

LOCKING A LOAN				
Rate Sheet	<a href="http://www.mnhousing.gov">www.mnhousing.gov</a>			
Locking a Loan	Lock loans using Minnesota Housing's <a href="#">online commitment system</a> . Refer to the <a href="#">Loan Commitment System Process Guide</a> for instructions.			
Lock Availability	Business days between 10:00 a.m. and 8:00 a.m. the following business day			
Lock-Out Period	<ul style="list-style-type: none"> <li>Between 8:00 a.m. and 10:00 a.m. on business days</li> <li>From 5:00 p.m. Friday until 10:00 a.m. the following business day</li> <li>From 5:00 p.m. on the weekday prior to an Agency holiday until 10:00 a.m. the following business day</li> </ul>			
Rate Lock Period	<b>Program</b>	<b>Rate Lock Period</b>	<b>Loan Delivery</b>	
	Start Up	60 days	Loan must be <i>delivered</i> to servicer or extended prior to loan expiration date.	
	Step Up	45 days		
	<ul style="list-style-type: none"> <li>Lock period is counted in consecutive calendar days, including weekends and holidays. If lock expires on a weekend or holiday, lock is extended to the next business day.</li> <li>Locks expire at 4:00 p.m. (CST) on the day of expiration</li> <li>The lock period applies to both existing properties and new construction</li> </ul>			
Lock Changes	<ul style="list-style-type: none"> <li>Rates are based on the original lock date</li> <li>You may not change the borrower or property on the lock</li> <li>For allocation or program changes, complete the "Product Change Request Form" via Forms Generator in our online commitment system. For other updates or changes, contact the <a href="#">Partner Solutions Team</a>.</li> </ul>			
Lock Extensions	<b>Program</b>	<b>30-Day Extension</b>	<b>15-Day Extension</b>	<b>Pass fees on to borrower?</b>
	Start Up	1/2 point	1/4 point	No
	Step Up	1/2 point	1/4 point	Yes
	<ul style="list-style-type: none"> <li>Complete and submit the "Loan Commitment Extension Form" located in our online commitment system via Forms Generator on or after day 30 of a rate lock (up through the day of expiration). See <a href="#">Extension Instructions</a>.</li> <li>The Loan Commitment Extension Form offers one option, a 30-day extension. However, if your loan is received by the servicer within 15 days of the extension period, the cost is reduced by half.</li> <li>Extension fee waived for a Start Up short-sale or bank-owned property</li> <li>Maximum of one 30-day extension allowed</li> <li>Loans delivered past the extension expiration date will incur a 1/4 point fee every 15 days until the servicer receives the loan package</li> <li>Servicer will deduct fee from final purchase price of the loan at the time of purchase</li> </ul>			
Lock Transfer to New Lender	<ul style="list-style-type: none"> <li>Contact the <a href="#">Partner Solutions Team</a> to transfer a lock. <ul style="list-style-type: none"> <li>Originating lender must provide a written request and explanation for the transfer; and</li> <li>New lender must provide written acceptance of the lock terms; and</li> <li>Minnesota Housing must approve the transfer.</li> </ul> </li> </ul>			
Lock Cancellations	<ul style="list-style-type: none"> <li>Lock cancellations can be done by the lender in the <a href="#">online commitment system</a></li> <li>Minnesota Housing must approve any re-locks for the same borrower and property within 60 days of cancellation</li> <li>Re-locks are subject to the <b>higher</b> of the original rate and price, or the rate and price at the time of re-lock</li> </ul>			

<b>SERVICER FEES</b>	
U.S. Bank Home Mortgage - HFA Division, Minnesota Housing's Mortgage Loan Program servicer, applies the following fees to Start Up and Step Up loans. Lenders should refer to the underlying product guidelines regarding passing fees onto the borrower and follow industry-standard disclosure requirements:	
<b>First Mortgage Loans</b>	\$80 Tax Service Fee
<b>Monthly Payment Loans (Second Mortgage)</b>	\$175 Servicing Fee (one-time fee paid at closing)

<b>ALLOWABLE FEES</b>	
<b>Downpayment and Closing Loans</b>	<p>No fees may be charged by the lender on any of our downpayment and closing cost loans. Allowable third party fees may include:</p> <ul style="list-style-type: none"> <li>• Title company settlement fee</li> <li>• Monthly Payment Loan servicing fee (see above)</li> <li>• Recording fees</li> <li>• Conservation fund fees</li> <li>• Mortgage Registration Tax charged to the borrower on downpayment and closing cost loans.</li> </ul>

<b>Pricing Options</b>	<b>Details</b>
<b>1.5% SRP</b>	<ul style="list-style-type: none"> <li>• Lender may charge either a 1% origination fee or a 1% discount point in accordance with industry standard mortgage regulations</li> <li>• Lender receives a 1.5% SRP (less any hold fees or extension fees) from the servicer</li> <li>• Available with all programs, products and options</li> </ul>
<b>2.5% SRP</b>	<ul style="list-style-type: none"> <li>• Lender cannot charge an origination fee or discount point.</li> <li>• Lender receives a 2.5% SRP (less any hold fees or extension fees) from the servicer</li> <li>• Available with Start Up and Step Up 30-year mortgages (Government, HFA Preferred™, HFA Advantage<sup>SM</sup>)</li> <li>• Not available with 15-year loans, HFA Preferred Risk Sharing™ or Upfront Paid MI loans</li> </ul>
<b>3.5% SRP</b> <b>Upfront Paid Mortgage Insurance (UPMI)</b>  <a href="#">See Examples</a>	<ul style="list-style-type: none"> <li>• Lender may charge either a 1% origination fee or a 1% discount point in accordance with industry standard mortgage regulations</li> <li>• Lender receives a 3.5% SRP (less any hold fees or extension fees) from the servicer</li> <li>• Lender retains no more than 1.5% SRP as lender compensation</li> <li>• If structured as upfront BPMI, 2.0% SRP must be applied at closing as a lender credit.</li> <li>• If structured as upfront LPMI, and the cost is less than 2.0%, the difference must be applied at closing as a lender credit. <a href="#">See examples</a> for further clarification.</li> <li>• Any additional MI cost charged to the borrower should not be labeled as a “Minnesota Housing” or “mortgage revenue bond” fee and should be disclosed per industry standard requirements.</li> <li>• Available with conventional insured loans</li> </ul>

## HOLD FEES

The servicer will notify the lender of deficiencies, if any. The lender must clear deficiencies as quickly as possible. The servicer will apply fees until the loan is cured. Fees are calculated based on the number of calendar days from notification of the deficiency to cure. The servicer will deduct hold fees from the purchase price of the loan.

<b>Initial File Review</b>	Grace period
<b>Days 1-10</b>	Grace period (no fee for 10 calendar days after deficiencies are posted)
<b>Days 11-24</b>	1/8 point of the loan amount (an additional 1/8 point will accrue for every 14 calendar day period until file is purchased)

## LOAN PURCHASE

The servicer's \$400 Funding Fee is incorporated into the interest rate. Do not charge this fee to the borrower. The servicer will purchase and disburse funds for the following loans that have closed and been "Fund Approved" through Minnesota Housing's commitment system, and have met servicer purchase criteria:

- **First mortgage loans** – less any extension or hold fees, and
- **Second mortgage loans** - if applicable

**Questions, Concerns, or Requests:** Contact the [Partner Solutions Team](#) or 651-296-8215/ 800-710-8871 between 7:30 a.m. and 5:00 p.m. on business days. The Partner Solutions Team will respond within two hours during the business day.