

Loan Reservation Confirmation for: (Homebuyer Name)
Closing Date: (Date on Loan Reservation Request Form)

I have reviewed your loan reservation request. Funds are being reserved for the closing for (HOMEBUYER NAME) scheduled for (CLOSING DATE).

Please submit the Loan Disbursement Request and required documentation at least 20 working days prior to the loan closing. You can download a copy of the form from the NHDA website – www.housingdevelopers.org. The Loan Disbursement form has a checklist of the documents that you need to submit. **Please ask the closing agent to e-mail or scan the copy of the Closing Disclosure, if at all possible. Faxed copies are difficult to read. E-mail to Amber Marker at amber@housingdevelopers.org**

The FHLBank Topeka requires a minimum of 15 working days to process the request and make a disbursement. There is no guarantee on how long it will take for FHLank Topeka to process and make the disbursement. NHDA must have all loan documentation including a Draft HUD1 before we can submit the Disbursement Request to FHLBank Topeka. Please plan the closing accordingly.

NOTE: This Loan Reservation is not a guarantee that funds will be approved by the FHLBank of Topeka. It simply indicates that NHDA is reserving funds in this borrower's name pending receipt of final Disbursement Documents and approval by the FHLBank Topeka. NHDA is not liable for costs incurred for loan closings that take place before the loan is approved by the FHLBank of Topeka.

A REACH Affiliate Organization may receive up to \$500 for homebuyer education (less any fees already paid for homebuyer education, fees already paid must show up as a POC), the amount must be reflected on the Closing Disclosure Statement payable to the REACH Affiliate Organization/NHDA approved provider who provided the homebuyer education (**must** be listed as Homebuyer Ed Fee) to cover the cost of homebuyer education for the borrower (in the Section Loan Costs – B. Services Borrower Did Not Shop For of the Closing Disclosure). The Closing Disclosure must reflect a fee of \$500 payable to NHDA (**must** be listed as Sponsorship Fee) to cover administration of FirstDown for the borrower (in the Section Loan Costs – B. Services Borrower Did Not Shop For of the Closing Disclosure). These fees **must** be listed separate on the Closing Disclosure. The FirstDown loan amount must be listed as \$4,000 (must be listed as FHLB Grant in the Section Summaries of Transaction – L. Paid Already by or on Behalf of Borrower at Closing of the Closing Disclosure). The appropriate filing fee for the FHLBank Topeka deed needs to be included as part of the closing costs. The closing agent needs to submit the \$500 to NHDA at 3883 Normal Blvd., Suite 206, Lincoln, NE 68506. The closing agent needs to submit the Homebuyer Education fee directly to the appropriate REACH Affiliate Organization/NHDA approved provider.

Please note the homeowner is required to contribute a minimum \$500 down payment or other costs paid outside of closing of at least \$500. Participation in USDA direct loans, USDA Self-Help or Habitat for Humanity housing programs supported by documented sweat equity may be substituted for the \$500 down payment.

A household may not receive cash back at closing. Any AHP direct subsidy that exceeds what is needed to address closing costs and the approved mortgage amount shall be applied as a credit to reduce the principal of the mortgage loan or as a credit toward the household's monthly payment on the mortgage loan.

Be sure to include the documentation of your targets:

- Large Unit – At least 3 Bedrooms
- FHLBank of Topeka Member Financial Participation – Originated Loans
- In FHLBank Topeka District (Nebraska, Colorado, Kansas, Oklahoma)
- Rural (Am I Rural <http://ims2.missouri.edu/rac/amirural/>)
- Abatement of Hazardous Environmental Conditions

All loan documentation and disbursement information must be received by NHDA at least 20 working days before the loan closing as stated in existing FirstDown program process and policy documents. NHDA can not transfer or wire any loan funds until the FirstDown loan disbursement funds have been received.

Funds must be provided to borrower within 60 days of disbursement from FHLBank (Note: This is 60 days from the date FHLBank transfers it not from the date that we/you transfer it.)

No later than 90 days after the money has been disbursed by FHLBank submit the following documents to NHDA:

1. Original Signed & Recorded AHP Real Estate Retention Agreement
2. Final Signed Closing Disclosure
3. Final Memo or Note for additional mortgages (if applicable)

Nebraska Housing Developers Association
Email: amber@housingdevelopers.org
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Lincoln, NE 68506