

HOME ADVANTAGE CLOSING/FUNDING CHECKLIST

A Home Advantage loan is closed in accordance with standard first mortgage guidelines. This checklist is meant as a tool for closing a Home Advantage loan and may not be all-inclusive. Please review the Home Advantage Program Manual for additional information.

Reservation

- All loan terms consistent with reservation (loan amount, sales price, interest rate, loan type, etc.)
- Loan has been approved to close by the Commission.
- Funds for the Commission's Downpayment Assistance or Subsidy have been reserved and approved.

Home Advantage Documents

- Most current versions of forms used; see Forms Section of Program Manual at: <http://www.wshfc.org/sf/HAforms.html>

Notes and Security Instruments for Home Advantage First Mortgage Loans

- Borrower's names typed under signatures on all Note and Deed of Trust.
- Used the **most recent** 1-4 family FHA, VA, Freddie Mac or Fannie Mae instruments and applicable Addendums.
- If Rural Housing loan, FHA OR Conventional instruments used.
- Note and Deed of Trust drawn in originating Lender's name.
- 1st Mortgage Note is endorsed to appropriate loan servicer.
- Used standard late charge (5% for Fannie Mae or Freddie Mac, for FHA/VA; 4% for Rural Housing loans using FHA instruments OR 5% for Rural Housing loans using Conventional instruments).

Notes and Security Instruments for Downpayment Assistance Second Mortgage Loans

- Borrower's names typed under signatures on all Note and Deed of Trust.
- Used the appropriate Commission Note and Deed of Trust, with any applicable Addendums:
 - Home Advantage:
 - Home Advantage 0% Note (Pages 1-3)
 - Home Advantage 0% Deed of Trust (Pages 1-6)
 - Home Advantage 1% Option:
 - 1% Deferred Note (Pages 1-3)
 - 1% Deferred Deed of Trust (Pages 1-7)
 - Veterans DPA:
 - 3% Note (15.32.1-2)
 - 3% Deed of Trust (15.33.1-7)
 - Homechoice:
 - 1% Deferred Note (1-3)
 - 1% Deferred Deed of Trust (1-7)
- Note and Deed of Trust drawn in the name of the Washington State Housing Finance Commission.
- Used a 4% late charge.

Closing Disclosure Statement

- Closing Disclosure for 1st mortgage.
- The initial Aggregate Escrow Account Statement meeting RESPA guidelines is attached.
- Maximum 1% Origination Loan Fee charged.
- Rate lock extension fees charged as applicable.
- \$85 tax service fee** is charged.
- No amortization fee** charged to borrower or seller.
- No cash back if using Downpayment Assistance or Subsidy programs.
- No title fees charged on the Downpayment Assistance Second Mortgage.
- For Commission second mortgages, the \$40.00 Program Application Fee is charged on the Closing Disclosure for the second mortgage.
- Follow specific investor guidelines.

Final Loan Application

- ❑ Terms consistent with the Commission's reservation and Final Closing Disclosure
- ❑ Signed and dated by all borrowers and Loan Originator.

Miscellaneous

- ❑ All Commission Pre-Closing Conditions have been met.
- ❑ If using a Commission's Downpayment Assistance or Subsidy, the 2nd has a separate Closing Disclosure.
- ❑ Title policy and/or preliminary title report includes minimum six months' history of property ownership.
- ❑ If Conventional loan with LTV exceeding 80%, have PMI certificate from an acceptable carrier and coverage requirement is correct.
- ❑ Have acceptable Hazard/Flood Insurance policy or binder with policy number
 - Borrower's name, address, city, state and zip code consistent with file
 - Dwelling coverage is equal to or greater than the Loan Amount
 - "Replacement Cost Guaranteed" is acceptable if clearly stated on the policy or binder
 - the Loss Payable Clause reads for **Lakeview Loan Servicing**
Lakeview Loan Servicing, LLC c/o LoanCare, LLC ISAOA/ATIMA
PO Box 202049
Florence, SC 29502-2049
 - the Loss Payable Clause reads for **Idaho Housing and Finance Association**
HomeLoanServ, a division of Idaho Housing and Finance Association, ISAOA
PO Box 7899
Boise, ID 83707
- ❑ Have standard FEMA flood certification form:
 - States "Life of Loan" and "Transferable"
 - Includes the flood risk zone; map and panel number; community number and status; and the date of the map used for the determination
 - Appropriate disclosures have been signed by the borrower
- ❑ Loan has a reserve/escrow account for the collection of hazard insurance, taxes, mortgage insurance premiums or risk-based premiums.
- ❑ If ARCH, Tacoma, Pierce Co., & Bellingham DPA's, include **original** signature for Home Recapture Agreement.
- ❑ If Homechoice Subsidy used, have Acknowledgement of Housing Counseling Fee (Form 4.5)
 - Form has been signed by Housing Counselor and borrower
 - Payment information section complete