



**CONNECTICUT
HOUSING
FINANCE AUTHORITY**

Unlocking Solutions, Building Strong Communities.

HOME MORTGAGE PROGRAMS

OPERATING MANUAL

Sections 7-8

(Investor Reporting and Remittance, Delinquency and Foreclosure)

CONNECTICUT HOUSING FINANCE AUTHORITY
999 West Street, Rocky Hill, CT 06067-4005
Main: (860) 721-9501 Fax: (860) 571-3550
Website: www.chfa.org

Revision 12-18-2024

SECTION 7 – INVESTOR REPORTING AND REMITTANCE

- 7.1 Billing Overview
- 7.2 Remittance of Funds
- 7.3 Reporting

SECTION 8 – DELINQUENCY AND FORECLOSURE

- 8.1 List of Approved Law Firms
- 8.2 Claims Submission and Expense Reimbursement
- 8.3 90 Days or More Delinquency Reporting
- 8.4 90 Day Delinquency Form
- 8.5 Code Translation Table Form
- 8.6 Foreclosure Initiation/Action Notification Reporting
- 8.7 CHFA Foreclosure Approval Initiation/Action Notification
- 8.8 Additional Changes to Current Requirements
- 8.9 Safekeeping Authority Documents
- 8.10 CHFA Delinquency Intervention Counseling Program
- 8.11 Sample Reporting Stream

Section 7 – Investor Reporting and Remittance Guidelines- ***PENDING UPDATES***

The Investor Reporting and Remitting Guidelines (IRRG) have been prepared by the Connecticut Housing Finance Authority (CHFA) for institutions who service CHFA loans under its Home Mortgage Program and other programs administered by CHFA on behalf of other investors (i.e., State of Connecticut Down Payment Assistance Program).

The IRRG are intended to provide instructions for the performance of the written agreements between CHFA and the institutions which service CHFA loans. Accordingly, the provisions of the IRRG are subject in all respects to the provisions in CHFA's Procedures, the terms of the Master Commitment Agreement for Mortgage Purchases, as amended, the Home Mortgage Servicing Agreement, as amended and the CHFA Lender Guide-Operating Manual.

From time to time, CHFA may revise the IRRG and will provide notification to all Servicers.

7.1 Billing Overview

At loan purchase, CHFA disburses funds to the originating lender and the loan becomes active on CHFA's records. Concurrently, the Servicer establishes the loan on its records.

Prior to the end of each month, CHFA will send a Summary Level Payment Billing report to the Servicer that will show the Net Amount Due.



3/24/2014
1:10 PM

Connecticut Housing Finance Authority
Summary Level Payment Billing
For Due Date: 03/2014

Servicer Name DIME BANK

Total Level Payment Due:	15,293.95
Add:	
Short Remittance Last Period:	0.00
Short Remittance Payoffs (see attached):	0.00
Less:	
Over Remittance Last Period:	16.00
Over Remittance Payoffs (see attached):	0.00
Net Amount Due:	15,277.95
(Enter on Line 1 of MRR)	

Your mid-month payment in the amount of 10,705.76 which is 70% of 15,293.95 is due by the 15th of April

CHFA will also send the Detailed Level Payment Billing report that will show the detailed billing amounts by loan of level payments due CHFA for each loan in the Servicer's portfolio.

CHFA's system will calculate the principal, interest and servicing fee due for each loan based upon the exceptions reported by the Servicer. CHFA then compares this activity to the Servicer's remittance amount reported on the Funds Transmittal Advice (FTA) form. Any over/short remittance will be used to reduce or increase the next billing report.

All exceptions reported to CHFA by the Servicer must reflect the unique six or seven digit CHFA loan identification number which is assigned to each CHFA loan.

7.2 Remittance of Funds

Servicer shall send all remittances via the FED wire transfer system using the following instructions:

US BANK
225 Asylum Street, 23rd floor
Hartford, CT 06103
ABA#: 091000022
A/C#: 173103321076
Account Name: US Bank Trust N.A.
Attn: Hartford Corporate Trust

For Further credit to CHFA# see table below for account # & description

Re: Serv#_ , (select one): **Mid-Month or Month-End or Payoff Remittance**

<u>Servicer Type</u>	<u>Account # and Description</u>
Regular Servicer	100006774 Holding Sub Acct
NIBP Servicer (700 series servicer #)	144148001 Securities-Revenue
DAP Servicer	100002747 Securities-DAP Esc
DAP Veteran's Servicer	100006819 Esc VA DAP

All wires must be received on or before 2:00 PM EST for same day credit.

Mid-Month Payment

On the 15th day of each month, the Servicer must remit at least 70% of the total amount of scheduled monthly level payments due on mortgages as shown on CHFA's Summary Level Payment Billing report.

Total Level Payment Due:	15,293.95
Add:	
Short Remittance Last Period:	0.00
Short Remittance Payoffs (see attached):	0.00
Less:	
Over Remittance Last Period:	16.00
Over Remittance Payoffs (see attached):	0.00
Net Amount Due:	15,277.95
(Enter on Line 1 of MRR)	

Your mid-month payment in the amount of 10,705.76 which is 70% of 15,293.95 is due by the 15th of April

In the event that the Servicer's actual collections, up to and including the 14th day of the month are less than 70% of the Total Level Payments Due, the Servicer may remit the lesser amount collected with written indication that such is the case.

Month-End Payment

On the 10th day of the following month, the Servicer must remit the total amount of collections (exclusive of escrow) through the month-end reporting date, less any servicing fee retained and less the mid-month payment already remitted.

Loan Payoffs

The Servicers must remit, within three (3) business days after receipt, the amount of any mortgage loan payoff, together with interest collected, less a pro-rated portion of the servicing fees earned.

Late Remittances

Servicer shall pay a late charge billed by CHFA at CHFA's current earnings rate for any period of lateness. This includes late remittance of payoffs, mid-month and month-end payments.

7.3 **Reporting**

The Servicer's Reporting Package must be received by CHFA by the 10th calendar day of each month (or the first business day following the 10th if the 10th falls on a weekend or holiday).

The Servicer's Reporting Package will consist of the following:

- 7.3.1** Servicer's Month-End Trial Balance report, **REQUIRED**
- 7.3.2** Servicer's Month-End Collections report, **REQUIRED**
- 7.3.3** FTA (Funds Transmittal Advice) form, **REQUIRED**
- 7.3.4** MRR (Monthly Reconciliation Report) form, **REQUIRED**
- 7.3.5** Prepayments form/report, if applicable
- 7.3.6** Curtailments form/report, if applicable
- 7.3.7** Delinquent Level Payments form/report, if applicable
- 7.3.8** Reversals (Curtailments/Level Payments) form/report, if applicable
- 7.3.9** Delinquent Level Payments at Payoff form/report, if applicable

See *Appendix A* for sample forms. CHFA will accept all required monthly exception reporting via paper or electronic file format as defined in *Appendix B*.

1. **MONTH-END TRIAL BALANCE**

The Servicer must send a copy of the Month-End Trial Balance report that shows the Principal Balance and PTD of each loan at month-end. Each loan must be identified with CHFA's six digit loan number. The Servicer may elect to send this report electronically via the specifications outlined in Appendix B. Please note, if opting to send electronically, Servicer must ensure that the report is formatted to print properly without manipulation by CHFA staff.

2. **MONTH-END COLLECTIONS REPORT**

The Servicer must send a copy of the Month-End Collections report. Each loan must be identified with CHFA's six digit loan number. The Servicer may send this report electronically via the specifications outlined in Appendix B. Please note, if opting to send electronically, Servicer must ensure that the report is formatted to print properly without manipulation by CHFA staff.

A. FTA (FUNDS TRANSMITTAL ADVICE)

**** REQUIRED FORM ****



CONNECTICUT HOUSING FINANCE AUTHORITY
FUNDS TRANSMITTAL ADVICE (FTA)
USE FOR NON-NIBP SERVICER PORTFOLIOS ONLY

PERIOD ENDING: _____

CHFA SERVICER NAME: _____

CHFA SERVICER #: _____

SUBMITTED BY: _____

PLEASE COMPLETE THE FOLLOWING FOR THE ENTIRE PERIOD'S COLLECTIONS, EXCLUDING PAYOFFS.

SERVICER COLLECTION TOTALS

PRINCIPAL COLLECTIONS	_____	-
INTEREST COLLECTIONS	_____	-
SERVICER FEE RETAINED	_____	-
SHORTAGE(+) OR OVERAGE (-) FROM BILLING	_____	-
SHORTAGE (+) OR OVERAGE (-) FROM PAYOFFS	_____	-
TOTAL MONTHLY REMITTANCE	_____	-

FOR CHFA USE ONLY

CHEFA TOTALS	
101.1101.164	_____
101.1300.164	_____
101.1410.000	_____
101.1180.191	_____
101.1180.191	_____
101.1180.168	_____
101.1180.168	_____
101.1111.165	_____
REVIEWED BY:	
INV RPTING	_____
INV RPTING	_____
ACCTING	_____
ACCTING	_____

SERVICER TOTALS (ACTUAL WIRE DATE & AMOUNT)

MID-MONTH PAYMENT

DATE REMITTED: _____

_____/_____/_____

MONTH-END PAYMENT

DATE REMITTED: _____

_____/_____/_____

OTHER PAYMENTS (EXCLUDING PAYOFFS)

DATE REMITTED: _____

_____/_____/_____

TOTAL MONTHLY REMITTANCE _____

IRR:FTA FORM.XLSX

B. This form is used to report the monthly collections of principal and interest, net of servicing fee retained. Any overages/shortages from the previous billing period and/or overages/shortages related to payoffs should also be reported. The Total Monthly Remittance from the Servicer Collection Totals should equal the Total Monthly Remittance of the Servicer Remittance Totals for Mid-Month and Month-End payments remitted.

C. Servicer Collection Totals

Principal Collections

This amount should be comprised of all principal collected during the month including curtailments, principal on regular payments, principal on prior due payments, principal on prepayments and net of any principal returned due to reversal of curtailment or reversal of previously paid level payments.

Interest Collections

This amount should be comprised of all interest collected during the month on regular payments, interest on prior due payments, interest on prepayments and net of any interest returned due to reversal of previously paid level payments.

Service Fee Retained

This amount should be the Service Fee earned on regular payments, prepayments and prior due payments. This amount would be decreased by Servicer Fee returned due to the reversal of previously paid level payments.

Over/Short Remittance

This is the amount billed or credited on the CHFA Summary Billing Detail report. Over/Short remittances must be researched before remitting/netting.

Over/Short Remittance on Payoffs

This is the amount billed or credited on the CHFA Summary Billing Detail report. Over/Short from payoffs must be researched before remitting/netting.

Total Monthly Remittance

Use the following formula to obtain this amount

	Principal Collections
+	Interest Collections
-	Service Fee retained
+/-	Over/Short Remitted/Netted
+/-	<u>Over/Short on Payoffs Remitted/Netted</u>
=	Total Monthly Remittance

D. Service Remittance Totals

Mid-month Remittance

This amount represents the collections from the 1st through the end of business on the 14th day of the month or the 70% requirement billed on the CHFA Summary Billing Detail report. It should be the amount wired to CHFA on the 15th of the month being reported.

Month-end Remittance

This amount represents the collections from the 15th through the end of business on the last day of the month. It should be the amount wired to CHFA on the 10th of the month following the month being reported.

Other Payments

Indicate other remittances to CHFA during the reporting month, excluding payoffs. Please include a brief description if any other monies were remitted.

Total Monthly Remittance

Use the following formula to obtain this amount.

$$\begin{array}{r} \text{Mid-month Remittance} \\ + \text{Month-end Remittance} \\ + \text{Other Payments (if any)} \\ \hline = \text{Total Monthly Remittance} \end{array}$$

Both the Total Monthly Remittance lines *must* be the same amount.

Troubleshooting:

a. **Principal**

Adjust this amount for any adjustment transactions posted during the month to correct for prior month errors. Make sure this amount does not include any principal amounts collected at payoff.

b. **Interest**

If necessary, deduct prepaid interest posted on new loans. Adjust this amount for any adjustment transactions posted during the month to correct for prior month errors. Make sure this amount does not include any interest amounts collected at payoff.

c. **Service Fee**

Adjust this amount for any transactions posted during the month to correct for prior month errors. Make sure this amount does not include any servicer fees retained on payoffs.

d. **Mid-Month & Month-End Remittances**

Verify the dollar amounts and dates wired for compliance with requirements. The Total Monthly Remittance from the Servicer Collection Totals should equal the Total Monthly Remittance of the Servicer Remittance Totals for Mid-Month and Month-End payments remitted.

3. MRR (MONTHLY REMITTANCE RECONCILIATION)



**** REQUIRED FORM ****

CONNECTICUT HOUSING FINANCE AUTHORITY
MONTHLY REMITTANCE RECONCILIATION (MRR)

PERIOD ENDING: _____

CHFA SERVICER NAME: _____

CHFA SERVICER #: _____

TOTAL LEVEL PAYMENT DUE (FROM LEVEL PAYMENTS BILLING REPORT): _____ -

PLUS:

	PREPAYMENTS	(PP)	_____ -
	CURRENT CURTAILMENTS	(CC)	_____ -
	PREPAID CURTAILMENTS	(CF)	_____ -

MINUS:

	DELINQUENT LEVEL PAYMENTS	(D)	_____ -
	CURTAILMENT AND/OR LEVEL PAYMENT REVERSALS	(RN/RC)	_____ -
	DELINQUENCIES AT PAYOFF	(DP)	_____ -
	SERVICER FEE RETAINED		_____ -

EQUALS:

	NET AMOUNT DUE		_____ -
	TOTAL MONTHLY REMITTANCE		_____ -
	OVER/SHORT REMITTANCE	**	_____ -
	ENDING LOAN COUNT		_____ -
	ENDING PRINCIPAL BALANCE		_____ -

IRG/MRR FORM.XLSX

This form is used to reconcile the Net Amount Due from the CHFA Summary Level Payment Billing to the Total Monthly Remittance wired to CHFA. The supporting exception detail listings, collections report and trail balance will provide the detail for this form.

Total Level Payments Due

This amount comes from the Net Amount Due on the CHFA Summary Level Payments Billing report.

Prepayments

The total level payment amount collected and reported on the Prepayments exception detail report/form.

Current Curtailments

The total of all curtailment amounts collected that are reported as “C” on the Curtailments exception detail report/form. If the report does not distinguish between current and prepaid curtailments, it will have to be done manually.

Prepaid Curtailments

The total of all curtailment amounts collected that are reported as “F” on the Curtailments exception detail report/form. If the report does not distinguish between current and prepaid curtailments, it will have to be done manually.

Delinquent Level Payments

The total level payment amount of all delinquencies reported on the Delinquent Level Payments exception detail report/form.

Curtailment and/or Level Payment Reversals

The amount of all reversals of transactions from a previous month, including both curtailments and level payments are reported on the Reversal of Curtailment or Level Payment report/form.

Delinquencies at Payoff

The amount of all uncollected level payments for any Payoffs remitted for the current reporting period are reported on the Delinquent Level Payments at Payoff report/form.

Service Fee Retained

The amount calculated as Due from CHFA on the collections report. This amount must agree with the Service Fee Retained reported on the FTA form.

Net Amount Due

The formula for arriving at this number is as follows:

	Total Level Payment Due (from CHFA Summary Level Payment Billing Report)
+	Prepayments
+	Current Curtailments
+	Prepaid Curtailments
-	Delinquent Level Payments
-	Curtailment and/or Level Payment Reversals
-	Delinquencies at Payoff
-	Service Fee Retained
=	Net Amount Due

Total Monthly Remittance

The amount of the Total Monthly Remittance reported under Servicer Collection Totals and Servicer Remittance Totals on the FTA. The Total Monthly Remittance amounts reported on the FTA form *must* agree with the Total Monthly Remittance reported on the MRR form.

Over/Short Remittance

This amount is the difference between the Net Amount Due and the Total Monthly Remittance. Ideally, this difference should be zero. Frequently, there is a difference which should be identified. See the descriptions for each line of the MRR below for common reconciling tips that may help identify this difference. Common reconciling items are often identified in Delinquencies at Payoff, Curtailments, Reversals and Over/Short remittances from a prior month.

For Example: The reporting month is May 2014. All loans on the Servicer's Trial Balance with paid-to-dates of June 2014 or greater are considered prepaid.

Use the CHFA Prepayments form. A computer facsimile is acceptable in lieu of this form provided the following information is reported: CHFA Loan Number, Prepayment Amount (must be equal to one level payment), Paid-To-Date of the loan after the payment is applied and Total of all prepayments. Report only those prepayments collected during the current reporting period.

Enter the Total from the Prepayments form/report on line 2 of the MRR form.

Troubleshooting:

- a. Verify all the prepayments being reported were collected in the reporting month;
- b. Scan the prepayment report for paid-to-dates less than or equal to reporting month;
- c. If there are negative amounts, check to see if they are offset by positive amounts for same loans. These would be payments that were made then reversed during the same month so should not be reported. If not, refer to the loan history or collection report to identify true prepayment reversals. If true reversals exist, these amounts will need to be reported on the Reversal of Curtailment or Level Payment form.

Current Curtailments

Current curtailments can only be reported on current loans. Current curtailments must always be applied after the current month's level payment has been applied.

Prepaid (Future) Curtailments

Prepaid (future) curtailments can only be reported on prepaid loans. The mis- application of prepaid curtailments can create principal balance differences between the Servicer and CHFA.

Enter the Total from the Curtailments form/report on line 3 of the MRR form.

Troubleshooting:

- a. Scan the paid-to-dates of each loan to separate the Current Curtailment total from the Future Curtailment total.
- b. If there are negative amounts, check to see if they are offset by positive amounts for same loans. If so, remove both the positive and negative amount from the report.
- c. If not, refer to loan history or collection report to identify true curtailment reversals or internal adjustments from previous months.
- d. If true reversals exist, these amounts will need to be added back to the curtailment report totals and the reversals will need to be reported on the Reversal of Curtailment or Level Payment form.
- e. If a reversal exists on the curtailment report that is due to the reversal of a previous months curtailment on delinquent loan, this amount will need to be added back to the Curtailment report totals and the reversal will not reported on the Reversal of Curtailment or Level Payment form. This negative amount will offset with previous month's overage reported by CHFA.

Use the CHFA Reversal of Curtailment or Level Payment form. A computer facsimile is acceptable in lieu of this form provided the following information is reported: CHFA Loan Number, Amount of Reversal, the Original Date Reported for the transaction and a 'C' or 'N' to indicate that it is a Curtailment or NSF (reversal of level payment).

Please review the collections report for reversal transactions. If there is a negative transaction for a loan during the reporting period, then identify whether it is a curtailment reversal, a payment reversal, an adjustment for prior period error or a wash. Refer to the loan history or collections report to identify the type of reversal.

Curtailment Reversal

A curtailment reversal consists of principal only. If a curtailment reversal exists, identify the month the curtailment was reported and remitted to CHFA. CHFA cannot reverse a curtailment that has not been previously reported and remitted. Each curtailment reversal must be reported individually.

Payment Reversal

A payment reversal consists of both interest and principal. Please make sure the payment amount being reversed equals one full level payment amount. Multiple payment reversals for one loan must be reported individually.

If the reversal causes the loan to be delinquent, the reversals and delinquencies must be reported separately. It will be necessary to manually adjust the delinquency amount by the reversed payment(s). CHFA cannot reverse a payment that has not been reported and remitted.

Reversal for a prior period posting error

Adjustment reversals are commonly used to reverse curtailment on delinquent loans from a prior period, to apply principal balance adjustments due to incorrect amortization from a prior period or to process a reapplication of payments. This type of reversal should not be reported to CHFA. The amount of the adjustment reversal should be added back to the appropriate category on the MRR form and also back into the Total Monthly Remittance reported on the FTA form.

Offsetting Transactions


If the net of all transactions for a loan is zero, then there is no need to report a reversal.

Enter the Total from the Reversal of Curtailment or Level Payments form/report on line 5 of the MRR form.

Troubleshooting:

- a. Take the previous month's payoff/removals report to make sure the loans paid off are removed from the CHFA Detailed Level Billing report. If loan(s) have been paid off but are still on CHFA's Detailed Level Payment Billing, it is necessary to manually adjust the total delinquency amount.
- b. **CHFA removes loans upon receipt of funds.** Due to the three (3) days remittance period, loans that are paid off at the end of the month may still be billed. Any loan paid off but still being billed by CHFA will have to be manually added to the form/report.

9. LOAN PAYOFF



CONNECTICUT HOUSING FINANCE AUTHORITY
LOAN PAYOFF

CHFA SERVICER #: _____
 CHFA SERVICER NAME: _____
 PREPARED BY: _____ CONTACT PHONE #: _____
 CHFA LOAN #: _____ SERVICER LOAN #: _____
 MORTGAGOR'S NAME: _____
 LOAN PAYOFF DATE: _____ DATE REMITTED: _____

PRINCIPAL BALANCE PRIOR TO PAYOFF, PER LATEST CHFA DETAILED LEVEL PAYMENT BILLING: _____	
DATE OF CHFA DETAIL LEVEL PAYMENT BILLING REPORT USED: _____	
INTEREST P-T-D @ PAYOFF: _____	
PRINCIPAL PORTION OF LEVEL PAYMENTS APPLIED PRIOR TO PAYOFF:	-
PRINCIPAL PORTION OF NSF REVERSALS:	+ _____
CURTALMENTS APPLIED PRIOR TO PAYOFF:	- _____
CURTALMENT REVERSALS PRIOR TO PAYOFF:	+ _____
UNIDENTIFIED (SEND A LOAN HISTORY):	+/- _____
SERVICER PRINCIPAL BALANCE AT PAYOFF (PRINCIPAL COLLECTED AT PAYOFF):	= _____ -
INTEREST COLLECTED AT PAYOFF:	+ _____
SERVICER FEE RETAINED AT PAYOFF:	- _____
TOTAL REMITTED (WITHIN 3 BUSINESS DAYS AFTER PAYOFF DATE):	= _____ -

DO NOT WRITE BELOW THIS LINE

CHFA PROOF

\$ _____ _____ \$ _____ PAYMENT IS OVER (SHORT): _____ LATE _____ DAYS @ _____ %	PROCESSED BY: _____ REVIEWED BY: _____ INVESTOR REPORTING: _____ INVESTOR REPORTING: _____ ACCOUNTING: _____ ACCOUNTING: _____
--	---

IRRG@PAYOFF FORM.XLSX

Servicer must remit final payments within three (3) business days from the loan payoff date.

Use the CHFA Loan Payoff form to report/remit final payments to CHFA, along with the payoff report for verification.

Loan Payoff Date

The *actual* date the loan was paid in full.

Date Remitted

The *actual* date the funds were remitted to CHFA. This must be within 3 business days of payoff (including the date of payoff)

CHFA Balance Prior to Payoff. Per Latest Detailed Level Payment Billing

In order to reconcile the Servicer's to CHFA's principal balance, **always** report CHFA's Principal Balance prior to payoff from the most recent CHFA Detailed Level Payment Billing report.

Date of CHFA Detail Level Payment Billing Report Used

The Due Date shown in the header of the Summary Level Payment Billing report.



3/24/2014
1:10 PM

Connecticut Housing Finance Authority
Detailed Level Payment Billing

Servicer Name: For Due Date: 03/2014 Servicer #:

Interest P-T-D @ Payoff

This date is the Paid-to-Date on loan prior to receiving the payoff funds.

Principal Portion of Level Payments Applied Prior to Payoff

This amount is the total amount of principal collected for level payments and curtailments not yet reported to CHFA but collected and posted prior to payoff.

Principal Portion of NSF Reversals

This amount is the total amount of principal reversed due to NSF payments not yet reported to CHFA but posted prior to payoff.

Curtailments Applied Prior to Payoff

This amount is the total of all curtailments collected but not yet reported to CHFA prior to payoff.

Curtailment Reversals Prior to Payoff

This amount is the total amount of principal reversed due to curtailment back outs not yet reported to CHFA but posted prior to payoff

Unidentified (Send a Loan History)

This represents any unidentified balance difference between the Servicer's principal balance at payoff and the calculated CHFA principal balance. The following formula will calculate any Unidentified amount:

$$\begin{aligned} & \text{CHFA Principal Balance Per Latest Detailed Level Payment Billing} \\ & - \text{Principal Portion of Level Payments Prior to Payoff} \\ & + \text{Principal Portion of NSF Reversals} \\ & - \text{Curtailments Applied Prior to Payoff} \\ & + \text{Curtailment Reversals Prior to Payoff} \\ & - \text{Servicer's Principal Balance at Payoff} \\ \hline & = \text{Unidentified} \end{aligned}$$

If unidentified differences exist, a loan history is required along with the Loan Payoff form and the Servicer's payoff report.

This next section of the form is to report the breakdown of the payoff remittance. Use the Payoff section of the collections report to this section of the form.

Servicer Principal Balance at Payoff

The principal balance of the loan when payoff funds are collected.

Interest Collected at Payoff

Interest remitted at payoff. Interest must be calculated using a 365/366 day year. Use the following formula to calculate the interest due CHFA within three (3) business days after the loan payoff date:

Formula:

(Principal Balance at Payoff x Note Rate / 365(366) x # of days from P-T-D through and including the date of payoff)

NOTE: If the loan was prepaid at the time of payoff, the Interest rebate will be netted from the remittance due amount.

Servicer Fee Retained at Payoff

Servicer fee due to the Servicer from CHFA for the final payment collection. Servicer Fee Retained must be calculated using a 365/366 day year. Use the following formula to calculate the servicer fee retained by Servicer at loan payoff:

Formula:

(Principal Balance at Payoff x Servicer Fee Rate / 365(366) x # of days from P-T-D through and including the date of payoff)

NOTE: If the loan was prepaid at the time of payoff, the Servicer Fee Retained rebate would be added to the remittance due amount.

Total Remitted

(Within 3 Business Days After Payoff Date (including date of payoff))

Calculate Total Remitted as shown below:

$$\begin{array}{r} \text{Servicer's Principal Balance at Payoff} \\ + \text{Interest Due Calculated and Collected at Payoff} \\ - \text{Servicer Fee Retained Calculated and Collected at Payoff} \\ \hline = \text{Total Remitted} \end{array}$$

CHFA will review the payoff remittance including principal, interest and service fee for each loan. If CHFA's calculations do not reconcile with the Servicer's, a letter will be sent explaining the difference.

For each payoff, determine if there are any delinquent payments. Verify that all delinquent payments including the current month are reported on CHFA's Detailed Level Payments Billing report. If included on the Billing report, loan delinquency must be reported on the Delinquent Level Payment at Payoff form for the reporting period in which the loan paid off (refer to Delinquent Level Payments at Payoff section).

APPENDIX A



**** REQUIRED FORM ****

**CONNECTICUT HOUSING FINANCE AUTHORITY
FUNDS TRANSMITTAL ADVICE (FTA)**

USE FOR NON-NIBP SERVICER PORTFOLIOS ONLY

PERIOD ENDING: _____

CHFA SERVICER NAME: _____

CHFA SERVICER #: _____

SUBMITTED BY: _____

PLEASE COMPLETE THE FOLLOWING FOR THE ENTIRE PERIOD'S COLLECTIONS, EXCLUDING PAYOFFS.

SERVICER COLLECTION TOTALS

FOR CHFA USE ONLY

		<u>CHFA TOTALS</u>	
PRINCIPAL COLLECTIONS	_____ -	101.1101.164	_____
INTEREST COLLECTIONS	_____ -	101.1300.164	_____
SERVICER FEE RETAINED	_____ -	101.1410.000	_____
SHORTAGE(+) OR OVERAGE (-) FROM BILLING	_____ -	101.1180.191	_____
		101.1180.191	_____
SHORTAGE (+) OR OVERAGE (-) FROM PAYOFFS	_____ -	101.1180.168	_____
		101.1180.168	_____
TOTAL MONTHLY REMITTANCE	_____ -	101.1111.165	_____
		REVIEWED BY:	
		INV RPTING _____	
		INV RPTING _____	
		ACCTING _____	
		ACCTING _____	

SERVICER TOTALS (ACTUAL WIRE DATE & AMOUNT)

MID-MONTH PAYMENT

DATE REMITTED: _____ -

/ /

MONTH-END PAYMENT

DATE REMITTED: _____ -

/ /

OTHER PAYMENTS (EXCLUDING PAYOFFS)

DATE REMITTED: _____ -

/ /

TOTAL MONTHLY REMITTANCE _____ -

BRG\FTA FORM.XLSX



**** REQUIRED FORM ****

**CONNECTICUT HOUSING FINANCE AUTHORITY
FUNDS TRANSMITTAL ADVICE (FTA)**

USE FOR NIBP SERVICER PORTFOLIOS ONLY

PERIOD ENDING: _____

CHFA SERVICER NAME: _____

CHFA SERVICER #: _____

SUBMITTED BY: _____

PLEASE COMPLETE THE FOLLOWING FOR THE ENTIRE PERIOD'S COLLECTIONS, EXCLUDING PAYOFFS.

SERVICER COLLECTION TOTALS

PRINCIPAL COLLECTIONS	_____	-
INTEREST COLLECTIONS	_____	-
SERVICER FEE RETAINED	_____	-
SHORTAGE(+) OR OVERAGE (-) FROM BILLING	_____	-
SHORTAGE (+) OR OVERAGE (-) FROM PAYOFFS	_____	-
TOTAL MONTHLY REMITTANCE	=====	-

FOR CHFA USE ONLY

<u>CHFA TOTALS</u>	
109.1101.164	_____
109.1300.164	_____
109.1410.000	_____
109.1180.191	_____
109.1180.191	_____
109.1180.168	_____
109.1180.168	_____
109.1129.000	=====
REVIEWED BY:	
INV RPTING	_____
INV RPTING	_____
ACCTING	_____
ACCTING	_____

SERVICER TOTALS (ACTUAL WIRE DATE & AMOUNT)

MID-MONTH PAYMENT

DATE REMITTED: _____ -
/ /

MONTH-END PAYMENT

DATE REMITTED: _____ -
/ /

OTHER PAYMENTS (EXCLUDING PAYOFFS)

DATE REMITTED: _____ -
/ /

TOTAL MONTHLY REMITTANCE _____ -

IRRGFTA-NIBP FORM.XLSX



**** REQUIRED FORM ****

CONNECTICUT HOUSING FINANCE AUTHORITY
MONTHLY REMITTANCE RECONCILIATION (MRR)

PERIOD ENDING: _____

CHFA SERVICER NAME: _____

CHFA SERVICER #: _____

TOTAL LEVEL PAYMENT DUE (FROM LEVEL PAYMENTS BILLING REPORT): _____ -

PLUS:

PREPAYMENTS	(PP)	_____	-
CURRENT CURTAILMENTS	(CC)	_____	-
PREPAID CURTAILMENTS	(CF)	_____	-

MINUS:

DELINQUENT LEVEL PAYMENTS	(D)	_____	-
CURTAILMENT AND/OR LEVEL PAYMENT REVERSALS	(RN/RC)	_____	-
DELINQUENCIES AT PAYOFF	(DP)	_____	-
SERVICER FEE RETAINED		_____	-

EQUALS:

NET AMOUNT DUE		_____	-
TOTAL MONTHLY REMITTANCE		_____	-
OVER/SHORT REMITTANCE	**	_____	-
ENDING LOAN COUNT		_____	-
ENDING PRINCIPAL BALANCE		_____	-

IRRGMR FORM.XLSX



CONNECTICUT HOUSING FINANCE AUTHORITY
LOAN PAYOFF

CHFA SERVICER #: _____
 CHFA SERVICER NAME: _____
 PREPARED BY: _____ CONTACT PHONE #: _____
 CHFA LOAN #: _____ SERVICER LOAN #: _____
 MORTGAGOR'S NAME: _____
 LOAN PAYOFF DATE: _____ DATE REMITTED: _____

PRINCIPAL BALANCE PRIOR TO PAYOFF, PER LATEST CHFA DETAILED LEVEL PAYMENT BILLING:		_____
DATE OF CHFA DETAIL LEVEL PAYMENT BILLING REPORT USED:		_____
INTEREST P-T-D @ PAYOFF:		_____
PRINCIPAL PORTION OF LEVEL PAYMENTS APPLIED PIOR TO PAYOFF:	-	_____
PRINCIPAL PORTION OF NSF REVERSALS:	+	_____
CURTAILMENTS APPLIED PRIOR TO PAYOFF:	-	_____
CURTAILMENT REVERSALS PRIOR TO PAYOFF:	+	_____
UNIDENTIFIED (SEND A LOAN HISTORY):	+/-	_____
SERVICER PRINCIPAL BALANCE AT PAYOFF (PRINCIPAL COLLECTED AT PAYOFF):	=	_____ -
INTEREST COLLECTED AT PAYOFF:	+	_____
SERVICER FEE RETAINED AT PAYOFF:	-	_____
TOTAL REMITTED (WITHIN 3 BUSINESS DAYS AFTER PAYOFF DATE):	=	_____ -

DO NOT WRITE BELOW THIS LINE

CHFA PROOF

\$ _____

 \$ _____
 PAYMENT IS OVER (SHORT): _____
 LATE _____ DAYS @ _____ %

PROCESSED BY: _____
 REVIEWED BY: _____
 INVESTOR REPORTING: _____
 INVESTOR REPORTING: _____
 ACCOUNTING: _____
 ACCOUNTING: _____

IRRG/PAYOFF FORM.XLSX

APPENDIX B

CHFA Automated Exception Reporting Requirements

- Must send electronic file within same time frames as paper files
- Must submit one file per Servicer #
- File can be either fixed length or .CSV format
- First line may contain column headers, all other lines must be data only

File Format should include:

- Exception Code (1 or 2 digits), valid inputs are:
 - P – Prepayment (must list each prepayment individually)
 - D – Delinquency (one record for total delinquency per loan)
 - DP – Delinquent Payments on Payoffs
 - CC – Current month curtailment
 - CF – Curtailment for future month
 - RN – Reversal of level payment
 - RC – Reversal of previous curtailment
 - RP – Reversal of prepayment
 - PO - Payoff
- CHFA Loan # - 6 digits (must be no less, no more than 6 digits-required)
- # Payments Delinquent – only required for delinquencies – code D or DP
- Amount of Exception
 - Will be the monthly level payment amount for codes P, RN or RP.
 - Will be the total of all delinquent payments due from next due date thru the current reporting date for codes D or DP.
 - Will be the amount of additional principal paid for code CC, CF or RC. Note: any RC transactions must match exactly the amount of the original curtailment transaction being reversed.
 - Will be the total amount of the Payoff (Principal + Interest received) for PO transactions.
- Payment Due Date of Exception (format is YYYYMMDD)
 - If prepayment, enter 1st of the month of the due date the payment is being made for.
 - If delinquency, enter 1st of the month of the due date of oldest payment still due.
 - If current month curtailment, enter any day after the first of the month.
 - If future month curtailment, enter any day after the first of the month of the prepayment.
 - Will be due date of the level payment being reversed for code RN or RP.
 - Will be the month the original curtailment was applied for code RC.
- Comment (not required) up to 100 characters
- File Names
 - Naming convention: <Servicer#> YYYYMMDDHHMM.csv
 - Example: 0102_201403041130.csv

SECTION 8 – DELINQUENCY & FORECLOSURE

8.1 Law Firm Selection

Effective October 1, 2005, the servicer will hire a law firm to represent the Authority's interests regarding collection and/or foreclosure of delinquent single family mortgages.

Attorney's fees are allowed in accordance with the current HUD schedule of allowable attorney fees.

Servicers are required to monitor the performance of the hired law firms and are responsible for all issues regarding representation.

8.2 Claims Submission and Expense Reimbursement

- Servicers will use CHFA’s mortgagee number for the filing of HUD claims, list CHFA as the Payee for all PMI claims, list CHFA as the Holder for all VA claims and provide CHFA copies of all claims at the point of submission to the insurer.
- CHFA will wire* to the Servicer, within 2 business days after its receipt, expense reimbursement proceeds. Debenture interest will be included in the case of HUD insured loans. In the event of HUD curtailment of amounts owed CHFA:
 - CHFA will deduct the amount of the curtailment from the expense claim proceeds and wire the net amount to the servicer within 2 business days after receipt. Upon CHFA’s receipt and review of supporting documentation from the Servicer evidencing that they, or their attorney, were not responsible for the curtailment, the balance of expense proceeds received from the insurer will be remitted to the Servicer.
 - Servicer must continue to attempt collection of the curtailed amount from the responsible party and remit to CHFA immediately upon receipt. If, after 90 days of effort, Servicer is unable to collect and remit the curtailed amount to CHFA, Servicer must contact CHFA’s Finance Department (860-571-4292) to discuss continued collection efforts.
 - For all expense reimbursements due the Servicer in excess of what the insurer will cover, the Servicer will continue to provide all supporting documentation as was required prior to the new process for reimbursement from CHFA.
 - In the event of an insurer audit, the Servicer will be liable for payment of any and all reimbursements and penalties assessed by the insurer for improper claim filing, including but not limited to lack of appropriate supporting documentation.
 - CHFA will no longer accept or reimburse for expenses submitted by the Servicer after six months from the date that the original insurer claim was filed on HUD and VA insured loans or after six months from title taken date on all other loans.

Failure to use CHFA’s mortgagee number for claims filing will result in a penalty of \$250 per claim.

CHFA Foreclosure Expense Pre-Reimbursement Option (the “Option”)

In order to mitigate the impact of carrying large foreclosure expense balances on CHFA’s behalf for extended periods of time on loans in foreclosure, each servicer desiring to participate may submit an Option package (the “Package”) to CHFA for review and payment. This Package must include a cover page detailing each of the expenses for which reimbursement is being requested (with the total amount requested) along with all invoice support that CHFA requires for routine expense reimbursement for normal post-claim filings.

CHFA will pre-reimburse servicers selecting this new Option, for certain categories of expenses.

CHFA reserves the right to suspend availability of this Option either temporarily or permanently and/or change the parameters of this Option at any time without prior notice. CHFA may also suspend specific servicers from using this Option if CHFA determines, in its sole discretion, that the servicer has failed to follow the parameters of the Option to CHFA’s satisfaction.

Option Parameters

- Foreclosure must have been initiated and a **CHFA Foreclosure Approval Initiation/Mitigation/Action Notification** form must have been submitted to CHFA prior to Package submission.
- For insured loans, servicer must file the 1st insurer claim within 60 days of receiving payment from CHFA for the Package. The **only** exceptions to this filing date are:
 - Legal delays such as court scheduling, mediation hearings and litigation★
 - Delays due to eviction★
 - Delays due to substantial rehabilitation★
 - ★ If the 60 day deadline is unable to be met due to any of these issues, the servicer must report the reason(s) for the delay as well as a detailed plan that includes the expected time frames to complete and file the applicable insurer claim on the Option Compliance Report.
- Servicer must file for the 2nd insurer claim (where applicable) within 30 days of the submission of the 1st claim on FHA insured mortgages and within 60 days for all other insurance types.
- By the 10th of each month, Servicer must submit the **Option Compliance Report** to CHFA effective as of the previous month end detailing each loan that CHFA reimbursed under this Option for which foreclosure or other property disposition has not been completed. Document Library Any loan that has failed the time frames established in the parameters will require an explanation in the *Comment/Plan* section of the report.
- The only foreclosure expenses available under this Option are:
 - Condo/Association Fees
 - Attorney Fees
 - Title Search
 - Sheriff Fees
 - Inspections
 - Appraisal
 - Property Preservation
 - Utilities
 - Committee Fees
 - Recording Fees
 - Bankruptcy Fee
 - Eviction Fee
 - Court Entry Fee
 - Title Insurance Policy
 - Mediation Fee
 - Property Registration
- As always, servicers will continue to be responsible for any curtailments imposed by the insurers (i.e. CHFA will net any curtailment due to servicer error/omission from proceeds received). Additionally – all proceeds are to be remitted directly to CHFA from the Insurer. Any sales proceeds received by the servicer must be immediately forwarded to CHFA.

*Outgoing wire instructions must be provided to CHFA for expense. Wire instructions should be on Servicer's letterhead, signed by an authorized officer, and directed to Hazim Taib, Chief Financial Officer and must include the following information:

Servicer's Bank Name

Servicer's Bank Address and ABA Number

Account Name

Account Number

Mailing Address of the Account to be Credited

CHFA will not be responsible for any delays in the receipt of funds if the requested information is not provided on this form.

8.3 90 Days or More Delinquency Reporting

CHFA requires each servicer to report on a monthly basis for each loan that is 90 days or more delinquent. The attached ***Code Translation Table Form*** contains a list of valid reporting codes that must be assigned to each loan that is 90 days or more delinquent. CHFA has tried to stay as consistent as possible with current HUD reporting codes. In an effort to accommodate various servicing systems, CHFA will not require servicers to change their current reporting codes. Each servicer must fill out the attached ***Code Translation Table Form*** and return it to CHFA via fax @ (860) 257-8375, or e-mail to delqreport@chfa.org no later than close of business on February 15, 2005. Please note that you must indicate a Servicer Reporting Code for each CHFA Reporting Code listed. At any time in the future, if your code structure changes or you undergo a system conversion, etc., you are required to re-submit a new ***Code Translation Table Form*** to CHFA *before* you begin reporting using your new codes.

For all loans that are 90 days or more delinquent, you are required to report one of the codes listed on the ***Code Translation Table Form***. This reporting must be cut-off on the last business day of each month and be received by CHFA on or before the tenth day of the following month. This reporting will be accepted in one of the following three formats:

- Manually reported using the attached ***90 Day Delinquency Form***
- Via spreadsheet, using the format defined below and named as ###MMYY.xls where ### is your 3 digit CHFA servicer number and MMY is the month and year being reported:
 - CHFA Loan # (text field) – 6 digit CHFA loan number
 - Servicer Loan # (text field) – loan number assigned by Servicer
 - Servicer Number (3 digit numeric field) – 3 digit code assigned by CHFA to identify Servicer
 - Servicer Reporting Code (may vary with each servicer - 2 digit numeric field for CHFA codes) – Servicer Reporting Code currently assigned to the loan 90 days or more delinquent as defined on the ***Code Translation Table Form***
 - Date Code Set (mm/dd/yyyy date field) – Date this code was assigned to the loan
 - Comment (text field) – should include any comments added to this loan during the most recent reporting period
- Via data file, in a comma delimited file format with the fields in the same order as listed above for reporting via spreadsheet and named as ###MMYY.txt where ### is your 3 digit CHFA servicer number and MMY is the month and year being reported

Reporting of 90 day delinquency codes is required on a monthly basis until the loan either becomes less than 90 days delinquent or until all insurer payments have been received by CHFA.

If you have no loans within your portfolio that are 90 days or more delinquent, you are required to report this to CHFA as well. This may be done utilizing the *90 Day Delinquency Form* and writing in “No 90+ Day Loans” in the Comments section, or via email @ delqreport@chfa.org

8.5 Code Translation Table Form

Date _
 CHFA Servicer #
 Servicer Name

CHFA Reporting Code	Code Description	Servicer Reporting Code
01	Chapter 13 Bankruptcy	
03	Cramdown	
04	Condo Action	
08	Chapter 7 Bankruptcy	
09	Forbearance	
10	Partial Claim	
11	Unable to Convey-Occupied	
12	Repayment	
15	Pre-Forc Acceptance Plan Available	
17	Pre-Forc Sale	
20	Reinstated by Mortgagor who Retains Ownership	
26	Refinance	
28	Modification	
30	Third Party Sale	
32	Military Indulgence	
42	Delinquent/Standard Collection Processes	
43	Foreclosure Started	
45	Foreclosure Completed	
46	Property Conveyed to Insurer & Claim Submitted	
47	Deed in Lieu	
49	Assignment/Refunding	
68	First Legal/Foreclosure In Process	
73	Charge Off-No Release	
78	Unclaimable Condition	

Completed By: _

Printed Name: _

8.6 Foreclosure Approval Initiation/Mitigation/Action Notification Reporting

The *CHFA Foreclosure Approval Initiation/Mitigation/Action Notification* form must be used to notify CHFA of any loan that is entering foreclosure or that has had an action for which CHFA must be notified immediately. These actions include Foreclosure Initiation, Date of First Legal, Title Taken Date, Bankruptcy Status and Date, Bankruptcy Dismissal Date, Date/Amount that Court/Attorney Proceeds Received, and Property Conveyance Date. This form must be legible and faxed to the number indicated on the form. This form can also be downloaded from CHFA's website at www.chfa.org from the Lender forms section.

Section A – Loan Information

This section must be filled out every time this form is faxed to CHFA. All information requested in Section A must be completed. This form should be faxed to CHFA on a “real time” basis (i.e. immediately upon the occurrence of any action listed on the form). All other monthly 90 day delinquency reporting must be cut-off on the last business day of each month and be received by CHFA on or before the tenth day of the following month.

- 8.6.1** Date – Date form being completed and faxed to CHFA
- 8.6.2** CHFA Loan # - 6 digit loan number assigned by CHFA
- 8.6.3** Servicer Loan # - Loan number assigned by Servicer
- 8.6.4** Borrower Name(s) – List all borrowers listed on mortgage
- 8.6.5** Insurance Type – Check the correct box to indicate how the loan is insured
- 8.6.6** Short Sale Prior to Foreclosure Initiation – Check box if this is occurring

Section B - Foreclosure Initiation

This section must be completed once all loss mitigation requirements have been satisfied and the loan is being assigned to an attorney for foreclosure action. Receipt by CHFA of this form with this Section completed constitutes CHFA's approval to foreclose.

- 8.6.7** Date Counseling Letter Sent – Date 60 day counseling letter originally sent to borrower
- 8.6.8** Owner Occupancy Verified – Must check box indicating whether owner occupancy was verified. If property is not owner occupied, Servicer must provide an explanation in the **Comments** section of the form.
- 8.6.9** Check any/all loss mitigation codes that may apply for this loan
- 8.6.10** Loss Mitigation Certification
 - 8.6.10.1** By – Should be the signature of the authorized officer verifying all guidelines were followed
 - 8.6.10.2** Printed Name – Name of person signing above
 - 8.6.10.3** Phone # - Number at which person above can be reached with any questions
 - 8.6.10.4** Email – Email address at which person above can be contacted
- 8.6.11** Foreclosure Start Date – Date Servicer hired attorney to begin foreclosure process
- 8.6.12** Attorney/Firm Assigned – Name of attorney/firm hired

Section C – Foreclosure Action Notification

*This section must be completed anytime one of the six following actions occurs. CHFA must be informed of any of these actions as soon as they occur – **this reporting cannot wait until the month end cut-off reporting cycle***

- 8.6.13** Date of First Legal – Date Lis Pendens filed/Sheriff hired
- 8.6.14** Title Taken Date – Date title was taken
- 8.6.15** Bankruptcy Status/Date – The date the borrower filed for Bankruptcy protection and the type of bankruptcy filed
- 8.6.16** Bankruptcy Dismissal Date – The date the Bankruptcy was dismissed by the court
- 8.6.17** Date/Amount Court/Attorney Proceeds Received – Date proceeds were received from the court or the attorney and the amount of proceeds received

Property Conveyance Date – Date property conveyed to Insurer/CHFA

Section D – Comments

This section can be used to add any additional comments that are relevant to the action being reported, but is not required except as noted in Section B.

8.7 CHFA Foreclosure Approval/Mitigation/Initiation/Action Notification

Fax to: (860) 257-8375
ATTN: Finance Department

A. Loan Information

Date: _____

CHFA Loan #: _____

Servicer Loan #: _____

Borrower Name(s): _____

Insurance Type: FHA VA PMI CHFA Uninsured RDA

Check if Short Sale Prior to Foreclosure Initiation:

B. Foreclosure Initiation

Date Counseling Letter Sent: _____

Owner Occupancy Verified: Yes No (if No, Comment is required)

Check all boxes that may apply:

Code	Description	Code	Description
<input type="checkbox"/> 12	Repayment	<input type="checkbox"/> 10	Partial Claim
<input type="checkbox"/> 09	Forbearance	<input type="checkbox"/> 17	Pre-Foreclosure Sale
<input type="checkbox"/> 28	Modification	<input type="checkbox"/> 47	Deed-In-Lieu
<input type="checkbox"/> 49	Assignment/Refunding		

I certify that all CHFA guidelines, or any other requirements per the guarantor, were followed prior to initiating foreclosure: *(For CHFA or uninsured loans, HUD guidelines, excluding partial claims should be followed)*

By: _____

Printed Name: _____

Phone #: _____

Email Address: _____

Foreclosure Start Date: _____

(Date Attorney hired)

Attorney/Firm Assigned: _____

C. Foreclosure Action Notification

Date of First Legal: _____

Title Taken Date: _____

Bankruptcy Status: Chap 7 Chap 13

Bankruptcy Date: _____

Bankruptcy Dismissal Date: _____

Date Court/Attorney Proceeds Received: _____

Amount: _____

Property Conveyance Date: _____

D. Comments

8.8 Additional Changes to Current Requirements

Beginning March 1, 2005, requirements under the following sections of the CHFA Home Mortgage Servicing Agreement shall be changed as follows:

The below changes DO NOT SUPERCEDE any insurer requirement. To the extent that there is a present or future conflict with this Supplement and/or the existing CHFA Home Mortgage Servicing Agreement and insurer requirements, the Servicer MUST FOLLOW ALL INSURER REQUIREMENTS in order to preserve CHFA rights under the terms of the mortgage insurance.

Inspections:

- 8.8.1 Servicer shall make an inspection of the mortgaged property in the event of delinquency of 90 days *and* no contact has been made with the borrower. (Previously, inspections were required even if the Servicer was in contact with the borrower.)
- 8.8.2 Servicer shall make an inspection of the mortgaged property if the loss claim for damage exceeds \$5,000, up from \$2,500

Notification by Servicer:

- 8.8.3 Servicer shall notify CHFA of loss or damage to the mortgaged property in excess of \$10,000, up from \$2,500

90-Day Delinquencies:

- Servicer must comply with **CHFA Delinquency Intervention Counseling Program** requirements
- Servicer must continue to report monthly on a loan by loan basis for any loan that is 90 days or more delinquent until such time as the loan becomes less than 90 days delinquent or until all insurer payments have been received by CHFA
- Servicer shall send 30-day demand notices to mortgagors, as required by law, advising them of CHFA's intent to foreclose, and thereafter, in accordance with **CHFA's Delinquency Intervention Counseling Program** requirements

Foreclosures:

- Once a loan becomes 120 days delinquent or is determined to be in default, Servicer must fax the completed **CHFA Foreclosure Approval Initiation/Mitigation/Action Notification** form to CHFA.

Foreclosures – Sub-section: CHFA's Foreclosure Responsibilities:

- CHFA no longer designates a foreclosure attorney or issues a written foreclosure order
- CHFA will promptly reimburse Servicer for legal fees and expenses and for Servicer's out-of-pocket expense reasonably incurred during the foreclosure process. These expenses can only be submitted for reimbursement after the foreclosure has been completed. CHFA will no longer accept or reimburse for expenses submitted by the Servicer after six months from the date that the original insurer claim was filed on HUD and VA insured loans or after six months from title taken date on all other loans

Foreclosures – Sub-section: Servicer's Foreclosure Responsibilities:

- Servicer designates and hires a foreclosure attorney and issues a written foreclosure order
- Assist the foreclosure attorney in matters of a legal nature
- All other current responsibilities defined in this sub-section

Servicer's Compensation:

8.8.4 Servicer's compensation related to delinquency/foreclosure servicing of a CHFA Mortgage shall cease upon commencement of foreclosure except for HUD insured loans or payoff of the loan in full. To the extent that CHFA receives gross interest from HUD, or the loan is paid in full, servicer fees related to this gross interest received by CHFA will be paid to the Servicer upon receipt by CHFA

Agency – Sub-section: Limited Agency:

8.8.5 Servicer, on behalf of CHFA, may endorse insurance checks for any amount up to \$10,000, up from \$2,500, without prior approval of CHFA

8.8.6 Servicer, on behalf of CHFA, may submit claims to FHA, VA or private mortgage insurers and must use CHFA's mortgagee number. Failure to use CHFA's mortgagee number will result in a \$250 penalty per claim

Service-Operations:

8.8.7 Servicer shall provide a toll free number for use by CHFA and mortgagors

8.9 Safekeeping of Authority Documents

Mortgage records, including but not limited to, promissory notes and mortgage deeds documenting CHFA loans will be delivered to Servicer for safe keeping. Servicer will act as document custodian for CHFA or designate a document custodian to hold all CHFA mortgage records. Servicer or its designated document custodian will comply with all state document preservation requirements applicable to CHFA. These requirements can be found at www.cslib.org. Mortgage records remain the property of CHFA, and Servicer will provide copies or return originals to CHFA promptly upon request at no cost to CHFA. Servicer will be responsible for any loss sustained by CHFA resulting from loss or damage to CHFA mortgage records delivered to Servicer.

Please provide the contact information listed below for the document custodian that will be responsible for these records.

This information must be completed, signed by an authorized officer of Servicer and the original must be received by CHFA's Finance Department no later than February 15, 2005.

Servicer Name	
Servicer Address	
Document Custodian Info:	
Contact Name	
Contact Entity (if not Servicer)	
Contact Address	
Contact Phone	
Contact Email	

By Authorized Officer (Servicer): _____

Printed Name: _____

Any changes to the above information must be mailed to CHFA's Finance Department 10 business days prior to change of document custodian.

All records will be shipped (at CHFA's expense) to the document custodian along with a schedule listing an inventory, by CHFA loan number, of the mortgage records. Document custodian will sign a copy of the inventory listing upon delivery to acknowledge receipt of the records. Within 60 days of delivery by CHFA, document custodian will review and confirm receipt of all items on the inventory listing, and sign and return a second copy of the inventory listing to CHFA.

Note: During the transition period, should you require documents for any loan that has not yet been delivered to your document custodian, please call the CHFA Finance Department at 860-571-4292 and we will promptly ship the requested documents. Initially, CHFA will deliver to all designated document custodians those loans which are 90 days or more delinquent as of December 31, 2004. CHFA anticipates delivery of all remaining loan documents to each document custodian by June 30, 2005.

8.10 CHFA Delinquency Intervention Counseling Program

Connecticut Housing Finance Authority (CHFA) offers delinquency intervention counseling to borrowers who are sixty (60) days delinquent on their mortgage loan. The servicer sends a letter to the borrower and forwards a referral to a CHFA approved counseling agency when a borrower is 60 days delinquent. The counseling agency works with the borrower, develops a financial plan, analyzes their financial situation and helps to develop an action plan to bring the loan current. The plan is presented to the servicer for approval.

Servicer must simultaneously perform prudent collection efforts in compliance with insurer/guarantor regulations.

Loss Mitigation tools for HUD insured loans include:

Special Forbearance: Provides a written payment plan for the borrower to become current on their mortgage.

Loan Modification: A permanent extension in the loan term that results in a payment that the borrower can afford.

Partial Claim: Allows a delinquent mortgage to be reinstated by advancing HUD funds to pay the arrearage. A promissory note or “partial claim note” is issued. Currently the partial claim note carries no interest and is not due and payable until the borrower either pays off the first mortgage or no longer owns the property.

Pre-foreclosure Sale: Allows a borrower in default to sell the property and use the sale proceeds to satisfy the mortgage debt, even if the proceeds are less than the amount owed.

Deed in Lieu of Foreclosure: The borrower voluntarily deeds the property to HUD in exchange for a release from all obligations under the mortgage.

Loss Mitigation tools for other insurance type loans include:

Forbearance, modifications, pre-foreclosure sales and deed-in-lieu of foreclosures are also loss mitigation options for loans insured by private mortgage insurance companies, by the Veteran’s Administration (VA), CHFA insured loans and uninsured loans. In addition, the private mortgage insurance companies offer a product similar to the partial claim and the VA offers a Refunding.

Follow-up with the borrower is conducted at one, three and six months to discuss and identify any changes that may have occurred that will influence that action plan. Follow-up counseling sessions are conducted, as necessary.

8.11 Sample Reporting Stream

Borrower: John Smith8

CHFA Loan # 991234, Servicer Loan # 449876

Insured by FHA, Interest P-T-D 4/1/2005

Loan becomes part of this reporting process once it becomes 90 days delinquent. This reporting for this loan begins with the July 2005 month end reporting.

Date	Reporting
7/20/13	No reporting yet to CHFA -Servicer working with borrower. Servicer assigns code 12 indicating that borrower will attempt repayment
7/31/13	90 Day Delinquency Form is submitted with July month end reporting – see attachment a
8/31/13	90 Day Delinquency Form is submitted with August month end reporting – see attachment b
9/2/13	CHFA Foreclosure Approval Initiation/Mitigation/Action Notification form is submitted on September 2, 2005 to inform CHFA of foreclosure initiation – see attachment c
9/30/13	90 Day Delinquency Form is submitted with September month end reporting – see attachment d
10/3/13	CHFA Foreclosure Approval Initiation/Mitigation/Action Notification form is submitted on October 3, 2005 to inform CHFA of Date of First Legal – see attachment e
10/31/13	90 Day Delinquency Form is submitted with October month end reporting – see attachment f
11/30/13	90 Day Delinquency Form is submitted with November month end reporting – see attachment g
12/20/13	CHFA Foreclosure Approval Initiation/Mitigation/Action Notification form is submitted on December 20, 2005 to inform CHFA that title has been taken – see attachment h
12/31/13	90 Day Delinquency Form is submitted with December month end reporting – see attachment i
1/31/14	90 Day Delinquency Form is submitted with January month end reporting – see attachment j
2/26/14	CHFA Foreclosure Approval Initiation/Mitigation/Action Notification form is submitted on February 26, 2006 to inform CHFA that loan was conveyed to the insurer – see attachment k
2/28/14	90 Day Delinquency Form is submitted with February month end reporting – see attachment l
3/31/14	90 Day Delinquency Form is submitted with March month end reporting – see attachment m
4/30/14	90 Day Delinquency Form is submitted with April month end reporting – see attachment n
5/31/14	Loan no longer reported to CHFA-all insurer payments have been received by CHFA

CHFA Foreclosure Approval Initiation/Mitigation/Action Notification

attachment d

Fax to: (860) 257-8375
ATTN: Finance Department

A. Loan Information

Date: 9/2/05

CHFA Loan #: 991234

Servicer Loan #: 449876

Borrower Name(s): John Smith

Insurance Type: FHA VA PMI CHFA Uninsured RDA

Check if Short Sale Prior to Foreclosure Initiation:

B. Foreclosure Initiation

Date Counseling Letter Sent: 6/12/05

Owner Occupancy Verified: Yes No (if No, Comment is required)

Check all boxes that may apply:

Code	Description	Code	Description
<input checked="" type="checkbox"/> 12	Repayment	<input type="checkbox"/> 10	Partial Claim
<input type="checkbox"/> 09	Forbearance	<input type="checkbox"/> 17	Pre-Foreclosure Sale
<input type="checkbox"/> 28	Modification	<input type="checkbox"/> 47	Deed-In-Lieu
<input type="checkbox"/> 49	Assignment/Refunding		

I certify that all CHFA guidelines, or any other requirements per the guarantor, were followed prior to initiating foreclosure: (For CHFA or uninsured loans, HUD guidelines, excluding partial claims should be followed)

By: Authorized Officer

Printed Name: Authorized Officer

Phone #: 860-571-499 9

Email Address: Aofficer@bank.com

Foreclosure Start Date: 9/2/05

(Date Attorney hired)

Attorney/Firm Assigned: Reliable Legal Representation, LLC

C. Foreclosure Action Notification

-

Date of First Legal:

Title Taken Date:

Bankruptcy Status: Chap 7 Chap 13

Bankruptcy Date:

Bankruptcy Dismissal Date: ____

Date Court/Attorney Proceeds Received: _

Amount: _____

Property Conveyance Date: _____

D. Comments

90 Day Delinquency Form

attachment d

Use this form, or spreadsheet or data submission to report **ALL** loans that are 90 days or more delinquent. Information must be cut-off on the last business day of each month and be received by CHFA no later than the 10th day of the following month. If mailing, please submit to the attention of the Finance Department at the address below. Manually completed forms or spreadsheets may be faxed to (860) 257-8375 or e-mailed to delqreport@chfa.org. Data submissions must be e-mailed to delqreport@chfa.org.

Month End Date (month and year) September 2005

CHFA Servicer # 432

Servicer Name Sample Servicer

CHFA Loan #	Servicer Loan #	Reporting Code	Date Code Assigned	Comments (should include all comments added since the last reporting cycle)
991234	449876	43	9/2/05	No further contact with borrower - Inspection completed

CHFA Foreclosure Approval/Initiation/Mitigation/Action Notification

attachment e
Fax to: (860) 257-8375
ATTN: Finance Department

A. Loan Information

Date: 10/3/05
CHFA Loan #: 991234 Servicer Loan #: 449876
Borrower Name(s): John Smith
Insurance Type: FHA VA PMI CHFA Uninsured RDA
Check if Short Sale Prior to Foreclosure Initiation:

B. Foreclosure Initiation

Date Counseling Letter Sent: _____
Owner Occupancy Verified: Yes No (if No, Comment is required)

Check all boxes that may apply:

Code	Description	Code	Description
<input type="checkbox"/> 12	Repayment	<input type="checkbox"/> 10	Partial Claim
<input type="checkbox"/> 09	Forbearance	<input type="checkbox"/> 17	Pre-Foreclosure Sale
<input type="checkbox"/> 28	Modification	<input type="checkbox"/> 47	Deed-In-Lieu
<input type="checkbox"/> 49	Assignment/Refunding		

I certify that all CHFA guidelines, or any other requirements per the guarantor, were followed prior to initiating foreclosure: *(For CHFA or uninsured loans, HUD guidelines, excluding partial claims should be followed)*

By: _____

Printed Name: _____

Phone #: _____

Email Address: _____

Foreclosure Start Date: _____
(Date Attorney hired)

Attorney/Firm Assigned: _____

C. Foreclosure Action Notification

Date of First Legal: 10/3/05 Title Taken Date: _____
Bankruptcy Status: Chap 7 Chap 13 Bankruptcy Date: _____
Bankruptcy Dismissal Date: _____
Date Court/Attorney Proceeds Received: _____ Amount: _____
Property Conveyance Date: _____

D. Comments

CHFA Foreclosure Approval Initiation/Mitigation/Action Notification

attachment h
Fax to: (860) 257-8375
ATTN: Finance Department

A. Loan Information

Date: 12/20/05
CHFA Loan #: 991234 Servicer Loan #: 449876
Borrower Name(s): John Smith
Insurance Type: FHA VA PMI CHFA Uninsured RDA

Check if Short Sale Prior to Foreclosure Initiation:

B. Foreclosure Initiation

Date Counseling Letter Sent: _____

Owner Occupancy Verified: Yes No (if No, Comment is required)

Check all boxes that may apply:

Code	Description	Code	Description
<input type="checkbox"/> 12	Repayment	<input type="checkbox"/> 10	Partial Claim
<input type="checkbox"/> 09	Forbearance	<input type="checkbox"/> 17	Pre-Foreclosure Sale
<input type="checkbox"/> 28	Modification	<input type="checkbox"/> 47	Deed-In-Lieu
<input type="checkbox"/> 49	Assignment/Refunding		

I certify that all CHFA guidelines, or any other requirements per the guarantor, were followed prior to initiating foreclosure: *(For CHFA or uninsured loans, HUD guidelines, excluding partial claims should be followed)*

By: _____

Printed Name: _____

Phone #: _____

Email Address: _____

Foreclosure Start Date: _____
(Date Attorney hired)

Attorney/Firm Assigned: _____

C. Foreclosure Action Notification

Date of First Legal: _____ Title Taken Date: 12/20/05

Bankruptcy Status: Chap 7 Chap 13 Bankruptcy Date: _____

Bankruptcy Dismissal Date: _____

Date Court/Attorney Proceeds Received: _____ Amount: _____

Property Conveyance Date: _____

D. Comments

A. Loan Information

Date: 2/26/06

CHFA Loan #: 991234

Servicer Loan #: 449876

Borrower Name(s): John Smith

Insurance Type: FHA VA PMI CHFA Uninsured RDA

Check if Short Sale Prior to Foreclosure Initiation:

B. Foreclosure Initiation

Date Counseling Letter Sent: _____

Owner Occupancy Verified: Yes No (if No, Comment is required)

Check all boxes that may apply:

Code	Description	Code	Description
<input type="checkbox"/> 12	Repayment	<input type="checkbox"/> 10	Partial Claim
<input type="checkbox"/> 09	Forbearance	<input type="checkbox"/> 17	Pre-Foreclosure Sale
<input type="checkbox"/> 28	Modification	<input type="checkbox"/> 47	Deed-In-Lieu
<input type="checkbox"/> 49	Assignment/Refunding		

I certify that all CHFA guidelines, or any other requirements per the guarantor, were followed prior to initiating foreclosure: *(For CHFA or uninsured loans, HUD guidelines, excluding partial claims should be followed)*

By: _____

Printed Name: _____

Phone #: _____

Email Address: _____

Foreclosure Start Date: _____
(Date Attorney hired)

Attorney/Firm Assigned: _____

C. Foreclosure Action Notification

Date of First Legal: _____ Title Taken Date: _____

Bankruptcy Status: Chap 7 Chap 13 Bankruptcy Date: _____

Bankruptcy Dismissal Date: _____

Date Court/Attorney Proceeds Received: _____ Amount: _____

Property Conveyance Date: 2/26/06

D. Comments

