

What's New

A summary of recent and upcoming changes:

<p>TRID Amendment and Express CD for Non-Agency Transactions</p>	<p>The CFPB recently published a new amendment to TRID that officially closes the TRID Black Hole. Per the amendment, effective June 1, 2018, a loan with a valid change of circumstance that resets fee tolerances after the initial CD, no longer has to close within 7 days of the change. Starting June 1, 2018, we can charge borrowers fees that increase out of tolerance after the initial CD, if the increase is due to a valid change of circumstance and it is re-disclosed within 3 business days of the change, no matter when the loan closes.</p> <p>This change takes effective June 1, 2018 for loan applications that are in process, as well as loan applications made on and after June 1, 2018</p> <p>Also effective June 1, 2018 we will bring back Express CD for non-Agency loans, which allows CD ordering prior to satisfying all loan conditions.</p>
<p>Key Dates</p>	<p>June Key Dates are now posted on the loanDepot Wholesale website. Please click here to view</p>
<p>VA Circular 26-18-13</p>	<p>On May 25, 2018 VA issued Circular 26-18-13 detailing bill S.2155 that passed the House on May 22, 2018 and has been signed into law. S. 2155 includes the Protecting Veterans from Predatory Lending Act of 2018 designed to protect Veterans from loan churning or serial refinancing.</p> <p>This law requires the following:</p> <ul style="list-style-type: none"> • On IRRRLs the lender must provide recoupment statements in accordance with Circular 26-18-1 and 26-18-1 Change 1 • Certify that all fees and costs incurred on IRRRLs have a recoupment of no more than 36 months, as determined by the date of the note. • IRRRL loans must meet a Net Tangible Benefit test as follows: <ul style="list-style-type: none"> ○ Fixed Rate to Fixed Rate- the new loan must have an interest rate that is not less than 50 basis points (.50 less in interest rate) less than the previous loan ○ Fixed Rate to Adjustable Rate- the new loan must have an interest rate that is not less than 200 basis points (2.00 less in interest rate) less than the previous loan and <ul style="list-style-type: none"> ▪ The lower rate is not produced solely from discount points unless such points are paid at closing and <ul style="list-style-type: none"> • For discount points that are less than or equal to one discount point the LTV must be 100% or less (see Exhibit A) • For discount points that are greater than one discount point



	<p>the LTV must be 90% or less (see Exhibit A)</p> <ul style="list-style-type: none"> • All VA loans must meet seasoning requirements based on this Circular and Ginnie Mae APM 18-04 <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 payment is made on the loan, and; ▪ The date on which the sixth monthly payment is made on the loan. <p><i>Effective: Loan Applications taken on or after May 25, 2018 must meet these requirements.</i></p>
<p>VA Circular 26-18-13- Exhibit A</p>	<p>On May 25, 2018 VA issued Exhibit A-to Circular 26-18-13 Lender Instructions When Determining Value for IRRRLs. When discount points are charged, an appraisal is required. When discount points are not charged, an appraisal is not required (unless otherwise required by the program)</p> <ul style="list-style-type: none"> • These appraisals will not be ordered through WebLGY or the VA Fee Panel. Lenders should use their appraisal management and assignment process to complete a value determination. • Acceptable forms of appraisal reports are: <ul style="list-style-type: none"> ○ Exterior-Only Inspection Residential Appraisal Report (Fannie Mae 2055) ○ Uniform Residential Appraisal Report (Fannie Mae 1004) ○ Exterior-Only Inspection Individual Condominium Unit Appraisal Report (Fannie Mae 1075) ○ Individual Condominium Unit Appraisal Report (Fannie Mae 1073) ○ Other industry accepted appraisal reports for multi-unit homes <p>If lenders require the Veteran to pay for the cost of the appraisal, the cost must be included as part of the recoupment cost. The Veteran may only be charged a reasonable and customary amount, and only charged for one appraisal.</p> <p><i>Effective: Loan Applications taken on or after May 25, 2018 must meet these requirements.</i></p>

