

WHEDA



Closing Package Checklist

Presented by Mary MacAskill

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This session will cover

- Closing Package Checklist – Form 12
- Escrows
- HUD 1 Settlement Statement
- Insurance
- Closing Documents
- Year End Process

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Closing Package

- All loans will be serviced by WHEIDA
- Form 12
- Submit within 15 days of closing
- Copies of unrecorded documents are acceptable



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Servicing Escrows

- Escrows are required for-
 - Real Estate Taxes
 - Homeowner's Insurance
 - Flood Insurance, if applicable
- Initial Escrow Disclosure Statement
 - Collect a one month cushion
 - Signed by the borrower



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HUD 1 Settlement Statement

- Signed by all borrowers
- No cash back at closing
- Compare to the Confirmation of Funding



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Insurance

- Homeowners Insurance
 - One year paid receipt
 - Maximum deductible is \$1,000
 - Minimum coverage, based on replacement value, lessor of:
 - 100% of insurable value
 - Unpaid balance of the mortgage
 - Notify insurer of WHEDA loan number and address

- Mortgagee clause:
 - WHEDA, it's successors and/or assigns
 - PO Box 1728
 - Madison WI 53701-1728

- Flood Insurance



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Note

- FNMA/FHLMC Form 3250
- Assign to WHEDA
 - Pay to the Order of WHEDA without recourse
 - Authorized signer
 - Officer name and title
 - Lending Institution
- Payments are due on the 1st of each month – If the closing falls on the 1st or 2nd day of a 31 day month, no interest is collected and payment is due the 1st of the next month.

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Other recorded documents

- Mortgage – FNMA/FHLMC Form 3050
- Riders
 - Mortgage Rider – WHEDA Form 21
 - 1-4 Family Rider - FNMA/FHLMC Form 3170
- Assignment of Mortgage

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IRS Form W-9

- Separate form for each borrower
- Signed and dated



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Year End Process

- Real estate taxes due within 60 days of closing must be paid
- Check payable to the borrower and the taxing authority
- Lender to insure taxes are paid
- Must be accounted for on the HUD 1



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We're here to help you

- We're here to answer your questions
8am – 5pm
- 1-800-562-5546
- Information and resources are
available on our website
- Subscription Service
 - Business Partners – E-mail Updates

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Thank You



- 1-800-562-5546
- Click on the “Ask” button above

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we do so you can.