

**Below is a more detailed step by step process for YouWayHomeAZ transactions:**

**The Consumer goes to the website to complete the following:**

1. Determine if they are income eligible (based on household size, household income and the County they plan to live in)
2. Provided they are income eligible they need to locate a lender from the list of participating lenders
3. They need to meet with the lender who will walk them through the rest of the process (this is the lender's responsibility)

**The Lender meets with a consumer:**

1. Lender determines if the consumer is eligible for the program (check income, assets, ratios, credit worthiness)
2. Provided they are eligible, issue **Eligibility Letter, LSR and Approved/Eligible AUS Findings** with the proper loan structure (75/22/3) this is the 1st, 2nd and the consumer's down payment
3. Refer the consumer to a housing counseling agency in the County to which the home maybe purchased
4. Register the consumer on the Your Way Home AZ website
5. Rush needed documents supporting your **Eligibility Letter, LSR and Approved/Eligible AUS Findings** to the Housing Counseling Agency
6. Send the consumer to meet with the counselor

**The Counselor:**

1. Complete the intake (program application, file documentation and evaluation)
2. Schedule the consumer for homebuyer education (HBE)
3. Provided all checks out, wait for a contract

**The Realtor:**

1. Help the consumer locate an acceptable property
2. Write and secure a contract for an acceptable property
3. Have Seller sign the Certificate of Seller or provide a Fannie Mae or Freddie Mac Real Estate Purchase Addendum

**The Lender:**

1. Update the file with the contract information
2. Upload the 3.2 format file into the consumer's record on the website (this is a data file only)
3. Order ALTA Policy for the 2<sup>nd</sup> mortgage list 'Arizona Department of Housing' as the Proposed Insured
4. Provide updated file information to the housing counselor (contract, title, appraisal, homeowners insurance and so forth as it becomes available)
5. Complete the 1st mortgage file underwriting and ensure the requirements of the 2nd continue to be met

**The Counselor:**

1. Contact the Lender to insure the Borrower is registered and the 3.2 format file is on the website
2. Send a Commitment Request Form to ADOH to receive a Commitment Letter reserving funds
3. Forward a copy of the Commitment Letter to the Lender

**The ADOH:**

1. Check the website for the 3.2 format file attached to the consumer's online registration
2. Review the request to reserve funds in comparison to the data file
3. Issue a 60 day commitment

## The Counselor:

1. Review the ADOH Commitment Letter
2. Complete the Housing Quality Standards inspection (HQS)
3. Complete the appraisal review process and other required paperwork
4. Wait for the lender to provide a clear to close on the 1st and request closing
5. Request closing doc's from ADOH

### Closing Document Request email to Include:

- ✓ Title Report/Prelim (Full Report)
- ✓ Environmental Review Record Forms (ERR1, ERR2) with Plat or Flood Map
- ✓ Closing Information Sheet (must complete all sections)
- ✓ RFP / Loan Subsidy Advance (in a separate email, if applicable at this stage)

## The ADOH:

1. Process HBE agency's request for the YWHAZ closing documents
2. Post closing documents to the website
3. Notify counselor when the closing documents are posted

## The Counselor:

1. Reviews the closing documents
2. Forwards closing documents and funds for closing to title
3. Review signed closing documents from Title for accuracy
4. Send Funding Package with signed closing documents /legal docs (see your Transmittal Checklist)
5. Send RFP for Reimbursement to ADOH (if applicable at this stage)

## The Lender:

1. Complete lender's 1st mortgage loan docs
2. Forwards lender's loan docs and funds for closing to title

## Title:

1. Closes the transaction
2. Request funding authorization (from lender and counselor)
3. Funds the transaction
4. Completes the funding process
5. Send signed ADOH closing documents and the Final Hud-1 (and any overage of funds) to the Housing Counseling Agency for review

Please keep in mind while this is a detailed account, it is not exhaustive. Plus it does not account for any issues in the loan file or hang-ups in the process. There may be some steps in between steps that are not accounted for. Remember the overall process is designed to stay true to standard lending practices. Therefore, do not assume because it wasn't mentioned it's not needed (whatever that may be.)