



February 7, 2013

## Minnesota Housing Downpayment and Closing Cost Loan Table Funding Procedure Effective Immediately

Effective for all loan closings with downpayment and closing cost (DPA) loan funds on February 6, 2013, Minnesota Housing will wire DPA loan funds directly to the closing table. Lenders must fax the [Downpayment and Closing Cost Loan Wire Transfer Request Form](#) and accompanying documents to Minnesota Housing **three business days** prior to closing.

### Title Company Wire Instructions

The DPA Wire Transfer Request Form now includes Title Company Wire Instructions that lenders should include in the closing packet. If a closing is significantly delayed or canceled, DPA loan funds may be retained by the title company for up to 14 days calendar days from the original scheduled closing date. If funds are returned, the title company must notify Minnesota Housing to obtain wire instructions.

### FHA "Safe Harbor" Provision

FHA recently announced a "safe harbor" provision that outlines an effective compliance start date of June 1, 2013, for the interpretative rule requirement as it relates to Housing Finance Agency DPA loans issued in conjunction with an FHA first mortgage. If FHA issues any type of deficiency notice or indemnification for loans closed between November 29, 2012 and May 31, 2013 due to the interpretative rule requirement around DPA, please contact Minnesota Housing immediately. FHA indicated it would revoke requests or notices related to this subject that were issued on or before May 31, 2013.

### New and Updated Loan Process Guides and Procedural Manuals

A new Downpayment and Closing Cost Loan Process Guide with step-by-step instructions of the wire transfer process is now available, as well as new Procedural Manuals and Loan Process Guides. These guides outline the step-by-step process of using Minnesota Housing mortgage loan programs from qualifying borrowers to purchase of the loan by the Master Servicer.

[Downpayment and Closing Cost Loan Process Guide](#)

[Loan Process Guide for Start Up](#)

[Loan Process Guide for Step Up](#)

[Start Up Program Procedural Manual](#)

[Step Up Program Procedural Manual](#)

### Questions?

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**Previous eNews Announcements on this Topic**

[January 29, 2013](#) - Important New FHA Announcement Related to FHA Loans with Downpayment Assistance (DPA): Key table funding requirements

[January 28, 2013](#) - Clarifying Information Related to Minnesota Housing Loans with Downpayment Assistance

[January 25, 2013](#) - Urgent Information pertaining to Minnesota Housing loans with downpayment assistance

[January 23, 2013](#) - Urgent information about immediate changes for loans with Minnesota Housing downpayment assistance

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