



## WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

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### Lender Update 2017-06

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#### In this Update:

- **KNOW THE KEY DIFFERENCES BETWEEN CAPITAL ACCESS AND EASY CLOSE DOWN PAYMENT ASSISTANCE (DPA)**

#### Know the Key Differences between Capital Access and Easy Close Down Payment Assistance (DPA)

WHEDA recently announced the addition of Capital Access DPA to its suite of loan products. It is important that our lending partners understand the key differences between the Capital Access and the Easy Close DPA program.

The key differences of the Capital Access program are as follows:

- The [Capital Access DPA income limits](#) are significantly lower than the Easy Close income limits
- Property eligibility for Capital Access DPA is restricted to properties located in a [high housing need area](#)
- Capital Access must close in the name of Wisconsin Housing and Economic Development Authority

To view and print the full comparison chart, click on [Down Payment Assistance Product Comparison](#).

	EASY CLOSE DPA	CAPITAL ACCESS DPA
<b>Loan Amount</b>	<ul style="list-style-type: none"> <li>• Minimum Loan Amount of \$1,000</li> <li>• Conventional - Greater of \$3,000 or 3% of purchase price</li> <li>• FHA - Greater of \$3,500 or 3.5% of the purchase price</li> </ul>	\$3,500
<b>Interest Rate</b>	Same as the first mortgage	0.00% APR
<b>Term</b>	Fully amortized, 10 years	30 years
<b>HCLTV</b>	Up to 105%	Up to 105%
<b>Repayment</b>	<ul style="list-style-type: none"> <li>• First payment is the same as the first mortgage</li> <li>• Grace period of 15 days, 5% late charge</li> </ul>	<ul style="list-style-type: none"> <li>• No monthly payments</li> <li>• Loan pays in full when 1<sup>st</sup> mortgage pays off</li> </ul>
<b>Income and Purchase Price Limits</b>	Same as first mortgage	Capital Access Income & Purchase Prices limits
<b>Property Restrictions</b>	None - can be used statewide	Property must be in a "high housing need" area
<b>Other Restrictions</b>	Must be in 2 <sup>nd</sup> lien position behind any WHEDA 1 <sup>st</sup> mortgage	Must be in 2 <sup>nd</sup> lien position behind any WHEDA 1 <sup>st</sup> mortgage
<b>Loan Purpose</b>	<ul style="list-style-type: none"> <li>• Down payment</li> <li>• Closing costs</li> <li>• Single paid MI premium</li> </ul>	<ul style="list-style-type: none"> <li>• Down payment</li> <li>• Closing costs</li> <li>• Single paid MI premium</li> </ul>
<b>Closing Costs</b>	<ul style="list-style-type: none"> <li>• Recording fee for Mortgage</li> <li>• Assignment (if applicable)</li> <li>• Prepaid interest (if applicable)</li> </ul>	Recording fee for Mortgage ONLY - Max \$30
<b>Loan Disclosures</b>	<ul style="list-style-type: none"> <li>• Must provide a separate Loan Estimate and Closing Disclosure as well as all required re-disclosures</li> <li>• Loan can close in Wisconsin Housing and Economic Development Authority's or the lender's name<sup>(2)</sup></li> </ul>	<ul style="list-style-type: none"> <li>• No Loan Estimate or Closing Disclosure required<sup>(1)</sup></li> <li>• Loan must close in the name of Wisconsin Housing and Economic Development Authority</li> </ul>
<b>Reservation of Funds</b>	N/A	Funds are reserved when Capital Access DPA and corresponding WHEDA 1 <sup>st</sup> mortgage are locked in WHEDAConnect

<sup>(1)</sup>Capital Access Promissory Note includes required information for Federal Truth-in-Lending Disclosure Statement.

<sup>(2)</sup>Easy Close DPA following a WHEDA FHA 1<sup>st</sup> must close in Wisconsin Housing and Economic Development Authority's name.