

WHOLESALE PRODUCT & PRICING BULLETIN 2017-01 GUIDELINES UPDATE

Below is a summary of changes effective January 31, 2017. Please see the full guidelines for specific details regarding these changes.

Credit Score-LTV Matrix

Credit Scores

- The minimum credit score requirement for Rural Development loans has been reduced to 620.

Conventional

1.05.05 Inquiries

- Inquires resulting from the subject mortgage application, for primary or secondary financing, do not require explanation.

1.06.14 4506-T Requirements

- A fully executed IRS Form 4506-T must be included for all income types included in qualification. The 4506t must be completed specifically for each form and must be completed prior to the customer signing.

1.07.01 Checking and Savings Accounts and Certificates of Deposit

- Overdraft/NSF activity can be an indicator of financial mismanagement and credit risk; Overdrafts/NSF activity may require explanation and if severe, could warrant a decline.

1.08.06.10 Condominiums

- Site Condominiums are detached single family residences encumbered by a declaration of condo covenants and are not subject to any level of review.

FHA

1.06.02 Checking and Savings Accounts and Certificates of Deposit

- Overdraft/NSF activity can be an indicator of financial mismanagement and credit risk; Overdrafts/NSF activity may require explanation and if severe, could warrant a decline.

1.07.05 Inquiries

- Inquires resulting from the subject mortgage application, for primary or secondary financing, do not require explanation.

1.09.02 Rate and Term Refinance

- Properties currently listed for sale are eligible for a Rate and Term Refinance. The listing must be removed/cancelled prior to closing.

1.09.03 Cash-Out Refinance

- Any co-borrower or cosigner being added to the note must be an occupant of the property.
- Cash-Out Refinances are not allowed if the property is currently listed for sale. The property must have been taken off the market or the listing must have expired at least 1 day prior to the application date to be eligible.

VA

1.03.10 VA Prior Approval Loans

- Policy and procedures for VA Prior Approval loans has been updated, see full guidelines for details.

1.06.02 Checking and Savings Accounts and Certificates of Deposit

- Overdraft/NSF activity can be an indicator of financial mismanagement and credit risk; Overdrafts/NSF activity may require explanation and if severe, could warrant a decline.

1.07.05 Inquiries

- Inquires resulting from the subject mortgage application, for primary or secondary financing, do not require explanation.

1.07.20 Student Loans

- Per VA Circular 26-17-02 the calculation for Student Loan Debt has been updated. See full guidelines for details.

RD

1.06.03 Credit Score Requirements

- Minimum Credit Score has been reduced to 620

1.06.08 Inquiries

- Inquires resulting from the subject mortgage application, for primary or secondary financing, do not require explanation.

1.09.02 Liquid Assets

- Overdraft/NSF activity can be an indicator of financial mismanagement and credit risk; Overdrafts/NSF activity may require explanation and if severe, could warrant a decline.

All of these changes are reflected in the full guidelines - Version 1.31.17