

## **GROUP 2 ADMINISTRATOR: Instructions for Issuing Loan Estimates**

1. Upon approval by TDHCA, “Group 2 Administrator” may issue a Loan Estimate to TDHCA HOME, NSP, and Bootstrap “residential mortgage loan applicant” (applicant) on behalf of TDHCA. Use the following steps for submission and approval of eligibility of a prospective Administrator to issue a Loan Estimate, along with instructions for issuing a Loan Estimate.
2. In order for Contract Administrators to qualify to issue Loan Estimates on behalf of TDHCA, Contract Administrator must submit to TDHCA for approval the “Group 2: Application to issue Loan Estimates”. Contract Administrator MUST receive notification of approval from TDHCA prior to issuing Loan Estimates on behalf of TDHCA. TDHCA will prepare Closing Disclosures for all of its residential mortgage loan products.
3. For all residential mortgage loan applications received by the Group 2 Administrator on and after October 3, 2015, the Group 2 Administrator must take the following steps to successfully issue a Loan Estimate:
  - a. When the Group 2 Administrator receives the last piece of information constituting an “application” (as defined under 12 CFR Part 1026.2(a)(3)(ii)) from an applicant for a TDHCA loan product, the Group 2 Administrator must prepare a Loan Estimate using the HOME, NSP, or Bootstrap Loan Estimate template provided by TDHCA.
  - b. For fees and charges itemized on the Loan Estimate, Group 2 Administrator must use the “TDHCA Settlement Services Terminology” provided by TDHCA. If no fee appears on the “TDHCA Settlement Services Terminology” list, Group 2 Administrator must contact the program area closing specialist.
  - c. No later than 3 business days after the Group 2 Administrator receives the “application”, the Group 2 Administrator must deliver or place in the mail (to the applicant) a copy of (i) the Loan Estimate, (ii) the Settlement Service Providers List (SSPL) and (iii) a copy of “Your Home Loan Tool Kit” booklet.
  - d. Upon receipt of the Loan Estimate, the applicant must submit TDHCA’s “Intent to Proceed” form to: (i) the Group 2 Administrator on behalf of TDHCA or (ii) directly to TDHCA (evidencing his/her/ their “intent to proceed” with the loan under the loan terms provided in the Loan Estimate).
  - e. Applicant may submit their “Intent to Proceed” as follows (i-iii). This documentation provides sufficient evidence of the applicant’s “intent to proceed” and TDHCA’s “evidence of receipt” as defined by 12 CFR Part 1026.37(o)(3)(iii):
    - (i) Written Communication from Applicant: Applicant submits an executed copy of TDHCA’s “Intent to Proceed” form to Group 2 Administrator or TDHCA in person, by mail, or by facsimile transmission. If submitted in this manner, the applicant must execute TDHCA’s “Intent to Proceed” form AFTER receipt of Loan Estimate. A facsimile or electronic copy of executed TDHCA’s “Intent to Proceed” form will provide sufficient evidence of “intent to proceed” and received copy of executed form by facsimile machine or electronic mail will provide sufficient “evidence of receipt”.
    - (ii) Communication from Applicant Via Electronic Mail: The applicant may submit a copy of the executed TDHCA form “Intent to Proceed” to Group 2 Administrator or TDHCA by electronic transmission (e-mail). If TDHCA’s form, “Intent to Proceed,” or applicant submits their “intent to proceed” in this manner, the direct e-mail address of the applicant must appear with sufficient identifying information to demonstrate that the submission came from the applicant. The applicant must electronically submit TDHCA’s “Intent to

Proceed” form or applicant’s “intent to proceed” on a date occurring AFTER the day when applicant received the Loan Estimate. The electronic submission or electronic copy of TDHCA’s “Intent to Proceed” form will provide sufficient evidence of “intent to proceed” and the electronic receipt of applicant’s “intent to proceed” or a copy of TDHCA’s “Intent to Proceed” will provide sufficient “evidence of receipt”.

- (iii) Verbal Communication from Applicant. The individual who actually talked to the applicant, when they gave their “intent to proceed,” must document verbal communication from the applicant directly to Group 2 Administrator in order to suffice as evidence of “intent to proceed”.
  - f. If the applicant submits their “intent to proceed” directly to Group 2 Administrator by verbal communication or by e-mail, the Group 2 Administrator must execute TDHCA’s “Loan Originator Certification of Borrower Intent to Proceed” as “evidence of receipt” and must submit this certification to TDHCA with its submission of (i) TDHCA’s “Intent to Proceed” form evidencing applicant’s “intent to proceed”, (ii) the loan application package and (iii) a copy of the executed Loan Estimate.
4. Loan closing may not occur fewer than 7 business days from the date the applicant receives the initial Loan Estimate as said date demonstrates application’s execution under “Confirmed Receipt” of the Loan Estimate pursuant to 12 CFR Parts 1026.19(e)(1)(iii)(B) and 1026.2(a)(6).