



WHOLESALE PRODUCT & PRICING BULLETIN 2018-1 GUIDELINE UPDATE

Below is a summary of changes effective January 19, 2018. Please see the full guidelines for specific details regarding these changes.

Conventional

1.03.09 Maximum Loan Amount

- Conforming Loan Limits have been updated per FHFA's Conforming loan limit increase for 2018. Fannie Mae and Freddie Mac have adopted the increases for loans delivered to MBS pools on or after January 1, 2018. Desktop Underwriter and Loan Prospect Advisor have been updated to reflect the new loan limits and loans may be originated and locked under these new limits effective immediately.

1.05.15 IRS Tax Transcripts

- Transcript requirements have been revised, transcripts are not required for the following:

Income Type	Transcript Type
Borrower is qualified based on W-2 income (Salary, Bonus, Overtime and Commission less than 25%). Borrower has no rental income, alimony or other evidence taxes would be required to accurately assess income or liabilities.	NONE
1099 Income for Pension or Social Security Income	NONE

1.08.11 Student Loans (LP Transactions)

- Per Freddie Mac Bulletin 2017-23 the following guidance is effective immediately.

STUDENT LOANS IN REPAYMENT:

When a monthly payment is not reported on the credit report, documentation supporting the actual payment is required. In determining qualifying payment for DTI ratio, **use the greater of:**

- The monthly payment amount reported on the credit report
Or



WPPB2018-1
GUIDELINE UPDATE
JANUARY 19, 2018

- 0.5% of the original loan balance or outstanding balance as reported on the credit report, whichever is greater.

STUDENT LOANS IN FOREBEARANCE

If no monthly payment is reported on the credit report and a payment is not supported with documentation of the proposed/projected monthly payment then 1% of the outstanding balance will be used in the debt ratio for qualifying purposes. If there is a payment on the report, then the greater of that payment or 1% must be included in the DTI for qualifying purposes.

FHA

1.03.07 Minimum and Maximum Loan Amount

- County Loan Limits have been updated per FHFA's Conforming loan limit increase for 2018. Fannie Mae and Freddie Mac have adopted the increases for loans delivered to MBS pools on or after January 1, 2018. Desktop Underwriter and Loan Prospect Advisor have been updated to reflect the new loan limits.

1.05.13 IRS Tax Transcripts

- Transcript requirements have been revised, transcripts are not required for the following:

Income Type	Transcript Type
Borrower is qualified based on W-2 income (Salary, Bonus, Overtime and Commission less than 25%). Borrower has no rental income, alimony or other evidence taxes would be required to accurately assess income or liabilities.	NONE
1099 Income for Pension or Social Security Income	NONE



VA

1.05.15 IRS Tax Transcripts

- Transcript requirements have been revised, transcripts are not required for the following:

Income Type	Transcript Type
Borrower is qualified based on W-2 income (Salary, Bonus, Overtime and Commission less than 25%). Borrower has no rental income, alimony or other evidence taxes would be required to accurately assess income or liabilities.	NONE
1099 Income for Pension or Social Security Income	NONE

All of these changes are reflected in the full guidelines - Version 01.19.18