



WPPB2018-3
GUIDELINE UPDATE
APRIL 10, 2018

WHOLESALE PRODUCT & PRICING BULLETIN 2018-3 GUIDELINE UPDATE

Below is a summary of changes effective April 10, 2018. Please see the full guidelines for specific details regarding these changes.

Conventional

1.03.07 Manufactured Homes Requirements and Restrictions: The following overlays have been removed: DTI, Reserve, and Housing History; AUS will now determine acceptability/requirements. The restriction on gift funds has been removed. Non-Occupant borrowers are now allowed on LTV's of 80% or less. A structural engineers report is only required within 1 year of permanent affixation. Homes manufactured in 1994 and later are eligible. The following overlay has been added: 30 Year amortization only.

1.08.03 Debts Paid by Others/Contingent liabilities: For LP Files: When a borrower is obligated on a mortgage debt – but is not making the payments, the payment may be excluded only if the payor is obligated on the debt (evidenced by the note) and 12 cancelled checks are provided showing the borrower is not paying the debt and no delinquencies have occurred in the 12-month payment history. The payor of the account cannot be an interested party to the subject transaction. This now aligns with Fannie Mae's policy regarding Mortgage Debt not paid by the borrower.

1.08.07 IRS Installment Agreements/Payment Arrangements: FCM is aligning with newly Fannie Mae's newly published guidance regarding IRS installment agreements. Borrowers with approved IRS installment agreement are eligible with certain requirements met, including the verification a Notice of Federal Tax Lien has not been filed and 1 payment has been made under the approved IRS agreement.

1.09.06.10 Condominiums: Site Condominiums are detached single family residences encumbered by a declaration of condo covenants and are not subject to any level of review regardless of amenities/services of HOA.

FHA

1.03.17 FHA High Balance Transactions: Minimum credit score requirement has been reduced to 620.



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1.06.10 Borrowed Funds

Borrowed funds may only be used to fulfill cash to close and down payment requirements if satisfactory evidence is provided that the funds are fully secured by financial institution investment accounts (bitcoin is ineligible) or real property (real estate) and the borrower can qualify with the repayment. This payment must be included in the borrower's debt ratio.

- Loans secured by automobiles, recreational vehicles, furniture and other household goods are not an acceptable source of funds.

VA

1.03.16 VA High Balance Transactions: Minimum credit score requirement has been reduced to 620.

1.03.22 Manufactured Homes Requirements and Restrictions: The following overlays have been removed: DTI, Reserve, and Housing History; AUS will now determine acceptability/requirements. The restriction on gift funds has been removed. Homes manufactured in 1994 and later are eligible. The following overlay has been added: 30 Year amortization only.

RD

1.07.05 Student Loans: The payment calculations for student loans have been updated to align with Rural Development requirements. Where a fully amortized fixed payment is stated, it may be used in qualifying DTI. Instances where the payment is based on a non-fixed payment arrangement, 1% of the outstanding balance is to be used.

All of these changes are reflected in the full guidelines - Version 04.10.18