



# MassHousing **Correspondent** Portal and Program FAQ's (Effective September 11, 2023)

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The questions below were raised by MassHousing Lenders and here are our responses:

## eMassHousing Portal

**Q:** Do you have a Lender USER GUIDE for your new eMassHousing Portal?

**A:** Yes; Our [User Guide](#) is intended to help you work with our eMassHousing portal, which connects directly to our loan origination system (LOS). This guide provides all the instructions necessary to log into the website, start delivering Delegated Correspondent loans and manage your pipeline. Once a loan is committed, you will use the portal to deliver (or upload) your loans, check status, view conditions, upload documents to clear conditions and then download the Purchase Advice.

**Q:** How are System Administrators assigned to our account?

**A:** You will provide a contact from your company to MassHousing that will be assigned as the Administrator. Your Administrator can manage user accounts and update company information. As part of the user account management, the Administrator can add or delete users, change assigned roles, or reset passwords. Always remember your password as we will not have access to it. Please see the [“Quick Start Guide for Admins”](#) for additional information.

**Q:** Can I upload ZIP files?

**A:** No, currently Zip files are not supported. We only accept a 3.4 data file. Updated 3.4 data files must be uploaded prior to purchase.

**Q:** Does Internet Explorer work with the eMassHousing Portal?

**A:** While some functions will work in Internet Explorer, it is not supported. Please use Chrome for best results.

**Q:** Is there a Portal tab to identify who the Lender Admin is?

**A:** No; that information needs to be found out through your Relationship Manager.

**Q:** If the wrong document was uploaded, can it be deleted?

**A:** No; documents cannot be deleted from eMassHousing.

**Q:** Do satisfied conditions remain in the conditions section after the loan is purchased?

**A:** Yes; users should be able to see the satisfied conditions even after the loan is purchased.

**Q:** When selecting MI for a loan, should I select ‘NO’ for the MI Only option?

**A:** Yes; select ‘NO’ for the MI Only option if it is a registered or locked MH first mortgage. MI Only is a standalone MH product and is not a feature of other products.

**Q:** What data fields require specific actions in eMassHousing?

**A:** Changes to the below would require an update via our Product and Pricing Engine.

Loan Amount  
Purchase Price  
Appraisal Value  
LTV  
CLTV  
FICO  
Property Type  
Loan Purpose FTHB  
Status  
AUS Engine  
City  
Loan Type

**Q:** Does a Change in compliance income made in eMassHousing require a new product selection?

**A:** A change in compliance income may or may not require a new product selection as it would depend on the income limits attached to the product type. All other updates to the data fields listed above can be made in eMassHousing.

**Q:** Who do we call if we have questions related to your new eMassHousing Portal?

**A:** Please contact your MassHousing Relationship Manager for assistance or training.

## Products

**Q:** Is MassHousing aligning with the HUD Mortgagee Letter 2023-05?

**A:** YES; MassHousing is aligning with the Housing of Urban Development (HUD) [Mortgagee Letter \(ML\) 2023-05](#). MassHousing will purchase FHA loans with reduced premium amounts if the date of insuring (endorsement) is on or after March 20, 2023. Any loan insured prior must use the current premiums. For FHA FAQs please click [here](#).

**Q:** Is MassHousing aligned with the announcement (August 1, 2022) HFA Advantage enhancements to LPA on 2–4-unit properties, manufactured housing and non-occupant borrowers? Please see the [Freddie Mac HFA Advantage product page](#) and [Factsheet](#)

**A:** MassHousing continues to permit the delivery of HFA Advantage mortgages secured by **two-to four-unit** primary residences: Maximum 95% loan-to-value (LTV) and 105% total loan-to-value (TLTV) ratios. We have revised section 3.5.2 of our Seller Guide to include only the following acceptable LPA recommendations:

- LPA® Eligible/Accept and
- LPA® Ineligible/Incomplete due to reasons outlined in Section 3.7.2; (Out of Scope)

Please Note: MassHousing does not allow for non-occupant borrowers or Manufactured Housing.

**Q:** Please list the product codes and product names as of 4/19/2022.

**A:** Please see our new product codes below and our [new Product Matrix](#)

Old Product Codes (Pre- 4.19.2022)	NEW Product Codes in Yellow (as of 4.19.2022)
WFA	
1003-FNMA HFA Preferred WFA 2.0	<b>1005-WFA 3.0 FNMA HFA Preferred</b>
2003-FHLMC HFA Advantage WFA 2.0	<b>2005- WFA 3.0 FHLMC HFA Advantage</b>
3002-FHA WFA 2.0	<b>3003- FHA WFA 3.0</b>
FTHB	
1004-FTHB Conventional DU	1004-FTHB FNMA HFA Preferred
2004-FTHB Conventional LPA	2004-FTHB FHLMC HFA Advantage
HFA Preferred and HFA Advantage	
1001-FNMA HFA Preferred ≤ 80% AMI	1001-FNMA HFA Preferred up to 80 AMI
2001-FHLMC HFA Advantage ≤ 80% AMI	2001-FHLMC HFA Advantage up to 80 AMI
1002-FNMA HFA Preferred > 80% AMI	1002- FNMA HFA Preferred above 80 AMI
2002-FHLMC HFA Advantage > 80% AMI	2002-FHLMC Advantage above 80 AMI
FHA	
3001-FHA 30YR Fixed	3001-FHA 30YR Fixed
DPA	
4002-WFA 2.0 DPA Deferred	<b>4003- WFA 3.0 DPA Deferred</b>
4001- DPA 15YR Fixed	4001- DPA 15YR Fixed
4003- WFA 2.0 FHA DPA	4003- WFA 3.0 FHA DPA

*Product Codes: 1000 series are FNMA, 2000 series FHLMC, 3000 series FHA and 4000 series DPA.*

**Q:** Is MassHousing still offering an FHA product?

**A:** Yes; the WFA 3.0 FHA and FHA 30Yr Fixed.

**Q:** Are you allowing FHA Streamlined Refinances?

**A:** No; MassHousing is not allowing for FHA Streamlined Refinances currently.

## WFA 3.0 (Conventional and FHA):

**Q:** At what point in the loan application process can you complete an Income Certification?

**A:** Lenders have the option to upload eligible applications for Certification any time after loan registration or lock but no later than loan closing.

**Q:** Is the Income Certification on the first mortgage?

**A:** No; The Income Certification is on the DPA second lien and must have the product selected. The "Lock Desk" Persona must be assigned to the user. Please see our "[Quick Start Guide for Administrators](#)" for more information.

**Q:** How long does it take for an Income Certification to be reviewed?

**A:** It generally takes 1-2 business days to receive and review documentation.

**Q:** How do I receive notifications on the feedback for the Income Certifications?

**A:** You must update the file contact name to receive notification.

**Q:** Can I complete an Income Certification on a TBD address?

**A:** Yes; however, you must have a City/Town selected.

**Q:** Can DPA be used for Closing Costs?

**A:** Yes; The DPA can be used for Closing Costs and/or Down Payment.

**Q:** What product requires a MassHousing DPA and what products provide optional DPA ?

**A:** The WFA 3.0 products require the first mortgage to be paired with our DPA Product. Products 1002,2002,1001 and 2001 allow for an optional DPA.

**Q:** What Specific Documents will we need to certify Income?

**A:** See Form L-106 WFA3.0 Income Certification Worksheet and Form L-107WFA3.0. Zero Income Certification for a list of documents needed to certify income. [Click here for our NEW doc sets](#) and **Income Certification Instructions**. Please **NOTE:** We no longer require a 1003 on any Income Cert.

**Q:** What MI Disclosures are required, if any, for the WFA 3.0 FNMA HFA Preferred and WFA 3.0 FHLMC HFA Advantage?

**A:** An LPMI Disclosure is required.

Q: Is there an asset test required on the DPA products?

A: No; An asset test is not required.

Q: What are the terms of the two DPA products?

A: Please see the terms below:

**WFA 3.0 DPA Deferred 30Yr Fixed First Time Homebuyers only**

- **Loan Amount:**

10% of the lower of the sales price or appraised value or \$50k, whichever is less, in Gateway Cities and the City of Boston, Framingham, or Randolph.

DPA loan amount in the remaining communities of the Commonwealth is 10% of the lower of the sales price or appraised value or \$30k, whichever is less.

- **Terms:** Second Mortgage which is **0% deferred** and due upon Sale, Refinance or Payoff of the First Mortgage. Please note MassHousing will not subordinate the DPA mortgage.

**DPA 15Yr Fixed**

**First Time Homebuyers only**

- **Loan Amount:**

Statewide – **5% of the lower of the sales price or appraised value or \$15k, whichever is less.**

- **Terms:**

Second Mortgage at a **2% interest rate, fully amortized** 15 year-fixed rate and is due upon sale or refinance of the property.

Please note: MassHousing will not subordinate the DPA mortgage.

Q: Who do we contact with Product and/or Income Eligibility Certification Questions?

A: For questions regarding products and/or Income Eligibility Certification, please contact **homeownership@masshousing.com**.

Q: Who do we contact if we have questions on a WFA 3.0 Income Certification that has been submitted?

**A:** For questions regarding WFA 3.0 Income Certification that have been submitted please contact [HOincomecert@masshousing.com](mailto:HOincomecert@masshousing.com).

**Q: Is Income Certification secured to SS# for Borrower or MassHousing Registration #?**

**A:** The Certificate ID is associated with the Registration #. Once a Certificate ID has been assigned by MassHousing, you can register the loan in the eMassHousing portal.

**Q: Can the WFA 3.0 products be used for rehab?**

**A:** No; The WFA 3.0 cannot be used for rehab.

**Q: How do you register or lock a rehab loan?**

**A:** Lenders must choose the “Construction” option in the dropdown box inside of eMassHousing. For additional steps, please refer to our [MassHousing Renovation Training PowerPoint](#).

**Q: Do I need to certify Household Income prior to lock?**

**A:** No; Lenders have the option to upload all eligible applications into our new eMassHousing Portal for certification of Household Income any time after loan registration or lock but no later than loan closing. **NOTE:** A DPA loan requires a separate registration or lock from the first and a product MUST be selected for the DPA or the income will not be eligible for certification. All WFA 3.0 and WFA 3.0 FHA loans should include all the required documentation as outlined in [Form L-106](#) to be income certified. Please see [Step by Step Income Certificate Instructions](#) for further detail on the process. Upon successful submission, lenders will receive an automated email confirming they have successfully submitted the income certification. Please see our [Income Certification Instructions](#).

**Q: How should MassHousing’s reimbursement for lender paid Upfront MIP be reflected?**

**A:** In our opinion, the lender credit is best disclosed by listing the cost of the UFMIP as a line item in Section B on Page 2 of the CD and including the amount in the “Paid by Others” column.

**Q: What fees are associated with both of the DPA products?**

**A:** The only fee allowed to be charged to a borrower is the recording fee. NO OTHER FEES ARE ALLOWED.

**Q: Can we use a LE/CD in place of the TIL?**

**A:** Yes; you can use an LE/CD or a Truth in Lending. Regardless of which Disclosure you use, the only fee that is allowed is the recording fee.

**Q: What products require the borrower to be a FTHB?**



**A:** Any DPA product requires the borrower to be a FTHB. Additionally, both our FTHB products; FTHB FNMA Preferred and FTHB FHLMC Advantage require the borrower to be a FTHB. Although our Closing Cost Credit is a feature rather than a product, \$2500 closing cost credit is available only to **First Time Homebuyers** who are active-duty military, Veterans who served honorably, Reservists and National Guard, or Gold Star Family members

**Q: Where do we sign up for HomeOwnership Production emails, Announcements and Updates?**

**A:** On the opening page of our [eMassHousing](#) Portal there is a SUBSCRIBE button on the lower left of the screen

**Q: Does MassHousing have a list of acceptable on-line courses for third party providers of homebuyer counseling ?**

**A:** Yes; MassHousing maintains an approved list of qualified third-party providers of homebuyer counseling. A list of approved counseling agencies can be found at: [MassHousing Approved Counseling Agency](#).

If the class registration is completed through an **MH approved Counseling Agency**, MassHousing will also accept the following on-line courses for all products **except** for WFA 3.0 products:

- Framework Homeownership, LLC - <http://www.frameworkhomeownership.org/>
- Homeview - <https://www.fanniemae.com/education>
- CreditSmart - <http://www.freddiemac.com/creditsmart/>

**Unlike our other products, the WFA 3.0 products** require borrowers to attend a course conducted by a MassHousing's approved Agency. Please refer to our Seller Guide Section 3 for additional guidance.

**Q: The contractor license has expired for my MassHousing Mortgage with Rehab loan. Can I get an exception for that?**

**A:** Yes; An Executive Order, dated March 18, 2020, has been signed stating that all professional licenses that are in good standing as of the date of the Order and that have expired or will expire during the state of emergency, is hereby extended and shall remain valid until 90 days following the termination of the state of emergency. <https://www.mass.gov/orgs/division-ofprofessional-licensure>

MassHousing will allow the Lender to move forward with the Renovation Loan subject to the following conditions:

- Evidence that Contractors State of MA License was in effect and valid as of March 18, 2020
- Appropriate valid Liability Insurance Coverage is in place

## Lock Desk

**Q:** Under what circumstance will MassHousing allow bona fide points to be excluded from the 2% cap?

**A:** MassHousing will allow bona fide points to be excluded from the calculation when the lender provides evidence of a commensurate rate reduction i.e., compliance report, rate sheets . All charges and fees assessed by the lender to the borrower must be reasonable, usual, and customary.

MassHousing's overlay of total origination charges may not exceed 2% of the loan amount under all MassHousing Mortgage Programs. The 2% cap includes points and any application/processing/underwriting fees assessed by the lender.

**Q:** What if I do not have a property address?

**A:** All locks require a property address. If you have a file with a TBD address, please be sure to float the file until an address is available.

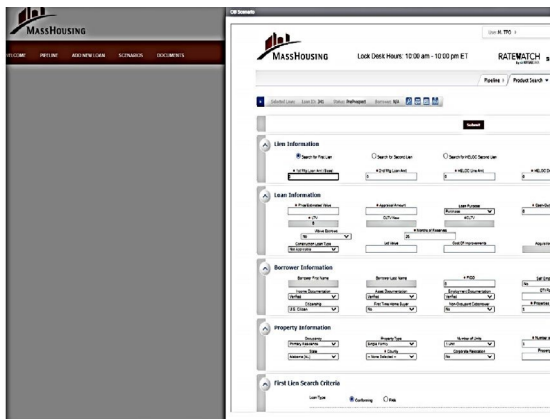
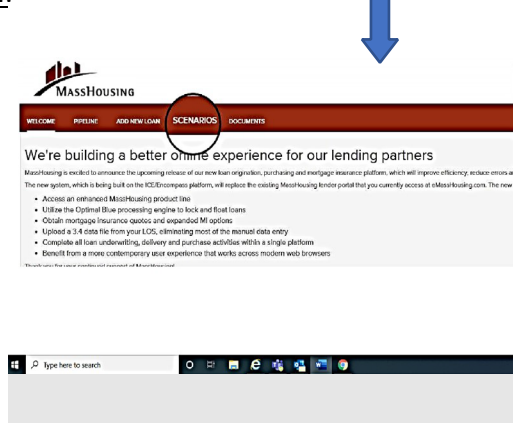
**Q:** What if I do not log out of the lock file completely after I submit a lock request?

**A:** After submitting a lock request in eMassHousing, please **be sure** to log out of the lock file completely. The lock request will not be accepted if someone is still logged in to the file.

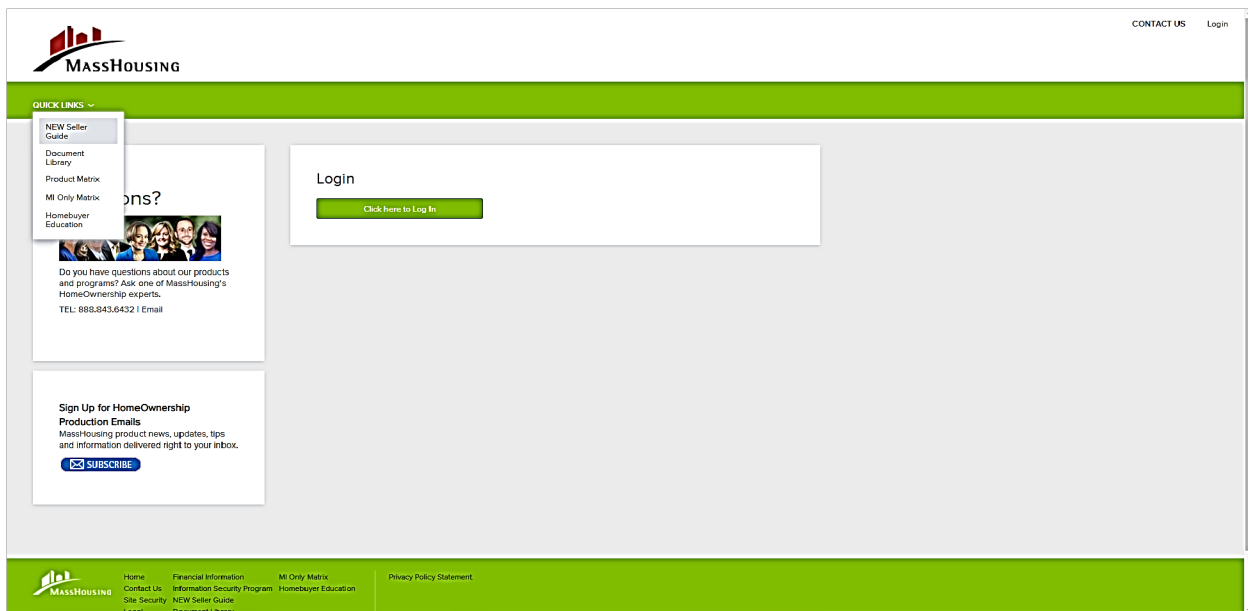
**Q:** How do lenders access rate sheets inside the new eMassHousing Portal?

**A:** Lenders can press the "Scenarios" tab in the new portal (Screen shot #1 below) to see a Custom rate and price for their scenarios. When a loan is locked, the confirmation will have a copy of the rate sheet attached as well. Lastly, rate sheets are distributed via email daily.

**Screen Shot 1:**



**Screen Shot 2:**



**Q: Will MassHousing be adjusting their extension policies?**

**A:** No; MassHousing will maintain its current pricing and extension policies as follows:

Extension fees/penalties will be deducted at the time of loan funding from the base price paid to lender as follows:

- 1-3 days: no charge
- 4-30 days: 0.02pts/day

Extensions beyond 30-days may be made in writing (as follows) via our portal at [eMassHousing](#) and will be considered on a case-by-case basis. The new price will be the lower of the current market price or the original market price less fees.

**Q: What if a property falls through after locked?**

**A:** MassHousing requires lenders to withdraw any locks as soon as the lender has knowledge the borrower is not proceeding with the property

## Underwriting

**Q:** *Is MassHousing aligning with [Fannie Mae's Announcement SEL-2023-08](#) as it relates to:* **NEW!**

1. Personal Gifts of Equity
2. 3D Printed homes
3. Trust Income

**A:** Yes, we are aligning with all 3.

**Q:** *Is MassHousing aligning with [Freddie Mac's Bulletin 2023-18](#) as it relates to:* **NEW!**

1. The amount included in the monthly *DTI ratio* for all student loans, as well as the new requirements for student loans in *income-driven repayment plans* and ;
2. Updated "Use of Proceeds from a "no cash-out refinance"

**A:** yes, we are aligning with both.

**Q:** *Is MassHousing aligning with Fannie Mae's Announcement [SEL-2023-06](#) and Freddie Mac's [Bulletin 2023-15](#) as it relates to the updated Condominium Project Review requirements ?*

**A:** Yes, we are aligning with these new requirements addressing condominium projects in need of critical repairs and projects that have material deficiencies.

**Q:** *Is MassHousing aligning with [FHLMC Bulletin 2023-11](#) relevant to the acceptance of IRS installment agreements for the payment of past-due federal taxes when certain requirements are met?*

**A:** No, please see our revised guidelines in [Section 3.7.1](#) of our Seller Guide.

**Q:** *Is MassHousing aligning with FNMA's limited cash out guidelines clarified in Fannie Mae's Announcement SEL-2023-05?*

**A:** We are aligned with the following parts of the Announcement-

- **Acceptable uses for limited cash-out-** clarifying that the proceeds may be used to satisfy additional amounts required to pay off the existing first mortgage, including a deferred balance resulting from previous loss mitigation, and late fees (we will not allow for the proceeds to be used to satisfy any share of appreciation).
- **Requirements for credit reports-** clarifying when a credit report must generate an inquiry that will appear on future reports (in addition to listing all inquiries made in the previous 90 days).
- **Manufactured Homes-** not allowed.
- **ARMS-** not allowed.

**Q:** Is MassHousing aligning with Fannie Mae's Announcement SEL-2023-02 as it relates to valuation modernization?

**A:** We are aligning with the "Value Acceptance Appraisal Waiver", which is the **new** appraisal waiver. However, while we continue to analyze these alternatives, we will not be accepting the "hybrid appraisals" or the "Property data collection by a third party".

**Q:** Is MassHousing requiring the Supplemental Consumer Information Form ([SCIF Fannie Mae/Freddie Mac Form 1103](#)) for each Conventional loan with an application date on/after March 1, 2023?

**A:** Yes.

**Q:** When is a HO-6 policy required?

**A:** A HO-6 Policy is required when the master insurance policy is **not** an "All-in" policy covering the interior of the unit or its improvements, alterations, fixtures, and equipment, regardless of ownership. The policy **must** be presented at closing and paid in full for the first year. The cost of the HO-6 policy **must** be included in the calculation of ratios, but not required to be an escrow item if it is an elective policy. If the "All-in" policy does not cover unit interior improvements, the borrower is required to have HO-6 coverage.

**Q:** Do we need to provide an updated Mortgage Insurance Certificate prior to closing?

**A:** Yes; Any changes in loan characteristics can change the mortgage insurance pricing and the certificate needs to be updated before closing. Additionally, the last certificate run must match the data on the submitted file.

**Q:** Is MassHousing aligning with and requiring the use of the recently published NEW IRS Form 4506-C?

**A:** Yes; We are aligning with and requiring the use of the recently published NEW IRS Form 4506-C, revised 10/2022 with loan applications on or after **2/1/2023**. In [Announcement 2023.01](#), MassHousing also reinstated our requirement for transcripts. The [IRS has provided guidance](#) that includes the major changes and how to complete the form to prevent rejections. As a reminder, please check out **Section 3.1.6** of our Seller Guide – **Required Compliance Documentation/IRS Form 4506-C**. Our lenders must always ensure the form is filled out completely and properly prior to obtaining the required signature(s).

**Q:** Is MassHousing aligning with [FNMA- ANN SEL-2023-01](#) and [FHLMC Bulletin 2023.3](#)?

**A:** (Part 1) No; We are not aligning with FNMA's announcement as 2-4 units with nontraditional credit are currently not eligible. Manufactured homes as well as cash-out refinances are also not eligible.

**A:** (Part 2) Yes; In FHLMC's bulletin we are only aligning with the Property Insurance addition as well as the requirements for the age of the tax returns.

**Q:** *Is MassHousing adopting **all** the changes outlined Freddie Mac's [Bulletin 2022-20](#)?*

**A:** No; However, we are adopting most, including the following:

- The Condo Project Advisor Project Assessment Request allowing authorized sellers to obtain feedback regarding a condominium project's compliance with the project review requirements assessed by Condo Product Advisor **effective October 24, 2022**
- The treatment of income for borrowers with a business ownership interest of less than 25%, **effective February 5, 2023** and
- The unacceptable terms and phrases to help identify prohibited language in appraisal reports.

**Q:** Has MassHousing removed any underwriting or process overlays?

**A:** Yes.

- Pre-closing reviews are no longer necessary for loans with Rehab and we have eliminated our entire "First Look" process.
- Pre-closing Reviews are no longer necessary for CU Risk Scores
- Minimum square footage requirement is no longer applicable.
- VVOE overlay requiring completion 2 business days preceding the Note Date was removed and now we follow GSE guidelines related to the VVOE.

## Employment

**Q:** *My borrower(s) is employed in the service, entertainment, or other highly impacted industry, how should I qualify my borrower?*

**A:** The Lender is responsible for ensuring the borrower is accurately qualified. If the borrower's income has been adversely impacted, then the stability of the income may be in question and may render the income ineligible for qualification.

**Q:** Does MassHousing have an overlay for the Verbal Verification of Employment (VVOE)?

**A:** No; Effective, August 29, 2022, we have removed our overlay and follow GSE guidelines. The verbal VOE must be obtained within 10 business days prior to the note date for employment income, and within 120 calendar days prior to the note date for self-employment income.

**Q:** *Is MassHousing aligning with Freddie Mac's YTD paystub guideline outlined in [Bulletin 2021-29](#)?*

**A:** Yes; we are requiring that YTD paystubs be dated no more than 30 days before the application received date, in addition to complying with the current guidelines for the age of documentation for all verifications of income, which must be dated no more than 120 days before the Note Date.

**Q:** Is MassHousing aligning with Fannie Mae's credit score guideline used by DU in its eligibility assessment outlined in Announcement SEL-2021-08?

**A:** No; MassHousing will not be aligning with Fannie Mae's new credit score guideline. MassHousing is maintaining our minimum credit scores as outlined in Section 3 of our Seller Guide.

**Q:** What is required when employment is scheduled to begin after the loan closes?

**A:** For Borrowers starting new employment or receiving a future salary increase from their current employer, income commencing after the Note Date may be considered a stable source of qualifying income to MassHousing, provided that all requirements are met according to Fannie Mae, Freddie Mac and FHA's guidelines outlined in Fannie Mae [Selling Guide Section B33.1-09](#), [Freddie Mac Selling Guide 5302.2](#) and [FHA Single Family Handbook](#) Section II.A.4.

## Assets

**Q:** Are virtual currencies, such as cryptocurrencies, acceptable to MassHousing?

**A:** MassHousing follows the guidance and requirements of the respective GSE's AUS regarding acceptable assets. You may locate additional resources regarding the topics of Cryptocurrency and foreign assets at:

<https://guide.freddiemac.com/app/guide/section/5501.3>

[Guide Section 5102.3 \(freddiemac.com\)](#)

<https://singlefamily.fanniemae.com/media/31301/display>

## Appraisals

**Q:** Is MassHousing accepting Accessory Dwelling Units (ADU's)?

**A:** Yes; we are accepting them under the following products only:

- Product 1002- FNMA HFA  
Preferred above 80 AMI
- Product 2002- FHLMC HFA



- Advantage above 80 AMI
- Product 1001- FNMA HFA  
Preferred up to 80 AMI
- Product 2001- FHLMC HFA  
Advantage up to 80 AMI
- Product 3003 – FHA  
(FHA Single Family Housing Policy Handbook 4000.1 must be followed)

***Please see the specific product matrix in our Seller Guide for additional details on the ADU's.***

**Q: Is MassHousing aligning with FHLMC's new Desktop Appraisal update in [Bulletin 2022-11](#) and [Bulletin 2022-2](#)?**

**A:** Yes; MassHousing will accept a desktop appraisal in lieu of an interior and exterior inspection appraisal, provided the Mortgage and the Mortgaged Premises meet the requirements in the Freddie Mac Guide Section 5601.7. Loan Product Advisor feedback messages must include the offer of a desktop appraisal. We encourage our participating lenders to review Freddie Mac's desktop appraisal FAQs and visit Freddie Mac Learning for additional resources.

**Q: Are Property Inspection Waivers allowed – with DPA?**

**A:** Yes; MassHousing is aligned with Fannie Mae's and Freddie Mac's guidelines on property inspection waivers and appraisal waivers and will accept PIW or appraisal waiver on all eligible transactions. MassHousing follows the AUS recommendation regarding appraisals.

## Gifts

**Q: Is MassHousing aligned with [Freddie Mac's Bulletin 2021-25](#) ?**

**A:** Yes; MassHousing is aligned with [Freddie Mac's Bulletin 2021-25](#). Freddie Mac expanded their current requirements to also permit a gift donor to pay the Borrower's earnest money deposit (EMD) directly to the builder or real estate agent if the Seller provides evidence of the transfer of funds from the donor's account in a financial institution to the earnest money deposit holder. Fannie Mae will allow the earnest money deposit to be paid from the gift funds directly to the realtor, builder or closing agent if the transfer is reflected in the settlement statement and the donor's check.

## Power of Attorney

**Q: Does MassHousing allow for a Power of Attorney?**

**A:** No; However, a Power of Attorney may be used when a borrower is fulfilling a military obligation. Please see [Section 3.3.7](#) of our Seller Guide.

## Forbearance

**Q: Will MassHousing purchase loans in forbearance or for which forbearance has been requested?**

**A:** No; Any loan in forbearance or for which forbearance has been requested is not eligible for purchase by MassHousing. Please see [Announcement 2020.11](#) for additional policies around active forbearance plans.

**Q: Does MassHousing require any additional due diligence from lenders to determine whether the mortgage payments are current as of the note date of the transaction?**

**A:** Yes; MassHousing requires additional due diligence methods to document the loan file which include:

- A loan payment history from the servicer or third-party verification service,
- A payoff statement,
- The latest mortgage account statement from the borrower, and
- A verification of mortgage.

A borrower who is not current and has missed payments on their mortgage loan is eligible for a new mortgage loan if those missed payments were resolved in accordance with the Eligibility Requirements in the table in ([Lender Letter LL-2021-03](#)) and ([Bulletin 2020-17](#)). Lenders may apply these forbearance plan policies to loans with application dates on or after June 2, 2020.

**Q: Does MassHousing consider a loan in forbearance after loan purchase an Early Payment Default?**

**A:** Yes; MassHousing will consider a loan that enters forbearance after loan purchase as an Early Payment Default. The requirements outlined in Announcement 2020.09 related to Covid-19 have expired.

## Ownership Status

**Q:** Does MassHousing allow for a non-borrower spouse to be on the deed?

**A:** No; All borrowers must be on all the legal mortgage instruments (mortgage, note, and deed). Non-borrowers may not be on any legal documents including title.

## Closed Loan Delivery

### Flood Insurance Eligibility:

**Q:** Is MassHousing aligning with FHA's Flood Insurance Eligibility requirements outlined in Mortgagee Letter 2022-18?

**A:** Yes; please see Section 6.2.2 of our [Seller Guide](#).

### E-notaries and Recordings:

**Q:** Will MassHousing accept e-notaries or remote online notaries (RON) or other distance notarizations?

**A:** Yes; Lender must comply with State and GSE guidelines.

**Q:** What happens if the recorder's office is closed? Will MassHousing accept title gap insurance?

**A:** MassHousing follows Fannie Mae/Freddie Mac and FHA guidelines. We will accept a loan in which the lender has gap insurance, but we will not fund until the mortgage is on record and verified to be in first lien position (DPA 2<sup>nd</sup>). Our Reps and Warranties require clear title. Gap insurance is not a substitute for actual recording of the mortgage.

### Trailing Docs:

**Q:** What Trailing Docs are required to be delivered to MetaSource, your 3<sup>rd</sup> party vendor, instead of uploaded to eMassHousing?

**A:** **ONLY the FHA** Original recorded or registry certified copy of mortgage (Certified copy if Land Court)

## Compliance

**Q: As a Housing Finance Agency, is MassHousing exempt from the QM requirements announced by Freddie Mac and Fannie Mae on May 26, 2021?**

**A:** While MassHousing acknowledges its exemption from QM requirements in general and the GSEs willingness to purchase such QM exempt loans under the conditions outlined in [Freddie Mac \[Bulletin 2021-19\]](#) and [Fannie Mae \[LL-2021-11\]](#), MassHousing will still require its loans to comply with Revised General QM loan definition (12 CFR 1026.43(e)(2)) and reaffirms its prohibition on purchasing any loan which is a Higher Priced Mortgage Loan (Section 5.4 of MassHousing Seller Guide).

## Servicing

**Q: Does MassHousing allow curtailments?**

**A:** Yes; We allow curtailments to loans that are current or in a prepaid status.

**Q: How and where should lenders send borrower payments and/or escrow overages?**

**A:** Any Lender sending servicing related funds to MassHousing (escrow, borrower payment, principal reduction) is required to complete Form #L-104. If the funds are being sent via wire/ACH, the Lender must use the appropriate instructions noted on the bottom of Form #L104 to ensure receipt of the funds in the appropriate account. Regardless of how the funds are being sent, electronically or by check, Form #L-104 is required to be completed and either faxed, emailed, or included in the overnight package to MassHousing. The fax number and email address are provided on Form #L-104.

## Additional FAQ and Training Resources

### **MassHousing-**

[MassHousing Lender Trainings](#)

[Quick Start Guide for Admins](#)

[User Guide](#)

### **Fannie Mae-**

[FannieMae Top Trending FAQ's](#)

### **Freddie Mac-**

[FreddieMac FAQ's](#)

### **FHA-**

[FHA FAQ's](#)

