

# Homeownership Program Bulletin

May 25, 2011

Program Bulletin #2011- 12

**To: CalHFA Approved Servicers**

## **Conventional Loan Short Sale Mortgage Insurance Claim Filing**

This bulletin updates and provides supplemental information to CalHFA Program Bulletin # 2009-14 Foreclosure Avoidance and Loss Mitigation Program, Section 11: Short Payoffs, Short Sale (Compromise, Pre-foreclosure Sale). This additional information pertains to mortgage insurance claims and servicer reimbursement and is effective for claims filed with Genworth after June 1, 2011.

CalHFA servicers must file mortgage insurance claims on conventional loan short sales through Genworth Mortgage Insurance, which is acting on behalf of CalHFA Mortgage Insurance. The claim must show as payee the California Housing Finance Agency, Accounting, 500 Capitol Mall, MS 930, Sacramento, CA 95814.

For reimbursement of direct expenses, servicers must prepare a Servicer Reimbursement Request package supported by documentation, and send it to the Portfolio Management – Servicing Administrator, California Housing Finance Agency, 500 Capitol Mall, MS 320, Sacramento, CA 95814. Servicers must include the CalHFA Investor Loan Number on all correspondence and remittances.

Upon receipt of sale proceeds, the Final HUD-1, and mortgage insurance settlement funds, the CalHFA Portfolio Management – Servicing Administrator will review and process the Servicer Reimbursement Request for payment.

It should be noted that the mortgage insurance premiums paid after the last interest paid to date will be reimbursed directly to the servicer by the mortgage insurer, and therefore, CalHFA will not be reimbursing the servicer for these amounts.

All other refunds for overpayment of taxes or hazard insurance, received by the servicer after completion of the short sale, are to be forwarded, along with the CalHFA Investor Loan Number, to California Housing Finance Agency, Accounting, 500 Capitol Mall, MS 930, Sacramento, CA 95814.

For questions about this bulletin, contact CalHFA Portfolio Management by phone 916.376.2920; by fax 916.324.9581; by email at [PortfolioManagement@calhfa.ca.gov](mailto:PortfolioManagement@calhfa.ca.gov), and you can always visit CalHFA's web site at: [www.calhfa.ca.gov](http://www.calhfa.ca.gov). CalHFA thanks you for your business and we look forward to continuing to support your affordable housing loan needs.

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