



WHOLESALE ANNOUNCEMENT 2020-16

April 13, 2020

Compliance Announcement

NON-DELEGATED CORRESPONDENT ONLY

FORBEARANCE:

The COVID-19 epidemic has caused unprecedented disruption to the lives and incomes of many current and prospective mortgage borrowers throughout the country. Effective immediately, First Community Mortgage will be aligning with the direction outlined by Fannie Mae and Freddie Mac.

Effective immediately loans that are in forbearance, or loans for which forbearance has been requested are no longer eligible for purchase by First Community Mortgage.

It is expected that all Sellers have a process in place to actively track and monitor requests for a forbearance plan/mortgage relief option.

IF YOU PREPARE THE CLOSING PACKAGE (NOT FCM) THE FOLLOWING IS ALSO REQUIRED:

Upon delivery to First Community Mortgage a Lender Forbearance Attestation will be required for all loans submitted for purchase as of April 13, 2020, including existing pipeline.

Fannie Mae and Freddie Mac have released additional FAQs regarding eligibility of loans in forbearance. Please see Fannie Mae <https://www.fanniemae.com/portal/covid-19.html> and Freddie Mac <https://sf.freddie.mac.com/about/covid19> for additional information.

First Community Mortgage is providing the temporary guidelines due to the impacts of COVID-19 and the potential impact to a borrower's ability to repay. This guidance is temporary; therefore, First Community Mortgage guidelines will not be updated. These requirements are in effect until further notice and are effective for all loans including Conventional, FHA, VA, USDA and Non-Conforming Jumbo.

EPD/REPURCHASE DEMANDS:

Existing covenants and agreements in the Non-Delegated Correspondent Agreement regarding Early Payment Default provisions remain unchanged and fully enforceable. Any EPD directly related to a borrower request for forbearance under the CARES Act provision will be reviewed and communicated on a case-by-case basis.

04.13.2020



BORROWER CERTIFICATIONS:

Be advised First Community Mortgage may communicate with your borrower up to and including the day of closing regarding their ability to pay, employment status, changes in income, knowledge of pending lay-off and outstanding obligations. If a borrower indicates any changes in information used to qualify the loan or indicates an inability to make payments, First Community Mortgage will require the borrower to qualify with the updated information. If the borrower is unable to qualify the closing will be cancelled.



by  First Community Mortgage

Lender Forbearance Attestation

Date: _____

FCM Loan Number: _____

Borrower Name: _____

Property Address: _____

By completing and signing this attestation, we acknowledge and confirm the following information regarding the above referenced borrower(s):

- In general, we have a process in place to actively track and monitor Borrower(s) requests for a forbearance plan/mortgage relief option, or Borrower(s) indications of an inability to pay their mortgage payment in the upcoming months;
- Borrower(s) are not currently in a forbearance plan/mortgage relief option;
- Borrower(s) have not requested forbearance/mortgage relief option (verbally or in writing);
- Borrower(s) have not indicated a potential inability to pay their mortgage payment in the upcoming months; and
- Borrower(s) are not pending acceptance of a forbearance plan/mortgage relief option (verbally or in writing)

Lender Name

Name (must be authorized officer)

Title

Signature (must be authorized officer)

Date