

[*The latest news for Minnesota Housing homeownership lender partners*]



3 Year Tax History Requirement for First-time Homebuyer Documentation - Removed

We are happy to announce that we are no longer requiring three years Federal Income Tax Returns or transcripts to document first-time homebuyer status for Start Up. This change is effective immediately for loans in all stages.

Lenders must now verify Start Up borrowers' first-time homebuyer status through the following documentation:

1) Credit report:

- Must show no mortgage loans in the last 3 years (unless documented that the loan was not for their principal residence)

2) 1003 Application:

- Must show the borrower has not owned their principal residence in the last 3 years
- Must show 2 years minimum rental/non-ownership history

3) If needed (see Section 4.05 of the [Start Up Manual](#)):

- Title search documenting ownership of the property in question in the last 3 years
- Underwriters can request additional documentation (e.g. copy of lease)
- Borrower can provide a signed letter of explanation

Other documents and manuals impacted by this change:

- [Borrower Affidavit](#) - Begin using version date 5/7/20 immediately.
- [Start Up Disclosure Summary](#) - updated
- Income Tax Return Affidavit - removed
- [Start Up Procedural Manual](#) - updated

Please note that tax returns may be required to verify certain types of program eligibility income (e.g. self-employment), as directed in the [Start Up Eligibility Income Worksheet](#).

Seller Guide Update: Mortgage Loans Requiring Attestation

On May 5, 2020 U.S. Bank Home Mortgage—HFA Division released [SEL-2020-037 - May 5 Attestation](#) announcing a new requirement that all loans closed after May 13, 2020 have an attestation signed by the borrower. Details of this updated policy requiring borrower attestation can be found in [SEL-2020-037 - May 5 Attestation](#).

Getting Your Loans Purchased Faster

We know that reducing the risk of incurring forbearance fees is on the top of lenders minds right now, so we want to partner with you to get your loans purchased faster to reduce that risk.

Deliver Loans ASAP After Closing

You can do your part to speed up the loan purchase process and reduce the risk of incurring forbearance fees by delivering your loans to U.S. Bank Home Mortgage—HFA Division as soon as possible after closing. If you do not work in the post-closing area of your organization, please help by forwarding this message to the post-closing staff responsible for uploading the closed loan packages to U.S. Bank.

Streamlined Start Up Documentation

To help speed up loan purchase we have reduced the compliance burden on our Start Up loans by eliminating several document requirements recently.

- 3 Year Tax Return/Transcript requirement removed - see above
- Property Seller Affidavit requirement removed - see [3.30.20 eNews](#)
- Personal Property Addendum eliminated - see [3.30.20 eNews](#)

We are also looking at other ways we can partner with U.S. Bank to speed up loan purchase and securitization.

Monthly Minnesota Housing Update & Underwriter Call

Join us monthly to review recent Minnesota Housing updates and important information to help you originate and process our loans. [Click here to register for the monthly calls](#).

When you register, you will be signed up for all sessions but can attend the sessions that work for you. All calls occur on the second Thursday of the month from 9:00-10:00 a.m. CST. Next sessions are:

Thursday, May 14

Thursday, June 11

Questions?

You can reach the [Partner Solutions Team](#) at 651.296.8215 or 800.710.8871 between 8:00 a.m. and 5:00 p.m. on business days.



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