



If you are interested in becoming a MassHousing Lender,
please email the following information to
lenderapproval@masshousing.com

Company Name

Company NMLS Number

Contact Name

Contact Phone Number



General Lender Requirements

1. In order to apply and become a Seller of loans to MassHousing a lender must be either an approved seller of conventional mortgage loans to FNMA or FHLMC or be a member of a Federal Home Loan Bank.
2. A Seller may also be approved if it is a depository institution, the deposits of which are insured by the FDIC or the National Credit Union Administration.
3. All Sellers must have a fully functioning office in good standing in the Commonwealth of Massachusetts with adequate facilities and staff experienced in originating and selling the types of mortgages for which approval is being requested, and hold all legal authorizations required to originate, sell and also have the ability to service loans in the Commonwealth of Massachusetts.
4. Each Seller must maintain a minimum net worth of \$2,500,000, plus a dollar amount that represents one-quarter of one percent (0.25%) of the outstanding principal balance of its total portfolio of mortgage loans serviced for Fannie Mae. Please see the Home Ownership Seller Guide - Mortgage Lender Eligibility for capital requirements.
5. A Seller of loans to MassHousing must meet the eligibility criteria established by MassHousing and set forth in the Home Ownership Seller Guide - Mortgage Lender Eligibility, as the same may be modified from time to time.
6. MassHousing approved lenders must sell a minimum of 5 first mortgage loans during any rolling 12 month period starting from the date they are an approved Seller of MassHousing; and demonstrate a proficiency at processing, underwriting, packaging and delivering loans to MassHousing.
7. MassHousing will provide lenders with an underwriting review of a complete underwriting package prior to closing. This service is a requirement for any lender who is new or sells MassHousing less than \$1 million in mortgage loans during the previous calendar year, consistent with Section 2.10 of our Seller Guide.
8. MassHousing also requires that all lenders*, have a rating of 125 or higher as published by IDC Financial Publishing, Inc. (IDC), or, for lenders not rated by IDC, an equivalent level of financial strength as determined by MassHousing. IDC issues ratings for all Banks, Credit Unions and Savings Banks on a quarterly basis.
9. Each Seller must maintain in effect at all times and at its expense, a Fidelity Bond (or Direct Surety Bond), and Errors and Omissions Policy (including Mortgage Impairment Coverage) issued by a company having a current rating in Best's Insurance Reports of B/IX or better and specifically licensed or authorized by law to transact business in the Commonwealth. Required coverage amounts are listed in the Home Ownership Seller Guide-Mortgage Lender Eligibility.
10. All Lender staff responsible for MassHousing loans must be trained prior to reserving funds from the Agency. You will need to contact your Business Development Officer to schedule training for you and your staff. For access to the Home Ownership Seller Guide please click on the following link:
https://www.emasshousing.com/portal/server.pt/community/global_pages/291

* Mortgage Companies are not ranked by the IDC. Submission of the quarterly 10Q to the Home Ownership Quality Control Department at MassHousing is required of all public Mortgage Companies. Mortgage Companies not required to submit a quarterly 10Q to the Security and Exchange Commission must submit their quarterly financial statements to MassHousing in lieu of a 10Q.

11. For lenders interested in being approved to sell FHA loans to MassHousing, the following additional requirements must be met:

1. Be an FHA Direct Endorsement Mortgagee
2. Be in good standing with HUD and maintain a HUD compare ratio of $\leq 150\%$ (Neighborhood Watch Ratio)
3. Lenders, and each loan originator employed, or affiliated with lender, must obtain and maintain all federal and state government approvals, registrations, permits, and licenses to perform its obligations and conduct origination business with FHA.

NOTE: If your organization falls under “Approved Small Supervised Lenders and Mortgagees” (HUD ML 2012-29), please attach a letter from your organization stating that you are exempt from additional HUD audit and executed by an authorized officer.

HOME OWNERSHIP FIRST MORTGAGE LOAN PROGRAM
Office of Home Ownership Programs
One Beacon Street, Boston, Massachusetts 02108

GENERAL INSTRUCTIONS/CHECKLIST

All Mortgage Lenders wishing to participate in the Massachusetts Housing Finance Agency's ("Mass Housing") Home Ownership First Mortgage Loan Program must submit the following information to the Agency:

REQUIRED DOCUMENT	INSTRUCTIONS
<p>These documents MUST be overnight mailed to MassHousing to the following address: MassHousing Home Ownership Dept. Attention: Deanna Ramsden One Beacon Street, 6th Floor Boston, MA 02108</p>	
MassHousing Loan Purchase Agreement and MIF Loan Loss Agreement	Two (2) signed <u>originals</u> of the Master Loan Purchase Agreement and MIF Loan Loss Reserve Agreements executed by an authorized officer of the Lender. The Agency, upon receipt of the Agreement, will execute and deliver one copy to the Lender.
Counsel's Opinion	<u>Original Counsel's Opinion</u> to be in the format provided, on the Counsel Letterhead and executed.
Wire Instructions	A completed Original wiring instruction form on your company letterhead in substantially the format provided. Note: Contact person and signatory must be two different individuals.
Bailee Agreement and Bailee Letter (if you are using a Warehouse Lender)	Three signed originals by ALL parties of the Bailee Agreement executed by an authorized officer of the Lender and executed by Warehouse Lender. The Agency, upon receipt of the Agreement, will execute and deliver two originals to the Lender, and one to be distributed to the Warehouse Lender. Note: Only one warehouse approved lender may be used. (If the Warehouse lender is not using the MassHousing Bailee Letter, please provide a letter from the Warehouse lender that they will be using for approval.)

THE FOLLOWING DOCUMENTS CAN BE UPLOADED DIRECTLY TO COMERGENCE

Lender Contact Sheet	A completed New Lender Information Form.
Titan Setup Sheet	Lender must submit a fully completed Titan New Client Setup Form.
MERS Requirement	Lender must be a MERS member with the ability to register and transfer loans through MERS in order to sell loans to MassHousing. A "MERS Lite" membership is also acceptable. Lenders must submit approval documentation of MERS membership.
List of Corporate Officers authorized to sign on behalf of the company	A copy of a vote of the Board of Directors or other governing body of the Lender evidencing authority of the Lender to execute the Master Loan Purchase Agreement and the Loan Loss Reserve Agreement.
Resumes of Owners/Principals/Officers	Resumes for the persons named by the Lender as primary contact, loan origination and investor packaging contact.
Resume of Key Staff and Personnel	
Names, titles, and resumes of the managers responsible for: Loan Production, Loan Operations, Underwriting, QC/Compliance, Secondary Marketing, Closing and Post Closing	
Quality Control Policies and Procedures	A copy of the Lender's Quality Control Plan. (Please refer to the QC section of the Home Ownership Seller Guide for MassHousing QC guidelines.)
Copy of QC reports and management responses	Two consecutive months' QC reports of pre-closing and post-closing audit findings and management responses.
Copy of third party QC/Compliance contracts	
AML (Anti-Money Laundering) Policies and Procedures	A copy of your institution's policy regarding Anti-Money Laundering (AML).
Customer Identification Policy	A copy of your institution's policy regarding Customer Identification (CIP) Policy.
CRA or MLCI Public Evaluation (MLCI 209 CMR 54.00)	A copy of the latest Community Reinvestment Act of MLCI Public Evaluation. If you are a new mortgage lender new to doing business in MA, please provide a letter stating as a new lender entering the MA residential mortgage market, you will acknowledge that you will adhere to the MLCI policy and provide a summary as to how you plan to meet those requirements.
Graham, Leach, Bliley Act (GLBA)	A copy of your institution's policy in relation to the Graham, Leach, Bliley Act.

Massachusetts Predatory Home Loan Practices Act ("High-Cost Loans")	A copy of your institution's policy regarding the Massachusetts Predatory Home Loan Practices Act.
OFAC	A copy of your institution's policy Office of Foreign Assets Control (OFAC).
Record Retention	A copy of your institution's policy regarding your Records Retention Policy.
Evidence of Errors & Omissions	
Evidence of Fidelity Bond Insurance	
Evidence of Surety Bond Insurance	
Last <u>three years</u> of audited financials	Independently audited financial statements required. If financial reports have been prepared for an accounting period since the most recent audit, attach a copy of each such financial report marked "Unaudited".
24 Months Loan Production and Loan Delivery History	Previous (24) months loan production and loan delivery history by investor.
Delinquency ratio of one to four family owner-occupied loans being serviced: Lender Portfolio and Investor Portfolio	30 day, 60 day, 90+, In Process of Foreclosure and REO's
Investor Report Card	From top 2 Investors most recent quarter.
FHLMC (Freddie Mac) Approval Letter	
FNMA (Fannie Mae) Approval letter	
FHLB (Federal Home Loan Bank) Approval Letter	
FOR LENDERS INTERESTED IN BEING APPROVED TO SELL FHA LOANS TO MASSHOUSING, THESE ADDITIONAL DOCUMENTS MUST BE SUBMITTED	
FHA (Federal Housing Administration)	Lender's Direct Endorsement (DE) approval letter through HUD
Resume of DE Underwriter	Resume of DE Underwriter on staff and proof of Direct Endorsement
FHA Independent Auditors Report	Lenders approved by FHA to originate FHA Mortgage Loans must provide independent auditor's reports on internal controls over compliance for HUD assisted programs. Reports must include all applicable HUD letters, and HUD Net Worth statement showing compliance with the Net Worth requirement. NOTE: If your organization falls under "Approved Small Supervised Lenders and Mortgagees" (HUD ML 2012-29), please attach a letter from your organization stating that you are exempt from additional HUD audit and executed by an authorized officer.