

## **WHOLESALE PRODUCT & PRICING BULLETIN 2012-08b**

### **REVISION TO FHA STREAMLINE MINIMUM CREDIT SCORE AND ADDITION OF AVM REQUIREMENT**

#### **EFFECTIVE AUGUST 8, 2012**

##### **INCREASE IN CREDIT SCORE REQUIREMENT**

- Due to recent secondary market updates First Community Mortgage Inc. has chosen to increase the minimum FICO score allowed on all FHA streamline (FHAS) products to 700.
- This new minimum credit score will be in effect for all FHA Streamline loans locked using the FHAS products after **August 8<sup>th</sup>, 2012.**
- **All FHA Streamline loans with credit scores below 700 must be closed and funded no later than lock expiration. Extensions cannot be granted.**

##### **ADDITION OF AVM REQUIREMENT**

- In addition, ALL FHA Streamline Refinance transaction will now require a FHLMC HVE AVM or a Corelogic Geo AVM.
- The FHLMC HVE AVM and the Corelogic Geo AVM can be obtained by submitting the AVM request form located in the forms section of the Knowledge Center to the FCM Appraisal Desk.
- Any required AVM products will be ordered by FCM at no cost to the borrower/FCM partner.
- The LTV is determined by the TOTAL loan amount divided by the AVM “estimated value.”
- If the AVM product is unable to determine a value for the particular property or the AVM value is not sufficient for the transaction please contact [appraisaldesk@fcmpartners.com](mailto:appraisaldesk@fcmpartners.com) for additional product options.
- The HVE AVM may be no older than 90 days at the closing date.
- The original appraised value of the existing/prior FHA loan (from the FHA Refinance Authorization screen in FHA Connection) will still be used to determine the Annual MIP termination date for TIL disclosure payment stream and APR calculation.