

9 – PRE-CLOSING COMPLIANCE REVIEW & APPROVAL



PURPOSE OF PRE-CLOSING COMPLIANCE REVIEW

One of the principal reasons for the pre-closing compliance review process is to provide Mortgage Lenders a level of assurance that, given no changes in the basic conditions of the transaction, the Mortgage Loan is qualified for purchase by the Master Servicer.

This pre-closing review process is in place only as a service to Mortgage Lenders and does not automatically guarantee that loans will be purchased. Additionally, if a loan is purchased and is subsequently found not to meet Program requirements, the Commission has the authority to request that the Mortgage Lender repurchase the Mortgage Loan.

Following is the procedure for Mortgage Lenders to use when submitting a Mortgage Loan for approval to close:

SUBMISSION OF LOAN FILE

Once the Mortgage Lender obtains all items as listed on page 15.13.1 of the Pre-Closing Compliance Review Checklist Mortgage, the Mortgage Lender is strongly encouraged to submit the file early in the process to the Commission for review. If using downpayment assistance other than Home Advantage downpayment assistance, all items on page 15.13.2 are needed prior to final compliance approval.

Files must be submitted in the order specified on the Pre-Closing Compliance Review Checklist (Form 15.13). This Checklist is located in the Forms section of this Program Manual.

WHERE TO SUBMIT FILES

Please send Mortgage Loan file prior to closing electronically to Mitas or via fax at 206-287-4456. You may also mail completed loan files to:

Washington State Housing Finance Commission
Attn. Homeownership Division
1000 Second Avenue, Suite 2700
Seattle, WA 98104-1046

Please note: The Commission does not accept electronic “secured” files requiring passwords. Please fax or mail these files.

REVIEW PROCEDURE

Each Mortgage Loan file will be reviewed approximately within two business days by Commission staff for compliance with Program requirements. The results of the review will be posted on the Internet Web site at <https://www.mitas.com/wshfc/>.

If a file is suspended, the loan status will be updated to show as “Conditions to Close” and the suspense conditions will be posted on our on-line system. When the file is “Approved to Close,” the loan status is updated and the Mortgage Lender can review and print our loan approval and conditions from on-line system. The Commission’s on-line system interfaces with the Master Servicer’s system eliminating the need for Mortgage Lenders to provide them a copy of the approval.

Following acknowledgment of approval to close authorized on the Pre-Closing Compliance Review File Checklist, Mortgage Lenders may close the Mortgage Loan.

The Commission reserves the right to return any file submitted for approval to close that lacks adequate documentation or does not meet Program requirements.

CHECKING MORTGAGE LOAN STATUS

Mortgage Lenders can access Mortgage Loan information using the On-line Loan Tracking System Web site 24-hours a day at <http://wshfc.mitas.com>. The Commission will assign a generic log for office staff to use for viewing and printing file status and conditions.

To access information select View Loan Detail and retrieve the file information using the Commission loan number. To print a copy of the file status and conditions for your file, use the print option on your tool bar (the Print Documents button is not functioning). If you have a Commission second mortgage loan associated with the Home Advantage first mortgage, it will be referenced at the bottom of the screen under Other Mortgages. To view and print the file status for the second mortgage, single click on the second mortgage loan amount and print the next screen that opens. All conditions pertaining to both the first and second mortgage loans will be posted on the first mortgage loan approval.