



UTAH HOUSING CORPORATION CLOSING INSTRUCTIONS

Refer to UHC web site www.utahhousingcorp.org for any recent changes and updated form revisions. **ALWAYS** check form revision dates before Closing to ensure you are closing with the most current revision.

- UHC seller ID #: 52167 (need to transfer MIC to UHC)
- UHC EIN #: 87-0332029 (needed for FHA form 92900-LT when Loan has secondary financing)
- UHC MERS Organization ID #: 1001029 (need to transfer MERS to UHC)
- First and Second Deeds of Trust must have different MERS numbers, and include MERS language. (Selling Supplement, Section 16)

UHC Mortgage Purchase Agreement (MPA)

- Interest rate on Note must match the interest rate issued on the MPA
- The MPA shows the type of UHC Loan Program
- Provide copy of Mortgage Purchase Agreement (lock request - can obtain a copy from UHC web site, under Lender log-in)

UHC Closing Documents

First Home	<ul style="list-style-type: none"> • Form 045, Loan Application Disclosure (LO must have obtained prior to obtaining lock reservation) • Form 048, Recapture Notice • Form 047, Borrower and Seller Affidavit (power of attorney for borrower cannot sign this form) • Form 14b, Rider to Deed of Trust • Form 040a, Subordinate Deed of Trust (MER'S) • Form 146, Subordinate Note • Form 190, Qualifying Borrower Certification of Income (for FirstHome only) • Water Stock forms <u>ONLY if applicable</u> (refer to Instructions below)
HomeAgain, Score and NoMI	<ul style="list-style-type: none"> • Form 045, Loan Application Disclosure (LO must have obtained prior to obtaining lock reservation) • Form 040a, Subordinate Deed of Trust (MER'S) • Form 146, Subordinate Note • Water Rights/Stock forms <u>ONLY if applicable</u> (refer to Instructions below)

Mortgage Note and Deed

- Both First and Second original Notes must be endorsed:
 - "Pay to the order of Utah Housing Corporation without recourse."
 - Endorsement of the Notes to UHC must be signed by the mortgagee's authorized signer as submitted to UHC.
 - UHC must have original, endorsed Notes prior to purchase.
- Rider to Deed of Trust must be recorded with the First Deed of Trust on FirstHome Loans only
 - Rider must show as an attachment on the Deed of Trust
 - The rider should **NOT** be recorded with the Second Mortgage.

First Mortgage Fees Closing Disclosure

Refer to [Fee Schedule](#) (Section 19) in UHC Selling Supplement

- No cash back, except when:
 - Borrower can receive funds they paid up front, such as earnest money, lock fees, appraisal, etc.

- If the Closing Disclosure shows the borrower receiving cash back, a *principal reduction for the Second Mortgage* is acceptable and can be shown as a credit on the Closing Disclosure.
- Extension fees for a lock extension can be listed on the Closing Disclosure as an extension fee but cannot be listed on the Closing Disclosure as a discount point.
 - Discount points for a Utah Housing Loan cannot be charged or shown on the Closing Disclosure.
 - If the borrower paid any fees prior to closing related to the lock or the extension, these fees must be credited to the buyer at closing (see * above).
- Fees permitted by FHA and VA are allowed.
 - The fees and charges for a Utah Housing Loan cannot exceed typical fees and charges for other FHA/VA loans closed by the mortgagee
- Tax Service fee cannot exceed \$79.00
- FirstHome Loan Only:
 - Origination charges must be itemized on the Closing Disclosure
 - The origination fee included in the origination charge cannot exceed 1% plus any supplemental origination fee permitted by FHA for 203K mortgages.
 - Itemize the charges on the Closing Disclosure or attachment to the Closing Disclosure.

Second Mortgage Allowable Closing Fees

Refer to [Fee Schedule](#) (Section 19) in UHC Selling Supplement. Allowable fees and charges are:

- \$450, of which:
 - At Closing, Lender may collect from the proceeds of the Second Loan as a supplemental fee for originating, processing, and Title. (I.e. if Lender fee is \$250, Title fees must not exceed \$200.)
 - Include in Closing Instructions that Title company fees may not to exceed \$200.
 - UHC does not require a title policy for the Second Loan.
- Interim interest
- Fees charged in excess of allowable fees will be netted at purchase and applied as a principal reduction to the borrower's Second Mortgage

Non-Occupant Cosigner (Selling Supplement, Section 11.3.2)

Only allowed for FirstHome. Cosigners must:

- Sign the Note(s) and application documents
- NOT take title, sign the Deed of Trust or sign any of the UHC documents
- Meet other UHC requirements specific to cosigners

Power of Attorney (Selling Supplement, Section 11.3.1)

UHC Borrower Affidavit ([form 047](#)) cannot be signed by Power of Attorney (borrower must sign). All other documents can be signed by Power of Attorney if:

- Power of Attorney is specific to the borrower and property
- Power of Attorney is recorded

Hazard Insurance (Selling Supplement, Section 8.13)

Refer to *Coverage Requirements*, UHC Selling Supplement section 8.13.2.1

- Mortgagee Clause:
 - "Utah Housing Corporation, its successors and/or assigns, PO Box 70569, Salt Lake City, UT 84170"
 - The maximum deductible is \$2,500 of the policy face amount
 - Hazard and Supplement (if applicable) insurance premium and sufficient amount of escrow to pay the annual premiums must be collected and shown on the Closing Disclosure

Flood Certification and Flood Insurance (Selling Supplement, Section 8.13.5)

- Copy of Flood Cert (must be life of the Loan), and show the UHC Mortgagee Clause, for all UHC Loans



- Flood Insurance is required on all Loans in flood hazard areas
- Flood Insurance maximum deductible not to exceed \$2500, unless prior approval from UHC

Condo and PUD Homeowners Insurance (Selling Supplement, Section 8.13.3)

The master policy must show:

- The policy deductible.
 - If it exceeds \$2,500 the borrower must obtain a supplemental insurance policy to cover the master policy deductible.
 - Supplemental insurance premium must be paid at Closing and included in escrow.
- Borrower as a unit owner and the address must match the Deed of Trust
- An effective date on or before borrower takes title
- 100% full replacement and coverage includes unit improvements or betterment

Manufactured homes: (Selling Supplement, Section 8.5)

Refer to UHC approval email for Manufactured Home Loans.

- UHC does not accept prior recorded Affidavits of Affixture except for the Utah State form TC-672.

Private Wells, Community Wells, Water Stock (Selling Supplement, Section 8.11)

- UHC will not purchase a Loan with a community (shared) well.
- For a Residence with a culinary well, an inspection dated within 180 days of Closing, by a certified well inspector must be provided to UHC prior to purchase.
- Before Closing a Loan on a property with a well or water stock follow the UHC Water Rights Checklist ([form 036](#) and [form 037](#)) and requirements listed in UHC Selling Supplement, Section 8.11

Septic Systems (Selling Supplement, Section 8.11.2)

- For a Residence with a septic tank, an inspection dated within 180 days of Closing, by a certified septic tank inspector must be provided to UHC prior to purchase.
- All recommended repairs, service calls and improvements must be completed prior to purchase.

Repairs / 203k's: (Selling Supplement, Section 8.10.1 and 8.10.4)

- A signed 203K & Escrow Repair Agreement is required and must show a completion date within 90 days of closing
- Only weather related repairs can be escrowed unless Loan is a FHA 203k
- Escrow amount may not exceed the amount estimated by the appraiser
- Repair escrows cannot be financed in the Second Loan

Title Insurance

Refer to Selling Supplement Section 8.13.1 for Title Insurance requirements