



The Path to Closing WHEDA Loans

Your institution is now an approved WHEDA Advantage lender! The remaining steps in the Lender On-Boarding Process are designed to help you get up and running with the WHEDA Advantage programs of your choice. Successful completion of the Lender On-Boarding Process will result in faster implementation, fewer compliance and underwriting errors, and greater confidence with WHEDA Advantage programs among your sales and operations staff.

Please give consideration to the various WHEDA loan product offerings and delivery channels outlined below. Additional information regarding each can be found by clicking on the hyperlinks provided. I will contact you in a few days to discuss your selections and answer any questions you may have. If you have more immediate questions, please feel free to contact me.

Marey Riemer Single Family Account Executive 414-520-2988 – Marey.riemer@wheda.com

I. Consider which programs you are intending to offer and the delivery option for each:

[A. WHEDA Advantage Conventional:](#) 3% down payment required and the down payment may be fully gifted or covered with eligible down payment assistance (DPA).

HFA Preferred: Requires private mortgage insurance if borrower's LTV is greater than 80%
Borrower does not have to be a first-time home buyer

FTHB Preferred: Same as HFA Preferred, but provides a slightly lower interest rate to first-time home buyers

HFA Preferred Risk Sharing: No MI is required. (In lieu of MI, the interest rate is slightly higher than HFA Preferred)
Borrower does not have to be a first-time homebuyer

FTHB Preferred Risk Sharing: Same as HFA Preferred Risk Sharing, but provides a slightly lower interest rate to first-time home buyers

[Delivery channel preference*](#):

- Correspondent delivery: Lender makes the underwriting decision within established parameters and closes the loan using their own source of funds. WHEDA purchases the loan after closing.
- Broker delivery: Lender submits file(s) to WHEDA for an underwriting decision and clearance to close. WHEDA funds the loan on the day of closing.



WHEDA Advantage

On Boarding Process

- Mini-Corr delivery: Lender submits file(s) to WHEDA for an underwriting decision and clearance to close. Lender closes the loan using their own source of funds. WHEDA purchases the loan after closing.
- * *Lenders may participate in more than one delivery channel but when using WHEDA's electronic document submission portal, each option will have its own unique user ID and password. See the [WHEDA-Connect.com Users Manual](#).*
- * *Lenders using the Broker or Mini-Corr Channel must use [Fannie Mae, WHEDA Sponsored DO](#). Lenders using the Correspondent Channel must use their own Fannie Mae DU or DO.*

B. WHEDA FHA Advantage 203(b): 3.5% down payment required and the down payment may be fully gifted or covered with a WHEDA Easy Close Advantage loan. Broader credit parameters than conventional products help qualify more borrowers.

Delivery channel preference:

- Correspondent delivery: FHA Direct Endorsement lender uses their own DU or LP Total Scorecard. Lender makes the underwriting decision within established parameters and closes the loan using their own source of funds. WHEDA purchases the loan after closing.
- Broker delivery: WHEDA Sponsored FHA Originator uses WHEDA Sponsored DO Total Scorecard. WHEDA is responsible for all FHA Connection entry. Lender submits file(s) to WHEDA for an underwriting decision and clearance to close. WHEDA funds the loan on the day of closing. Lender closes the loan naming WHEDA as mortgagee.

C. WHEDA Easy Close Advantage:

May be used for down payment and/or closing cost assistance in conjunction with WHEDA Advantage Conventional or WHEDA FHA Advantage first mortgage financing.

D. WHEDA Tax Advantage Mortgage Credit Certificates (MCC):

May be used in conjunction with WHEDA Advantage or other first mortgage financing. Requires a separate Lender Participation Agreement to offer this tax benefit program. Each loan officer offering the program must complete training and be individually certified by WHEDA. This program is not available for loans rate locked using FTHB products noted in "A" above.

E. WHEDA Home Improvement Advantage:

Subordinate lien mortgage financing to finance home repairs and improvements. Available at a fixed interest rate for up to a 15-year term.



WHEDA Advantage

On Boarding Process

- II. You have been assigned the following Quality Control Analyst and Underwriter. These individuals will assist you throughout the On-Boarding Process.

<p>Your QC Analyst:</p> <hr/> <p>Phone: 800-334-6873 eMail: qualitycontrol@wheda.com</p>

<p>Your Underwriter:</p> <hr/> <p>Phone: 800-334-6873 eMail: underwriting@wheda.com</p>
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III. Staff Training

WHEDA takes a “Train the Trainer” approach when preparing lenders to offer the WHEDA Advantage suite of products. WHEDA recommends that key production and operations staff receive training directly from WHEDA. Training is offered face-to-face, via live webinar and through pre-recorded, On-Demand web presentations made available through our Lender Training Resource Center. A [Training Request Form](#) is included in this packet and is also available on our website.

In an attempt to avoid corrective action or loan repurchase due to regulatory disclosure errors, WHEDA’s Quality Control staff must review a sample packet of your disclosures. Prior to submitting applications for WHEDA Advantage financing, your staff may complete and submit a sample Loan Estimate and Closing Disclosure based on the following scenarios for WHEDA Advantage products that will be offered:

- WHEDA Advantage HFA Preferred:
 - Purchase Price: \$150,000
 - 1st Mortgage Amount: \$145,500
 - Interest Rate: 4.375%
 - Term: 30 years
 - Annual Mortgage Insurance Renewal Premium Rate: .60%
 - Estimated Closing Date 45 Days After Rate Lock

- WHEDA Advantage Risk-Share:
 - Purchase Price: \$150,000
 - 1st Mortgage Amount: \$145,500
 - Interest Rate: 5.000%
 - Term: 30 years
 - Estimated Closing Date 45 Days After Rate Lock

- WHEDA FHA Advantage:
 - Purchase Price: \$150,000
 - Base 1st Mortgage Amount: \$144,750
 - Gross 1st Mortgage Amount: \$147,283 (includes financed up front FHA insurance premium)



WHEDA Advantage

On Boarding Process

- Interest Rate: 4.250%
- Term: 30 years
- Up-Front Mortgage Insurance Premium (Financed): 1.75%
- FHA Mortgage Insurance Renewal Premium Rate: .85%
- Estimated Closing Date 45 Days After Rate Lock

- WHEDA Easy Close Advantage:
 - Purchase Price: \$150,000
 - 1st Mortgage Amount: \$145,500
 - 2nd Mortgage Amount: \$4,365
 - Interest Rate: 5.375%
 - Term: 10 years
 - Estimated Closing Date 45 Days After Rate Lock

IV. Joint Marketing/Outreach Opportunities

WHEDA will assist its active Lending Partners in broadening the market's awareness of WHEDA programs. If interested in coordinating marketing efforts with WHEDA, place a checkmark in all field(s) that apply below. You will be contacted by your WHEDA Business Development Officer to discuss potential joint marketing/outreach opportunities.

- Realtors
- Home Builders
- Counseling Agencies
- Other (Specify: _____)
- Not interested in joint marketing/outreach at this time