



## FIRST MORTGAGE LENDER TIMELINE & CHECKLIST

First Mortgage Lenders follow this timeline and checklist to ensure a successful outcome for borrowers using the Advancing Black Homeownership Community Fund Down Payment Assistance Loan (ABH DPA Loan).

Borrower Name:

### FUND RESERVATION

- Within 3 business days of receiving the signed Mortgage Underwriter Pre-Approval Attestation, the DPA Lender will review eligibility.
- If eligible, funds are reserved, and a Fund Reservation is issued to the borrower and shared with the First Mortgage Lender.
- Fund Reservations are valid for 90 calendar days. Borrowers may request a one-time 60-day extension.

### USE OF FUNDS

- ABH DPA Loan supports both common and less traditional expenses to help borrowers. See Terms Sheet found at [www.ABHFund.org](http://www.ABHFund.org) for more information.
- **Funds cannot be used** to pay the 3.5% FHA Minimum Required Investment or the cost of valuation gaps between the property's sales price and a lesser appraised value.

### PURCHASE AGREEMENT SUBMISSION

- **Within 3 business days of a signed Purchase Agreement**, the First Mortgage Lender must submit the following to the DPA Lender:
  - Copy of Signed Purchase Agreement
    - **Important:** If the agreement is dated before the Fund Reservation was issued, the borrower is ineligible and will be notified of their denial.
    - **Important:** Loan closing must be at least 30 calendar days from submission. Less time will result in delayed closings.
  - Updated income information (if changes have occurred since the Fund Reservation).
  - Copy of First Mortgage Loan Estimate
  - Copy of URLA/Application
  - ITIN (if applicable)



### FUND COMMITMENT

- Once all documents are received, the DPA Lender will review eligibility.
- If eligible, the DPA Lender will issue a Fund Commitment and Loan Estimate within 3 business days.
- The **borrower must sign and return** these documents to the DPA Lender.
- The Fund Commitment is valid for 60 calendar days, and the loan must close before it expires.

### LOAN CLOSING

- **At least 10 business days before closing**, the First Mortgage Lender must submit the following to the DPA Lender:
  - Completed form: ABH DPA Loan – Use of Funds
  - Copy of all Gift Letters with verification (cannot exceed 10% of purchase price)
  - Copy of Appraisal Report (pages 1-4 of the URAR)
  - Copy Title Commitment and Title company contact information
  - Copy Home Inspection Invoice
  - Copy of Official Homebuyer Education Certificate for all Borrowers
  - Copy of Homeowners Insurance Policy including DPA provider mortgagee clause (any lien holder position) & HOI Loss Payee Clause: **TCHFH Lending, Inc 1954 University Ave W. St. Paul, MN 55104**
  - Flood Hazard Determination Form & Flood Certificate (if applicable)
- **At least 5 business days before closing:**
  - Copy of Final URLA with verified assets not exceeding \$50,000 after closing
  - Signed 1008 Underwriting Transmittal Summary (or FHA Transmittal, VA Loan Analysis)
  - FHA 3.5% MRI (if applicable) provide documentation of source (non-ABH Funds)
  - Preliminary First Mortgage Closing Disclosure
  - Mortgage
  - Note
- **At least 3 business days before closing:**
  - Clear to Close
- The DPA Lender will issue a preliminary Closing Disclosure to the borrower(s) at least 3 business days before closing. The DPA Lender will wire funds and send closing documents directly to the Title Company.



## DENIAL

- If the DPA Lender determines at any point during the process that the borrower(s) are no longer eligible they will notify the borrower(s) and the first mortgage lender of the denial. Borrowers who are denied may reapply if their circumstances change and funds remain.