

New Pricing Option and Commitment System Updates

In the June 1, 2016 eNews:

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New 0% Origination Fee Pricing Option

Effective with interest rates published on June 14, 2016, and for loans locked on or after June 14, 2016, Minnesota Housing will offer two pricing options for most programs and products.

- The **1% Origination Fee** option is how you've traditionally priced loans with Minnesota Housing.
- The new **0% Origination Fee** option allows borrowers to finance their origination fee, which lowers their closing costs. In return, lenders receive a higher service release premium (SRP).

Pricing Option	Origination Fee Charged to Borrower	SRP Received by Lender	Available With
1% Origination Fee	1% of the loan amount*	1.5% SRP	All programs and products
0% Origination Fee	No origination fee*	2.5% SRP	Start Up and Step Up 30-year mortgages: <ul style="list-style-type: none"> • All government products

- Fannie Mae's HFA Preferred™ and Freddie Mac's HFA AdvantageSM

*Customary and reasonable discretionary fee are allowable

The interest rate page and online commitment system will reflect the new option on June 14. Thank you to our lender partners for recommending the 0% Origination Fee option during our last focus group!

Same Option, Different Name: Step Up Lender Credit Refinance

Effective June 14, 2016, Step Up Premium Pricing Refinance will now be called [Step Up Lender Credit Refinance](#). There have been no changes to this refinance option except for the name.

This Lender Credit option allows lenders to allocate 3.5 points to borrower closing costs and lender compensation. Follow industry-standard practices for determining which costs can be covered by the SRP.

The interest rate page and online commitment system will reflect the updated name on June 14.

Commitment System Updates: What You Need to Know

The online commitment system and rate page changes on June 14 will impact how you lock loans for all products and programs. Make sure you're prepared by reviewing these resources:

- [Guide to Commitment System Changes](#): A quick overview of what's changing in the Online Commitment System
- [Rate Page Sneak Peek](#): A look at how the interest rate web pages will change on June 14
- [Lock, Fee, and SRP Guide](#): An updated guide with information on locking the new 0% Origination Fee option

Learn more about the 0% Origination Fee option by registering for one of the upcoming **Critical Lender Update** Webinars:

- [Monday, June 6 from 2:00-3:00 p.m.](#)
 - [Tuesday, June 7 from 9:00-10:00 a.m.](#)
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HUD Affirms HFAs' Ability to Provide Downpayment Assistance with FHA Loans

HUD recently announced definitive guidance on housing finance agency loans made with downpayment assistance, affirming that such loans are legal and consistent with the National Housing Act and will continue to be eligible for FHA insurance.

Minnesota Housing downpayment programs continue to comply with FHA requirements for secondary financing provided by government agencies.

The following resources regarding HUD's announcement are available on our website:

- [Official HUD Position on State HFA Downpayment Assistance Programs' Use with FHA](#)
- [HUD Deputy Director Decision: OIG Audit of Nova](#)

Need a Minnesota Housing Refresher?

Training is not just for loan officers! Our Webinars are just as important for underwriters, processors, closers and post-closers. Visit the [training page](#) for more details and register for these upcoming Webinars:

- [Introduction to Minnesota Housing](#): Monday, June 6 from 10:00-10:30 a.m.
- [Building Better Loans](#): Tuesday, June 7 from 2:00-3:00 p.m.
- [Closing Better Loans](#): Wednesday, June 8 from 10:00-11:00 a.m.
- [Underwriter Conference Call](#): Thursday, June 9 from 9:00-10:00 a.m.
- [Loan Commitment System](#): Thursday, June 16 from 2:00-3:00 p.m.

Do you want to hear about recent Minnesota Housing updates and learn about important information to help you originate and process our loans? We recommend our **Monthly Update Calls** for all Minnesota Housing lending partners.

- [Thursday, June 9 from 9:00-10:00 a.m.](#)

Questions?

You can reach the [Partner Solutions Team](#) at 651.296.8215 or 800.710.8871 between 7:30 a.m. and 5:00 p.m. on business days.

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