



**WHEDA**

**WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY**

201 West Washington Avenue, Suite 700  
Madison, Wisconsin 53703-2727

Post Office Box 1728  
Madison, Wisconsin 53701-1728

Telephone: 608.266.7884 ■ 800.334.6873  
Facsimile: 608.267.1099 ■ [www.wheda.com](http://www.wheda.com)

**Lender Update 2018-12**

*August 13, 2018*

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**WHEDA Advantage Conventional Updates**

**Maximum allowable IPC's**

As a reminder, the maximum IPC's will return to 3% for all loans closing after August 15, 2018.

**WHEDA Advantage Easy Close - refresher - Easy Close loan term and maximum loan amount**

There has been an increase in document errors on the Easy Close that has resulted in monetary losses for our Business Partners.

Primarily the errors consist of:

- Disclosing and/or Closing with an incorrect interest rate
- Disclosing and/or Closing with an incorrect term
- Not disclosing the LE/CD in a timely manner or not providing disclosures at all

WHEDA is providing our current WHEDA Advantage Easy Close loan parameters in an effort to assist our lending partners in reducing post-closing errors:

- Interest rate is the same as the related WHEDA first mortgage
- 10 year term
- Fully Amortized fixed rate mortgage subject to TRID
- Late payment fee is assessed 15 days after the due date at 5% of the P&I payment

**Resources:**

- [\*\*WHEDA Advantage Easy Close Matrix\*\*](#)

Conventional First Mortgage						
Transaction Type	Number of Units	Loan Purpose	Loan Amount	Term <sup>(3)</sup>	Interest Rate	
Purchase Limited Cash-Out Refinance (LCOR) <sup>(1)</sup>	<ul style="list-style-type: none"> <li>▪ 1 Unit</li> <li>▪ 2-4 Unit<sup>(2)</sup></li> <li>▪ Condos</li> </ul>	<ul style="list-style-type: none"> <li>▪ Down payment</li> <li>▪ Closing costs</li> <li>▪ Annual or Single paid MI premium</li> </ul>	Greater of 3% or \$3,000, but not less than \$1,000	<b>10 years</b>	<b>Same as WHEDA 1<sup>st</sup> mortgage</b>	
	Manufactured		Greater of 5% or \$3,000, but not less than \$1,000			
<sup>(1)</sup> Closing costs not be financed into the first mortgage, Can ONLY pay off a WHEDA first mortgage <sup>(2)</sup> A minimum 3% borrower contribution is required <sup>(3)</sup> Late payment fee is assessed 15 days after the due date at 5% of the P&I payment						
FHA First Mortgage						
Transaction Type	Number of Units	Loan Purpose	Loan Amount	Term <sup>(1)</sup>	Interest Rate	
Purchase	<ul style="list-style-type: none"> <li>• 1 Unit</li> <li>• 2 Unit</li> <li>• Condos</li> </ul>	<ul style="list-style-type: none"> <li>• Down payment</li> <li>• Closing costs</li> <li>• Upfront MI premium (UFMIP)</li> </ul>	Greater of 3.5% or \$3,500, but not less than \$1,000	<b>10 Years</b>	Same as WHEDA 1 <sup>st</sup> mortgage	
<sup>(1)</sup> Late payment fee is assessed 15 days after the due date at 5% of the P&I payment						
<b>ALL Easy Close 2<sup>nd</sup> mortgages are subject to TRID and require:</b>						
<ul style="list-style-type: none"> <li>• Initial LE, and any Change of Circumstance subsequent LE's</li> <li>• Initial CD and Final CD</li> </ul>						

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