

WHEDA



Understanding WHEDA's Compliance Requirements

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Why does WHEDA have Compliance?

- Mission
 - To provide affordable financing to low- and moderate-income borrowers



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Basic WHEDA Compliance Requirements

- WHEDA borrower must be:
 1. First-time home buyer
 2. Below WHEDA income limits
 3. Below WHEDA purchase price limits



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First-Time Home Buyer

1. Never have owned real estate
2. They own property, but have not lived in it for past three years
3. They own a mobile home but do not own land



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First-Time Home Buyer

- Exceptions

1. Veterans – Honorable Discharge with a DD-214
2. Property is in a designated “Target” Area



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WHEDA Compliance Income

- The anticipated income of anyone age 18 or older who intends to occupy the property, regardless of the relationship to the borrower
- Compliance income is not the income you would use to determine if the borrower can pay their monthly mortgage

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Calculating Compliance Income

- Greater of:
 1. Previous income on federal tax returns
 2. Year-to-date income projected forward for 12 months
- Year-to-date includes
 1. Overtime
 2. Bonus
 3. Commission
 4. Tips
 5. Shift Differentials

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Income – Credit vs. Compliance

- Credit – qualifying income
- Compliance – all household occupants



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Compliance Tools & Resources

- Online compliance income calculator
- Compliance Income Evaluation (WHEDA Form 29)
 - Income is certified by a WHEDA Underwriter

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WHEDA Purchase Price Limits

- Determined by HUD
- Total acquisition must be under the purchase price limit
- Higher in target areas



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Other Compliance Requirements

- Legal resident of the United States
- Must have a Social Security number
- Child support, spousal maintenance or birthing expenses must be paid in full
- Escrows required
- Occupancy within 60 days of closing and must continue for the life of the loan

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Review

- Can you answer “yes” to the three basis requirements?
 1. First-time home buyer?
 2. Below WHEDA income limits?
 3. Below WHEDA purchase price limits?



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We're Here to Help You

- Origination guides
- Compliance Income Evaluation (WHEDA form 29)
- Online income compliance calculator



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Thank You

If you have any questions

Call 1-800-334-6873

Click on the “Ask” button above to send
an e-mail to info@wheda.com

