



August 8, 2018 | The AFR 411 2018-14

American Financial Resources, Inc.



Attention: AFR Lending Partners

Topics in this edition of The AFR 411 include:

- **DPA Advantage Program Updates**
- **HARP Expiration**

DPA Advantage Program Updates

Starting after close of business on August 17th, AFR will be transitioning to the its newly revised Correspondent program.

The last day for Correspondent (non-delegated) to lock under the existing program is August 17, 2018. Until the new program is available on August 21st. AFR will not accept loans under this retired program.

Effective August 21, 2018, AFR will begin accepting the DPA Advantage Program for Correspondent Delegated Underwriting (CDE) as well as Correspondent non-delegated.

For Non-Delegated, other than improved premium pricing, the process is not changing. A Delegated Correspondent Lender must:

- Register and lock the loan at least 5 business days prior to closing
- Submit a fully executed/completed DPA package to AFR at least 5 business days prior to the requested closing date that includes:
 - The fully executed Purchase Contract including all addendums
 - The fully executed original 1003
 - AUS findings (showing an Approve/Eligible Recommendation)
 - Fully complete wiring Instructions, including contact information for the closing agent
 - Fully executed Down Payment Assistance Application
 - Assistance Grant Letter signed by the borrower
 - Fully executed DPA Program Disclosure

- Evidence of Homeowners Counseling (certificate and receipt for the course); along with Initial LE showing the fee of the course disclosed to the Borrower
- Prepare the closing package

Important: Loans locked with a DPA Advantage program are being locked as best efforts delivery. Once the loan closes, the best efforts lock will be changed to a mandatory delivery and a penalty of 500 bps will be applied on non-delivered loans. This program will also require the grant to be repaid if the borrower refinances within the first 3 years.

See the DPA Advantage Program Matrix in the AFR Resource Center for all guidelines and requirements ([Advantage Program Guidelines](#))

HARP Expiration

As of September 1, 2018, AFR will no longer permit submissions in the Broker/Correspondent Channels or originations in the Consumer Direction Channel for the HARP Programs (DU Refi Plus and the Freddie Mac Relief Refinance Open Access).