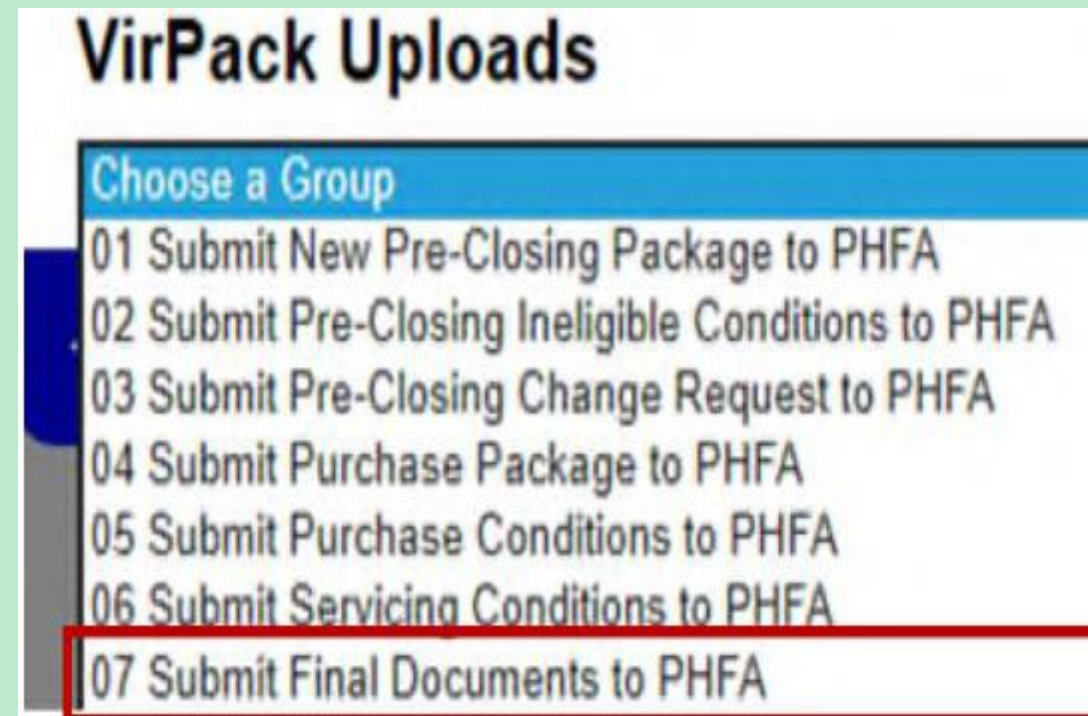
Homeownership Programs/Final Documents Dept.  
PENNSYLVANIA HOUSING FINANCE AGENCY  
211 North Front Street  
Harrisburg, PA 17101

## Regular Mail

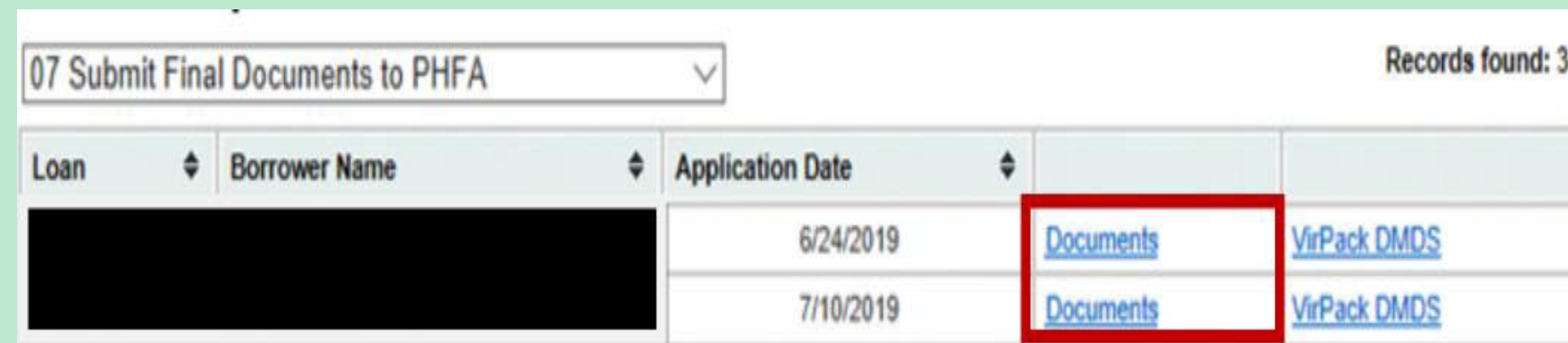
Homeownership Programs/Final Document Dept.  
PENNSYLVANIA HOUSING FINANCE AGENCY  
P.O. Box 8029  
Harrisburg, PA 17105-8029

Utilize Final Document Condition Notice to identify condition documents included in upload.

- Select 'Submit Final Documents to PHFA' from the Group dropdown:



- A list of available loans will display:
  - Select the 'Documents' link to begin uploading the required documentation on or after April 1, 2023




07 Submit Final Documents to PHFA Records found: 38

Loan	Borrower Name	Application Date		
		6/24/2019	<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>
		7/10/2019	<a href="#">Documents</a>	<a href="#">VirPack DMDS</a>

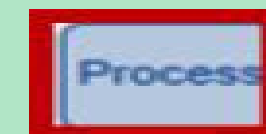


- Select the 'Final Document' Document Type

Pending

File Name	Document Type
 <a href="#">final doc. conditions.pdf</a>	<b>Choose a File Name</b> Final Document Conditions

Select 'Process' to submit the documents to VirPack



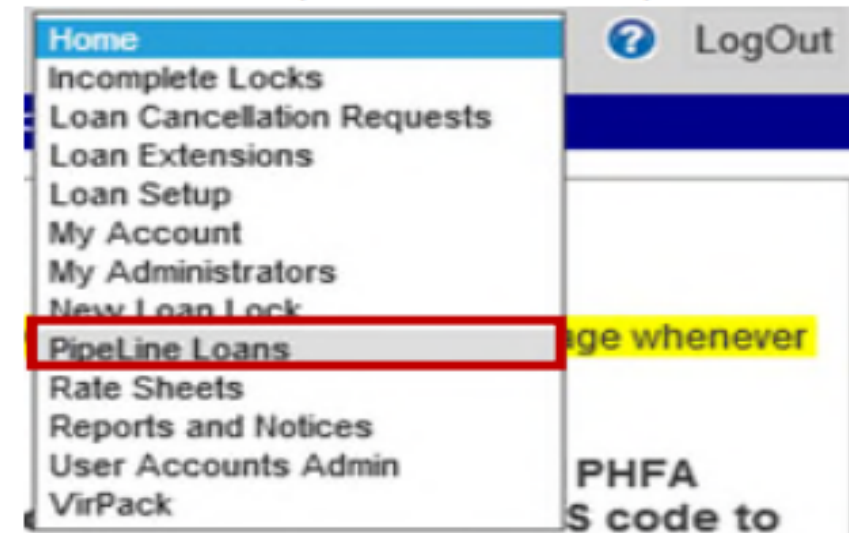
- To verify the documents have been sent to VirPack, check for the file and processed information at the bottom.

**Processed**

Document Type	Group	File Name	File Uploaded	Uploaded By	File Processed	Processed By	Sent to VirPack
Final Document Conditions	Submit Final Documents to PHFA	final_doc_conditions.pdf	4/16/2020 7:04 AM		4/16/2020 7:09 AM		4/16/2020 7:09 AM

## Viewing Submitted Documents

- Select the 'Pipeline Loans' menu option from the Home dropdown



- Select the correct Status for your loan or use the 'SS Search'

Select PipeLine Loan Status

SS Search:

- Select the 'Details' link beside the loan

3. Received not Reviewed by PHFA

SS Search:

Locked By	Borrower Name	Social Security	Lock Expiration Date	
Fax/Mail (Not Locked via Internet)			3/19/2018	<a href="#">Details</a>

- Select the 'Go to VirPack' link beside the 'Underwriting Package Received' date in the 'Dates' section

### Dates

Application Date:	12/19/2017
Lock Date:	12/19/2017
Lock Expiration:	3/19/2018
Suspend Date:	
Underwriting Package Received:	2/9/2018 <a href="#">Go to VirPack</a>

# Viewing Documents in VirPack

Each document can be viewed by selecting a container

Contact your Pipeline Administrator for Access to see Virpack Containers

Purchase Docu & No filters
Checklist - Purchas... 1

PHFA First Mortgage Documents

- 1 - Checklist - Purchase Sub...
- 2 - Bailee Letter
- 4 - Note
- 0 - Co Signer Certification (F...
- 0 - Addendum to Note/Cons...
- 24 - Mortgage Instrument in...
- 0 - Mortgage Modification (F...
- 1 - Assignment of Mortgag...
- 0 - Assignment of Mortgage...
- 0 - Subordination Agreement...
- 1 - Name Affidavit
- 14 - Title Policy

July 2022

**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

PHFA	Lender 'X' or N/A		FIRST MORTGAGE DOCUMENTS
			<b>Directions: Place Page 3 of the Checklist on top of the copies of the following items, in the order listed below</b>
	X	O*	1) First Mortgage Note with a signed endorsement to the Pennsylvania Housing Finance Agency. <b>*Mail Original to PHFA in file folder &amp; upload a copy.</b>
___(a)	X (a)		(a) <b>Loan Amount</b> and P & I Payment are correct;
___(b)	X (b)		(b) <b>The Interest Rate</b> is the PHFA reserved rate disclosed on the Approval Notification;
___(c)	X (c)		(c) <b>First Payment Date:</b> 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)	X (d)		(d) <b>Maturity Date:</b> One month preceding the 1st payment date plus 30 years;
___(e)	X (e)		(e) <b>Late Charges:</b> (15 days after due date) 4% FHA, VA and RD Guaranteed; 5% Conventional;
___(f)	X (f)		(f) <b>All First Mortgage Notes submitted for purchase must have the following Legible Endorsement:</b> "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)	X (g)		(g) <b>If applicable, Legible Endorsement</b> from an authorized affiliated entity to the participating lender submitting the loan for purchase.
			(h) <b>NMLS Information</b> must be present.

PHFA Loan N...

MHI Loan

Last Name

First Name

Status      Purchase without Conditions

Product Type      Keystone Home Loan with K-FIT

Loan Type      FHA 203B

## Mortgage Modification

- Please contact [sffinaldocs@phfa.org](mailto:sffinaldocs@phfa.org) on the acceptable manner to correct an error or omission on the mortgage
- The methods of correction determined by PHFA will be to:
  - Correct and re-record the Mortgage OR
  - Complete the Modification Agreement to correct the error
  - If this method is required be sure to use **FORM 40**

### **Form 40 - Mortgage/Note Modification Agreement:**

- original Mortgage Modifications should be sent to PHFA for completion.
- In counties that allow e-file, PHFA will record the Modification Agreement and send an invoice to you for reimbursement.
- PHFA's wiring instructions will be listed on the invoice to remit the payment.
- If the property is in a county that does not e-file, a return label should be provide when the Modification Agreement is sent to PHFA for completion. The Modification Agreement will be returned to the lender for recording.

## Final Documents Deadline

- Final recorded documents should be received by PHFA within **60 days** from the purchase date. (for full SRP reimbursement documents must be received no later than 30 days)
- After 60 days, you will receive a past due notice
- Always allow PHFA up to seven (**7**) calendar days to clear missing items once they've been submitted
- Pipeline Plus shows loans past due:
  - Forms and Reports -> Deficient Loan Tracking Report

SFTR010

DEFICIENT LOAN TRACKING REPORT

6:03:06

This report lists all post-closing conditions. PHFA requires up to 7 business days to process mail and clear exceptions. Documentation for Purchasing and Servicing conditions must be uploaded. Please be sure to select the proper submission type. Refer to Appendix E for uploading instructions. Final Document conditions may be emailed to sffinaldocs@phfa.org and original documents must be mailed to: PHFA at 211 North Front Street, Harrisburg, PA 17101.

KEY: PI=Ineligible for Purchase  
 PP=Post Purchase-General  
 PC=Post Purchase-Escrow Items  
 S=Service Released Conditions  
 F=Final Document Conditions

LENDER:

<u>PURCHASE DATE</u>	<u>CONDITION CODE</u>	<u>NOTICE DATE</u>	<u>BORROWER</u>	<u>COUNTY</u>	<u>PHFA LOAN#</u>	<u>LENDER'S LOAN NUMBER</u>	<u>EXCEPTIONS OUTSTANDING</u>
/00/	PI		JASON				58N The Purchase Ineligible (PI) conditions must be cleared for the loan to be funded. Late fees will apply if not cleared prior to the reservation exp. date (see lock Policy in Chapter 2 of the PHFA Seller's Guide for calculation.) If not cleared within 30 days after the expiration date, the loan is also subject to a worse case re-price. 50A Provide original Mortgage Note ("Multistate Fixed Rate Note / Form 3200) with the following endorsement, signed by an Authorized Officer, typed at the bottom of the NOTE: "Pay without recourse, to Pennsylvania Housing Finance Agency." The original has not yet been received.
/00/	PI		JOHN	BERKS			58N The Purchase Ineligible (PI) conditions must be cleared for the loan to be funded. Late fees will apply if not cleared prior to the reservation exp. date (see lock Policy in Chapter 2 of the PHFA Seller's Guide for calculation.) If not cleared within 30 days after the expiration date, the loan is also subject to a worse case re-price. 50A Provide original Mortgage Note ("Multistate Fixed Rate Note / Form 3200) with the following endorsement, signed by an Authorized Officer, typed at the bottom of the NOTE: "Pay without recourse, to Pennsylvania Housing Finance Agency." The original has not yet been received. 50R Provide applicable ORIGINAL Keystone Advantage Loan Note (Form 54 ADV) OR Keystone Forgivable in Ten Loan Note (Form 54 KFIT). 56C Provide an original, notarized Name Affidavit for the borrower. 9/21 - Per SERVICING - Provide the Form 28 Pg. 2 pertaining to the condition reflected on the Deficient Loan Tracking report (Type S). These items are necessary to purchase the loan and must be uploaded as servicing conditions.
/00/	S		JOHN	BERKS			93B Provide copy of the completed Hello/Goodbyeletter (PHFA Form 28) w/Privacy Disclosure that was given to the borrower at closing. The first payment amount must match the closing disclosure and have the correct first payment date for all loans. All pages of Form 28 must be provided.

NOTE: Please visit [lenders.phfa.org](http://lenders.phfa.org) for the most current information on the loans in your PHFA pipeline available 24/7. Consult the PHFA Seller's Guide for detailed policies and procedures.

## Agency Master Policy Numbers

- The Agency Master Policy Numbers for transferring MI on the change form are as follows:
  - FHA 4258110013
  - Essent 38-0003-0000
  - MGIC 37-278-3-0673
  - Radian 11524-000
  - Enact sm B222223LJS
  - UG 237-8888-156
  - RHCDS 231733024
- The Agency Master Policy Number for transferring Flood Insurance with Corelogic is 2501224



The background is a solid teal color with a subtle texture. It is decorated with white line-art icons related to finance and business. These include stacks of money, individual coins, a piggy bank, a bar chart, a hand holding coins, and a hand holding a stack of bills. The icons are scattered around the perimeter of the page.

**QUESTIONS?**

# Contact Information

- Director of Homeownership Programs

- Coleen Baumert

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717.780.1871

- Business Development Unit

- April O’Connell

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717.780.3930

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717.780.3893

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717.480.5369

- Alexandra Arocho

[aarocho@phfa.org](mailto:aarocho@phfa.org)

717.480.5333

- Purchasing Unit

- General purchasing questions:

[sfpurchasing@phfa.org](mailto:sfpurchasing@phfa.org)

- Final Docs Unit

- General final docs questions:

[sffinaldocs@phfa.org](mailto:sffinaldocs@phfa.org)

- Lock Desk

- General questions

[secondary@phfa.org](mailto:secondary@phfa.org)

717.780.3871

- Homeownership Professionals Line

717.780.3871



# Thank you for attending!

[phfa.org](https://phfa.org)