



first community mortgage



WHOLESALE ANNOUNCEMENT 2022-35

July 7, 2022

Non-Conforming Jumbo Summit/Peak Guideline Updates

Effective Date

Effective for all loans locked on or after Friday, July 8, 2022.

Guideline Updates:

Eligibility/Requirements

- Verification of Residency
 - Removal of allowances related to Expired Visas. Visas must be valid through loan funding date
 - Added requirements related to Visa renewal history and 3-year probability of continuance
 - Amended list of eligible Visa types – numerous types removed from eligibility
- Leasehold properties are no longer eligible
- Several property types added to the ineligible list, including
 - HOA projects named as party to pending litigation, Geodesic/Dome Homes, Log Homes, Properties with oil and gas, Illinois Land Trust

Credit

- Credit rescoring are not permitted unless the rescore is correcting erroneous line items or disputed accounts
- Removed reduced waiting periods with extenuating circumstances allowances for significant derogatory history. Standard waiting period of 7 years applies
- Added Rental History guidelines to include:
 - Minimum of twenty-four (24) months verified housing history is required with 0x30 payment history
- Frozen Credit Requirements for Traditional Credit
 - No borrower in a transaction may have frozen credit. If borrower has frozen credit and unfreezes their credit after the original credit report was ordered, a new credit report must be obtained to reflect updated information for evaluation
- Underwriter must review inquiries listed on the credit report within the last 120 days (changed from 90 days)

Income/Assets

- Verbal Verification of Self-Employment must be obtained through third party sources within 10 business days prior to note date (change from 120 days)
- Tax transcripts are now required, in addition to completed 4506C for all qualifying income sources. This includes DU Validated income sources.
- Automobile Allowance and Expense Account payments are no longer eligible sources of qualifying income



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- Self-employed Co-borrowers income verification – Business Assets are no longer eligible towards required reserves
- Boarder Income is no longer an eligible income source

Appraisal

- If property exceeds 10 acres, the appraisal must contain comparables with similar acreage
- 2 appraisals are required over 1.5 million
 - LTV/CLTV will be based on the lower of the two values
 - All inconsistencies between the two appraisals must be addressed and reconciled

Guidelines will be updated on July 8th and posted on the Wholesale Knowledge Center

**Should you have any questions, please reach out to your
Account Executive or Client Manager**