

What's New

A summary of recent and upcoming changes:

Summary of Changes	
FNMA Updates	<p>In SEL 2017-10 Fannie Mae clarified the waiting periods for when an LLC is transferred to an individual borrower through a cash out loan.</p> <p>The Conforming Fixed, FNMA Conforming/High Balance ARM and the High Balance Fixed matrices have been updated with the following language: <i>Majority ownership in a limited liability corp (LLC) by the borrower(s) may be counted towards meeting the borrower's minimum 6 month ownership requirement. In order to close the new refinance transaction, title ownership must be transferred out of the LLC and into borrower's name. Note: Title ownership from LLC to borrower's name can be transferred at closing.</i></p> <p>loanDepot Wholesale is implementing these updates effective immediately.</p>
Texas 50(a)(6) Updates	<p>Based on recently passed Texas legislation the Conforming Texas A6 and Texas A6 FHLMC Relief Refi/Open Access matrices have been updated to change the 3% fee cap to 2% and remove the maximum 10 acre restriction.</p>
Reminder of Upcoming Changes in 2018	
HMDA	<p>Starting with new applications taken 1/1/18 or later, loanDepot Wholesale will require, at submission, FNMA's Demographic Information Addendum as part of the 1003. The addendum will supersede any demographic information provided on the 1003.</p>
Form 4506-T	<p>The IRS has released new versions of forms 4506-T and 4506T-EZ (July 2017). Any orders placed after January 1, 2018 must be submitted using the new forms or they will be rejected. Also, as a reminder, LDW requires completed 4506-T forms at submission on all transactions.</p>
Texas A6 Amendments	<p>On November 7, 2017, Texas voters passed a ballot measure to amend the home equity lending provisions under Texas A6. The amended provisions will lower the threshold of applicable fees that can be charged on from 3% to 2% and will exclude certain fees previously included, such as appraisal, survey, title insurance premiums, and title examination fees.</p> <p>The amendments will take effect on January 1, 2018. For any active Texas A6 transactions that do not sign loan documents on or before December 31, 2017, a new 12-day notice will be provided to the borrowers for signature and a new 12 day waiting period must elapse before the loan can fund.</p>



<p>Loan Limit Changes</p>	<p>Conforming- 2018 Conforming Loan Limits are now live in the Broker portal for all floating loans and loans locked on or after December 21, 2017. All conventional loan programs have been updated to allow for the increased loan amounts.</p> <p>FHA- The maximum loan limits for FHA forward mortgages will rise in 3,011 counties and apply to FHA case numbers assigned on or after January 1, 2018. LDW will start accepting loans with the 2018 limits starting January 1, 2018. Click here for a complete list of FHA loan limits.</p> <p>VA- The Veterans Benefits Administration has announced the Dept. of VA’s effective loan limits for loans closed on or after January 1, 2018. All loans closed on or after January 1, 2018, will be eligible for the new VA loan limits. LDW will start accepting the new VA loan limits effective on or after January 2, 2018. To price/lock new and existing loans with the new VA loan limits prior to January 2, 2018:*</p> <ul style="list-style-type: none"> - New submissions and existing floating loans: <ul style="list-style-type: none"> ○ Run product and pricing in LDW’s Broker portal with the current loan limits to confirm eligibility and lock or confirm pricing (if floating) at current loan limits ○ Contact your Account Executive, who will work with our internal Operations team to manually price/lock the loan at the correct loan amount - Existing locked loans: <ul style="list-style-type: none"> ○ Contact your Account Executive, who will work with our internal Operations team to manually price/lock the loan at the correct loan amount <p>*All loans priced/locked with new VA loan limits must fund on or after January 2, 2018</p>
<p>California Recording Fees</p>	<p>On September 29, 2017 the state of California enacted the Building Homes and Jobs Act, impacting CA refinance transactions (excludes purchase transactions), beginning January 1, 2018. In addition to the existing recording fees, a fee of \$75 (not to exceed \$225 or 3 documents) per single real estate transaction, shall be paid at the time of recording every “real estate instrument, paper, or notice” (Cal. Gov. Code § 27388.1). The purpose of the bill is to provide affordable housing opportunities by establishing a permanent, ongoing source of funding.</p> <p>LDW now requires all CA refinance transactions not scheduled to close in 2017 to include this additional recording fee:</p> <ul style="list-style-type: none"> • Loan Estimates (LE) generated through our Broker portal will pre-populate the new fee at the \$225.00 max allowable fee, meaning it will be imposed on no more than three (3) document types per transaction regardless of how many documents are recorded • Broker generated LEs must have the additional recording fee disclosed as well as documented on the Title fee quote

