



WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

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Lender Update 2019-09

July 10, 2019

In this Update:

- **Closing Cost Credits**
 - Announcing a new Closing Cost Credit for designated Rural Properties
 - Changes to the Closing Cost Credit for Distressed Properties

Closing Cost Credit for designated Rural Properties

Beginning TODAY, July 10, 2019, WHEDA is excited to announce a Closing Cost Credit for borrower(s) who are purchasing a designated rural property!

Requirements

- Eligible loans must be secured by a property located within a [Duty to Serve eligible county or census tract within a specified county as determined by FHFA](#).
- Must be used in conjunction with a WHEDA Advantage Conventional loan, including FTHB and VALOR programs.
 - FHA Loans are not eligible.
- Total annualized **QUALIFYING INCOME**, as reflected on the DU/DO® findings report must not exceed the [Rural Property Income Limits](#).
 - WHEDA household (compliance) income limits, purchase price limits, and credit requirements still apply for the WHEDA first mortgage.
- Interested Party Contributions, including seller concessions plus WHEDA’s closing cost credit may not exceed actual closing costs and prepaids.

Eligible Counties and Eligible Census Tracts within a specified County:

Entire Counties

Adams	Crawford	Green Lake	Langlade	Oneida	Sauk	Washburn
Ashland	Dodge	Iowa	Lincoln	Pepin	Sawyer	Waupaca
Barron	Door	Iron	Manitowoc	Pierce	Shawano	Waushara
Bayfield	Dunn	Jackson	Marinette	Polk	Taylor	Wood
Buffalo	Florence	Jefferson	Marquette	Portage	Trempeleau	
Burnett	Forest	Juneau	Menominee	Price	Vernon	
Clark	Grant	Kewaunee	Monroe	Richland	Vilas	
Columbia	Green	Lafayette	Oconto	Rusk	Walworth	

Census Tracts within a specified County

Brown	201.00, 206.00, 214.00, 215.00
Calumet	201.00,202.00, 204.00, 205.00, 206.00
Chippewa	104.00, 108.00, 109.00, 110.00, 111.00, 112.00
Dane	117.00, 118.00, 119.00, 120.02, 121.00, 124.00, 126.00, 127.00, 129.00, 131.00, 9917.02, 9917.03
Douglas	301.00, 302.00, 303.00, 9900.00
Eau Claire	1.00, 2.00, 16.00
Fond Du Lac	414.00, 415.00, 416.00, 417.00, 418.00, 419.00, 421.00, 422.00
Kenosha	27.00, 28.00, 9900.00
La Crosse	101.01, 106.00, 108.00
Marathon	15.00, 16.00, 17.00, 18.00, 19.00, 20.00, 21.00, 22.00, 23.00
Milwaukee	9800.00, 9900.00
Outagamie	126.02, 127.00, 128.00, 129.01, 129.02, 131.00, 132.00, 9400.00
Ozaukee	6101.01, 6101.02, 9900.00
Racine	18.01, 18.02, 19.00, 21.00, 24.01, 24.02, 26.00, 27.01, 27.02, 9800.00, 9900.00,
Rock	22.00, 27.00, 28.00, 29.00, 30.02, 32.00, 33.00
Sheboygan	101.00, 103.00, 104.00, 105.01, 105.02, 109.00, 110.00, 111.00, 112.00, 9900.00
St. Croix	1204.00, 1205.01, 1205.02, 1206.00, 1207.00, 1208.00, 1209.01, 1209.04, 1210.00
Washington	4001.03, 4301.00, 4401.06
Waukesha	2040.02, 2040.04, 2045.01
Winnebago	20.00, 21.00, 22.02, 23.00

Tips

- To ensure full use of the \$2,000, consider using the HFA Preferred w/ MI loan and using proceeds from this credit to cover a borrower-paid single premium or split premium mortgage insurance option.

Features and Benefits

- Up to a \$2,000 Credit.
- No repayment required.
- Eligible for use in conjunction with Easy Close or Capital Access down payment assistance programs.

Availability

- Available on a first-come, first-served basis.
- The credit is available through the earlier to occur of the following:
 - Loans closing on or before December 1, 2019, or
 - 300 credits have been funded.

Reservation Instructions

- The loan must be registered and locked.
- Complete the [Reservation Request](#) for the loan.
- Log in to [WHEDA-Connect](#) and upload all required income documentation using the "Income Evaluation" doc type in "edocs".
- Upon review, you will receive a decision notification within 24-48 hours of receipt.

At Closing

- The loan must close on or before December 1, 2019.
- Lenders must ensure the Closing Cost Credit (up to \$2,000) plus interested party contributions, such as seller concessions, do not exceed actual closing costs plus pre-pays.
- The Closing Cost Credit should be reflected on page 3 of the Closing Disclosure Section L, Other Credits.

Changes to Closing Cost Credit for Distressed Properties

Requirements

The following are changes to the Closing Cost Credit for Rural Properties, effective immediately:

- This credit will now be based on the total annualized qualifying income as reflected on the DU/DO® findings report.
 - *WHEDA household (compliance) income limits, purchase price limits, and credit requirements still apply for the WHEDA first mortgage.*
- All other requirements remain unchanged.

WHEDA has created following [Closing Cost Credit Comparison](#) to assist in determining which credit fits a borrower's needs.

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