

What's New

A summary of recent and upcoming changes:

Updates	
<p>Veterans Affairs – Ginnie Mae Refinance Seasoning Requirements Update</p>	<p>All VA refinanced loans that payoff <i>government and/or non-government lien(s)</i>, must meet the seasoning requirements below.</p> <p>On March 29, 2019, Ginnie Mae (GNMA) issued APM 19-03 providing additional compliance guidance for seasoning requirements. GNMA is clarifying that the seasoning requirements from APM 18-04 applies to all loans being refinanced under the VA guarantee program.</p> <ul style="list-style-type: none"> • The note date of the refinance loan must be on or after the later of: <ul style="list-style-type: none"> ○ The date that is 210 days after the date on which the first monthly payment was made on the mortgage being refinanced, and ○ The date on which 6 full monthly payments have been made on the mortgage being refinanced. <p>Note: The following loans may be exempt from the above seasoning requirements:</p> <ul style="list-style-type: none"> • Loans Refinancing Mortgages Without Scheduled Monthly Payments (i.e. reverse mortgage) • Permanent Financing Construction Loan with less than 6 monthly payments required per the loan note.
<p>VA Net Tangible Benefit Disclosure- Reminder</p>	<p>The Veterans Affairs (VA) Net Tangible Benefit (NTB) Cash-out Rule outlined in Circular 26-19-05 has been in effect for all applications taken on or after February 15, 2019.</p> <p>The following is required to comply with VA requirements:</p> <ul style="list-style-type: none"> • The initial NTB Form must include estimates of all six data points for the existing loan: <ul style="list-style-type: none"> ○ Payoff amount ○ Loan type (e.g., fixed, adjustable) ○ Interest rate ○ Remaining term ○ Total of remaining payments (principal + interest X remaining term) ○ LTV (based on estimated property value) • The initial NTB Form must be complete and identify an eligible NTB <ul style="list-style-type: none"> ○ Minimum of one NTB must be selected ○ NTB Form cannot be blank or incomplete • Borrower certification of the NTB Form must be within 3 days of the initial loan application <ul style="list-style-type: none"> ○ Via signature, e-signature, email from the borrower certifying receipt, email read receipts, system time/date stamp, etc. ○ Best effort for USPS mail fulfilled disclosures <p>Resources</p> <ul style="list-style-type: none"> • VA Circular 26-18-30



	<ul style="list-style-type: none"> • VA Circular 26-18-30 Change 1 • VA Circular 26-19-05 • VA Circular 26-19-05 Change 1
<p>FHA HUD Handbook 4000.1 Updates</p>	<p>The revised HUD Handbook 4000.1 incorporates recent Mortgagee Letters, as well as other updates and clarifications into its content.</p> <p>Note: Link provided is for the revised HUD Handbook 4000.1 dated March 27, 2019</p> <p>Summary of updates is listed below</p> <ul style="list-style-type: none"> • Effective with FHA Case Numbers assigned on or after March 14, 2019 the Ten-Year Warranty is no longer required • FHA has revised its requirements for employment, income, and asset accounts to permit the use of Third Party Verification (TPV) services • HUD has eliminated the requirements for the FHA Inspector Roster and will accept inspections performed by the International Code Council (ICC) RCI or CI. • Properties encumbered with PACE obligations are no longer be eligible for FHA-insured mortgages • Tip Income has been added to the <i>Overtime and Bonus Income</i> section, and will be analyzed in the same manner. • Clarification that a subordination agreement is not required for unpaid federal tax liens that are in an eligible repayment plan. • Clarification that a borrower with an existing FHA loan on a primary residence may qualify as a non-occupant co-borrower on other FHA loans. • Clarification that gift funds not verified in the borrower’s account require the donor’s bank statement evidencing sufficient funds for the gift in addition to the wire or other transfer document.

