HOUSE KEY CLOSING/FUNDING CHECKLIST

A House Key loan is closed in accordance with standard first mortgage guidelines. This checklist is meant as a tool for closing a House Key loan and may not be all-inclusive. Please review the House Key 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

House Key Documents Complete
- Most current versions of forms used; see Forms Section of Program Manual at: http://www.wshfc.org/sf/HKforms.html
- Acquisition Cost Certification (Form 15.11)
  - Pages 1 & 2 fully complete and consistent with Purchase/Sale Agreement, Final Closing Disclosure and any other agreements, whether written or verbal
  - Signed by all borrowers and sellers; names and signatures consistent with file
  - Acquisition Cost is within the maximum Acquisition Cost Limits
- Notice of Potential Recapture Tax on Sale of Your Home (Form 15.14)
  - Signed by all borrowers
- Conventional Rider to Security Instrument (Form 15.16)
  - Required for all loans with Conventional financing
  - Drawn in originating Lender’s name
  - Signed by all borrowers
- Single-Family Deed of Trust Rider FHA, VA or USDA (Form 15.17)
  - Required for all loans with FHA, VA or USDA financing
  - Drawn in originating Lender’s name
  - Signed by all borrowers

Notes and Security Instruments for House Key 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 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
- Note is endorsed to Idaho Housing and Finance Association.
- Used standard late charge (5% for Fannie Mae for FHA/VA; 4% for Rural Housing loans using FHA instruments OR 5% for Rural Housing loans using Conventional instruments)
- Used appropriate Deed of Trust Rider (Conventional or FHA/VA/USDA); see Forms 15.16 or 15.17

Notes and Security Instruments for House Key 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:
  - Opportunity DPA
    - 1% Deferred Note (1-3)
    - 1% Deferred Deed of Trust (1-7)
  - Homechoice:
    - Homechoice Note (1-3)
    - Homechoice Deed of Trust (1-6)
Note and Deed of Trust drawn in the Commission’s name (Washington State Housing Finance Commission)
Marital status has been indicated on the Deed of Trust and Rider
Used a 4% late charge

Closing Disclosure
Final Closing Disclosure
Separate Final Closing Disclosure for the second mortgage (as applicable)
The initial Aggregate Escrow Account Statement meeting RESPA guidelines is attached
Maximum 1% Origination charged
$85 tax service fee is charged
No amortization fee charged to borrower or seller
No wire transfer fee charged to borrower
No cash back if using Opportunity Downpayment Assistance or Subsidy programs
No title fees charged on the Second Mortgage if using Opportunity Downpayment Assistance or Subsidy programs
Interest credits – Loans closed after the 10th day of the months are not eligible for an interest credit
All terms and parties on Closing Disclosure are consistent with the Acquisition Cost Certification (Form 15.11)

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 the Commission’s Downpayment Assistance or Subsidy, the 2nd has a separate Final Closing Disclosure (as applicable)
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:
    HomeLoan Serv, a division of Idaho Housing and Finance Association, ISAOA
    P.O. 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
If a Power of Attorney for the borrower or seller has been used, have legible copy in the file
Loan has a reserve/escrow account for the collection of hazard insurance, taxes, mortgage insurance premiums or risk-based premiums
If Homechoice, Seattle, Pierce County, Tacoma or Bellingham Subsidy used, have
Acknowledgement of Housing Counseling Fee (Form 4.5)
  Form has been signed by Housing Counselor and borrower
  Payment information section complete