

**Bulletin #180**  
**May 7, 2020**

To: CHFA Lenders  
From: CHFA Single Family Underwriting  
Subject: COVID-19 Lender Loan Purchase Timeline Notice

Idaho Housing and Finance Association (IHFA) is the designated mortgage loan servicer for the Connecticut Housing Finance Authority (CHFA) conventional loan products. Both CHFA and IHFA recognize that the current pandemic has created many issues for our industry.

Each segment – borrowers, lenders, investors, and the secondary market – has been affected in its own unique way. Both CHFA and IHFA recognize the unique challenges presented to lenders. Together, we are doing everything we can to help minimize the burden to the extent that we are allowed.

In this time of uncertainty, IHFA has established new timelines for the delivery of closed loans. While these timeframes may appear tight, they are necessary to assist in the expeditious loan purchase by IHFA, to relieve pressure on lender warehouse lines, and to facilitate the quick delivery to the secondary market.

The following COVID-19 guidelines, and restricted closing period announced in [CHFA Bulletin #179](#), when met, will prevent a delay in the purchase of your loan. The purchase process will be streamlined for a five-day turnaround from the receipt of a complete file. The file will be reviewed post-purchase and some conditions will be sent out. We ask that you complete these conditions within five (5) days in order to ensure the quick securitization of the loan. The goal is to securitize the loans before the first payment is due.

**In addition to changes made pursuant to CHFA Bulletin #179 effective May 1, 2020, IHFA has provided the following guidelines effective May 18, 2020.**

- Loans must be closed between the 1<sup>st</sup> and 15<sup>th</sup> day of each month.
- The original note and the complete loan package as noted on the applicable checklist must be delivered to IHFA within ten (10) days of closing.
- No late deliveries will be allowed (*failure to deliver on time may delay the pooling/securitization of the loan*).
- Loans with purchase-pending conditions must be cleared within three (3) calendar days.
  - IHFA will review minimal information for on-boarding purposes to limit and have few, if any, pre-purchase conditions. Conditions will be post-purchase and are due within five (5) days of the review.
  - Pre-purchase conditions not cleared within three (3) days may result in the file being rejected.

- IHFA does not purchase conventional loans in forbearance; for loans that fall under COVID-19 forbearance, lenders have the option of requesting IHFA to purchase the loan, however the purchase will be subject to the LLPA additional fee assessment of up to five (5) percent of the loan balance as assessed by Fannie Mae or Freddie Mac. These fees will be the responsibility of the lender.
- Interest credits will not be allowed. An interest credit would create a situation that would not allow us to deliver the loan prior to the first payment due date.
- Lenders must include the signed “COVID-19 Non-Forbearance Statement” ( *see page 3* ) in each loan file submitted to IHFA acknowledging the loan is not in forbearance at the time of delivery.

As per RESPA, IHFA will net out one payment within twenty (20) days of the next due date.

Any late deliveries that cause the loan to be in a forbearance status or to become delinquent before it can be securitized may be assessed LLPA additional fees or be subject to repurchase if the loan is unsellable to the secondary market.

We appreciate your partnership and we hope you understand that in these challenging times we have to be very conscientious and timely in the process of securitizing loans.

LENDER  
COVID-19 Non-Forbearance Statement

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Lender, \_\_\_\_\_ does hereby confirm that the  
*(Lenders Name)*  
loan for \_\_\_\_\_  
*(Borrower/s Name/s)*  
was closed on \_\_\_\_\_ and is not in Loan Forbearance as of the date of the loan  
*(Date)*  
submission to Idaho Housing and Finance Association (IHFA) for purchase.

Authorized Signer:

\_\_\_\_\_  
*(Signature)*

\_\_\_\_\_  
*(Printed Name)*

\_\_\_\_\_  
*(Title)*

\_\_\_\_\_  
*(Date)*