



## WHOLESALE ANNOUNCEMENT 2018-20

### December 21, 2018

---

#### *CONVENTIONAL GUIDELINE CHANGES*

##### **1.03.06 Manufactured Homes Requirements and Restrictions**

- Income and Age Based Deed Restrictions are ineligible.
- If the manufactured home is de-titled prior to underwriting, nothing further is required.
- If the manufactured home is not de-titled, the original certificate of title will be required; the de-title process will be required at closing.

##### **1.11.07 DU REFI Plus and LP Relief Refinance**

- This section has been removed with the retirement of the HARP Program effective December 31, 2018.

##### **1.10.02 Limited Cash Out Refinances/Rate and Term**

- LP: Cash back allowed up to the greater of 1% of the new refinance mortgage or \$2,000.

##### **1.05.06 Commission Income**

- Aligned with [Fannie Mae SEL2018-09](#), removing the different treatment of commission income based on the percentage of employment income, removing the requirement for income tax returns and analysis of 2106 expenses.

##### **1.05.08.03 Car Allowances**

- The full automobile allowance will be added to income and the full payment will be included in liabilities. Two-year history of receipt is still required.

#### *FHA GUIDELINE CHANGES*

##### **1.03.07 Maximum Loan Amount**

- Maximum loan amounts for standard FHA loans have been updated to reflect the FHA Statutory Mortgage County Loan Limits for 2019

##### **1.03.22 Manufactured Homes Requirements and Restrictions**

- If the manufactured home is de-titled prior to underwriting, nothing further is required.
- If the manufactured home is not de-titled, the original certificate of title will be required; the de-title process will be required at closing.

12.21.2018



#### **1.06.06 Gift Funds**

- FCM has removed the overlay restricting non-family members from giving gifts. A close friend with a clearly defined and documented interest in the Borrower is now an eligible donor.

### *VA GUIDELINES CHANGES*

#### **1.03.07 Maximum Loan Amount**

- Maximum loan amounts for standard VA loans have been updated to reflect the VA 2019 Loan Limit of \$484,350.

#### **1.03.17 Manufactured Home Requirements and Restrictions**

- If the manufactured home is de-titled prior to underwriting, nothing further is required.
- If the manufactured home is not de-titled, the original certificate of title will be required; the de-title process will be required at closing.

#### **1.07.04 Credit Score Requirements**

- Credit score overlays for manual underwrites have been removed. The minimum credit score for manual underwriting is the same for AUS. See LTV/Credit Matrix.

#### **1.07.05 Inquires**

- Inquiries from the most recent 90 days on the credit report must be addressed with an explanation. This is a reduction from 120-day requirement.

### *RD GUIDELINE CHANGES*

#### **1.08.02 Length of Employment**

- Schooling and educational training time cannot be used to fulfill employment history requirement.

#### **1.08.04 Self Employed**

- A balance sheet is no longer required.

#### **1.08.05.01 Alimony, Child Support or Separate Maintenance**

- History of receipt requirement has been reduced from 12 months to 6 months

#### **1.08.05.16 Trust Income**

- History of receipt requirement has been reduced from 24 months to 6 months.



**1.08.07.08 Net Family Assets and Annual/Eligibility Income**

- The threshold for calculating income derived from net cumulative non-retirement assets has been increased from \$5000 to \$50,000.

**1.08.12 IRS Tax Transcript Requirements**

- RD has reinstated the requirements for Tax Transcripts for all adult household members.