

## Soft Second Loan (ES2)

### Massachusetts Housing Partnership (MHP) ([www.mhp.net](http://www.mhp.net))

Massachusetts Housing Partnership (MHP) is a statewide public non-profit affordable housing organization. MHP works with several funding agencies to help first time home buyer towards the purchase of single family residences using the Soft Second Loan (ES2) program. The program allows the lender to create a second mortgage and receive subsidy from MHP for eligible borrowers. The Soft Second System (ES2) was developed in 2003 and currently maintained by Stellar. Some of the critical components are:

#### 1. Lender Access

ES2 provides all participating lenders access the MHP ES2 application and apply for reservation online. Based on criteria, MHP approves reservations and provides initial funding for the loan.

#### 2. Loan Review

The system allows MHP underwriters to view lender application during loan reservation and final application process with capabilities of Auto or Manual Approval or Auto or Manual Deny of a request for subsidy based on established rules.

#### 3. Closing Documents

The system allows Lenders to create the MHP closing documents directly from the application.

#### 4. Loan Activities and Audit

All user actions are recorded by the application so that entire cycle of activities on a loan can be retrieved for audit.

#### 5. Post Closing and Delinquencies

Delinquencies and recapture of MHP subsidies are part of the application.

#### 6. Counselor On Line

ES2 enables Homebuyers Counseling Agencies to access the system. The Counseling Agencies are notified by MHP and provide services to the delinquent borrowers in need of assistance. All predetermined activities are entered in the system. Based on specific activities, ES2 automatically generates invoices on behalf of the Counseling Agencies. This process has reduced paperwork and resulted in effective and time bound communication.

#### 7. Reports

Comprehensive reports are parameter based so that user can create data sets based on needs. Several of the reports are published for public consumptions.

## **8. Rules Based Decisions**

All underwriting rules and Use Cases are maintained within the system so that the system can record the decision conditions. MHP can create new rule, change rule or make any rule inactive.

## **9. Role Based Security**

Each user has specific rights such as View, Add, Delete and Approve.

## **10. Geo Enabling (Loan) Information**

ES2 provides the capabilities to add latitude and longitude for all property addresses so that MHP can create MAP based reports for department and public use.

## **11. Development Platform**

Microsoft Dot.Net based Web application.

---XXX---