



TILA/RESPA Integrated Disclosures FAQs

INTENT TO PROCEED:

1. If an applicant receives the Loan Estimate in accordance with the timing requirements of TRID and states orally an intention to proceed with the application, what will WHEDA require as sufficient documentation to record oral intent?

The communication of Intent to Proceed can be verbal or written. If verbal, you must document with whom you spoke, the date and time, a summary of the conversation, and the person's name taking the information. Intent to Proceed documentation must be submitted to WHEDA as part of the Application Package.

LOAN ESTIMATE:

1. How do I disclose the WHEDA Paid Lender Fee on a first mortgage delivered through the Broker Channel? (Note: WHEDA Paid Lender Fee is the compensation paid to a Lender by WHEDA, this is not a borrower paid fee.)

The WHEDA Paid Lender Fee is not disclosed in the Loan Estimate. (See Q1 under the Closing Disclosure section for additional information on disclosing this fee.)

2. How do I show a WHEDA Easy Close Advantage Loan and/or other down payment/closing cost assistance; i.e., Down Payment Plus, etc., on the Loan Estimate for a WHEDA first mortgage?

Down payment/closing cost assistance loans and grants should be entered in the lower right corner on page 2 of the Loan Estimate for the first mortgage on the line titled "Adjustments and Other Credits".

D. TOTAL LOAN COSTS (A + B + C)

Calculating Cash to Close

Total Closing Costs (J)

Closing Costs Financed (Paid from your Loan Amount)

Down Payment/ Funds from Borrower

Deposit

Funds for Borrower

Seller Credits

Adjustments and Other Credits

Estimated Cash to Close



3. How do I disclose WHEDA Origination charges to be paid by the borrower, such as the WHEDA Purchase Review Fee and/or Tax Service Fee?

WHEDA origination charges should be disclosed in Section A. under “Origination Charges” on page 2 of the Loan Estimate. Note: All origination fees must be itemized.

Closing Cost Details

Loan Costs		Other Costs	
A. Origination Charges		E. Taxes and Other Government Fees	
% of Loan Amount (Points)		Recording Fees and Other Taxes	
		Transfer Taxes	
WHEDA Purchase Review Fee	\$500	F. Prepays	
WHEDA Tax Service Fee	\$65	Homeowner's Insurance Premium (months)	
		Mortgage Insurance Premium (months)	
		Prepaid Interest (per day for days @)	
		Property Taxes (months)	

4. How do I complete the Loan Estimate for a WHEDA Easy Close Advantage Loan?

If the loan will be closed naming WHEDA as the mortgagee:

- the only applicable fee would be to record the Mortgage
- Use the applicable forms in the Toolkit section of our website

If the loan will be closed naming the Lender as the mortgagee:

- the only applicable fees would be to record the Mortgage and Assignment of Mortgage
- Use the applicable forms in the Toolkit section of our website

5. Which boxes should be checked or what text should be entered in the “Other Considerations” section on page 3 of the Loan Estimate for a WHEDA mortgage loan?

<u>Other Considerations</u>	<u>Conventional Advantage</u>	<u>FHA</u>	<u>Easy Close Advantage</u>
<i>Assumption section</i>	<i>Check the box for “will not allow assumption of this loan on the original terms”.</i>	<i>Check the box for “will allow, under certain conditions, this person to assume this loan on the original terms”.</i>	<i>Check the box for “will not allow assumption of this loan on the original terms”.</i>
<i>Late Payment section</i>	<i>Enter “15” and “5% of my overdue payment of principal and interest.”</i>	<i>Enter “15” and “4% of my overdue payment of principal and interest.”</i>	<i>Enter “15” and “5% of my overdue payment of principal and interest.”</i>
<i>Servicing section</i>	<i>Check the box for “to transfer servicing of your loan.”</i>	<i>Correspondent Channel - Check the box for “to transfer servicing of your loan.”</i> <i>Broker Channel - Check the box “to service your loan. If so, you will make your payments to us.”</i>	<i>If the lender is named as the mortgagee in the Note & Mortgage - Check the box for “to transfer servicing of your loan.”</i> <i>If WHEDA is named as the mortgagee - Check the box “to service your loan. If so, you will make your payments to us.”</i>

CLOSING DISCLOSURE:

- How do I disclose the WHEDA Paid Lender Fee on a first mortgage delivered through the Broker Channel loan?

The "WHEDA Paid Lender Fee" is disclosed in Section A under "Closing Cost Details – Loan Costs" on page 2 of the Closing Disclosure. The amount of the WHEDA Paid Lender Fee should be entered in the "Paid by Others" column.

Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges					
01 % of Loan Amount (Points)					
02					
03					
04					
05					
06					
07					



- How do I show a WHEDA Easy Close Advantage Loan and/or other down payment/closing cost assistance; i.e., Down Payment Plus, etc., on the Closing Disclosure for a WHEDA first mortgage?

Net proceeds from a WHEDA Easy Close Advantage Loan should be entered on line 04 in Section L on page 3 of the Closing Disclosure. The source and amount of a DPA grant should be disclosed on line 06 in Section L.

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L. Paid Already by or on Behalf of Borrower at Closing	
01	Deposit
02	Loan Amount
03	Existing Loan(s) Assumed or Taken Subject to
04	← WHEDA Easy Close
05	Seller Credit
06	← DPA grant
07	Other Credits
Adjustments	
08	
09	
10	

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N. Due from Seller at Closing	
01	Excess Deposit
02	Closing Costs Paid at Closing (J)
03	Existing Loan(s) Assumed or Taken Subject to
04	Payoff of First Mortgage Loan
05	Payoff of Second Mortgage Loan
06	
07	
08	Seller Credit
09	
10	
11	
12	

3. Which boxes should be checked in the “Additional Information About This Loan – Loan Disclosures” section on page 4 of the Closing Disclosure?

<u>Other Considerations</u>	<u>Conventional Advantage</u>	<u>FHA</u>	<u>Easy Close Advantage</u>
<i>Assumption section</i>	<i>Check the box for “will not allow assumption of this loan on the original terms”.</i>	<i>Check the box for “will allow, under certain conditions, this person to assume this loan on the original terms”.</i>	<i>Check the box for “will not allow assumption of this loan on the original terms”.</i>
<i>Late Payment section</i>	<i>Enter “15” and “5% of my overdue payment of principal and interest.”</i>	<i>Enter “15” and “4% of my overdue payment of principal and interest.”</i>	<i>Enter “15” and “5% of my overdue payment of principal and interest.”</i>
<i>Partial Payments section</i>	<i>Check the box for “does not accept any partial payments”.</i>	<i>Check the box for “does not accept any partial payments”.</i>	<i>Check the box for “does not accept any partial payments”.</i>
<i>Escrow Account section</i>	<i>Check the box for “will have an escrow account . . .”</i>	<i>Check the box for “will have an escrow account . . .”</i>	<i>Check the boxes for “will not have an escrow account because” and “your lender does not offer one.”</i>

4. Which box should be checked in the “Other Disclosures” section on page 5 of the Closing Disclosure?

In the “Liability after Foreclosure” section check the box “state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.”

5. Can I use the Closing Disclosure to correct the interest rate?

No, any adjustments to the interest rate must be disclosed on the Loan Estimate and should be appropriately documented due to a rate lock or changed circumstance.

6. If, after a Closing Disclosure is issued, the APR changes by more than .125% up or down, does WHEDA require a revised Closing Disclosure or only with upward movement?

*If the APR changes **up or down** by more than .125% a revised Closing Disclosure must be issued and a new 3 day waiting period begun before closing.*

7. If, after a Closing Disclosure has been issued, the finance charge increases by more than \$100 (purchase) or \$35 (refinance) but the APR does not change by more than .125%, will WHEDA require a revised Closing Disclosure?

A revised Closing Disclosure must be issued but a new waiting period is not required. The Borrower may inspect the revised Closing Disclosure during the business day prior to the closing.

8. When there are multiple borrowers, will WHEDA require that all borrowers acknowledge receipt of the Closing Disclosure at least three business days prior to closing or is it sufficient for the primary borrower to acknowledge receipt?

*All borrowers **must** acknowledge that they received a copy of the Closing Disclosure at least three business days prior to closing.*

9. "Contact Information" how do I find the Settlement Agent's WI License ID?

The Settlement Agent's license number can be found here <https://sbs-wi.naic.org/Lion-Web/jsp/sbsreports/AgentLookup.jsp>

OTHER:

1. If the Loan Estimate and/or Closing Disclosure are delivered via e-mail (in compliance with the E-Sign Act), will WHEDA consider the document delivered in accordance with the "mailbox rule" as long as the three-business day presumption of delivery and three-business day waiting period are met?

Yes, as long as all borrowers signed a statement authorizing the use of e-mail. A copy of the Sent message with the date and time sent for each borrower will be required for proof of delivery.

2. Where do I disclose the Mortgage Credit Certificate (MCC) fee?

*The fee for a first-time home buyer applying for a MCC is not related to the cost of obtaining a mortgage loan. Therefore it **should not** be disclosed on either the Loan Estimate or Closing Disclosure.*