

# WHOLESALE BULLETIN

IMPORTANT INFORMATION: PLEASE READ IMMEDIATELY

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## 18W-096

Attention: Business Development Managers & Mortgage Brokers

November 1, 2018

Please take a moment to read the important information contained in this bulletin.

Included in this Bulletin: **Monthly Bulletin Digest – October 2018**

*Below is a recap of the Bulletins that were released last month:*

*(Complete bulletins are located on the MWF Internet page under resources or by clicking on the [Wholesale Bulletin](#) link here)*

Topic	Bulletin Number	Detail
Monthly Bulletin Digest	18W-088	
Multiple Underwriting Guideline Updates and Clarifications	18W-089	
Important Dates for Refinance Transactions	18W-090	For Refinance Loans closing in the month of October, please review the bulletin for important information and dates.
Professional Program	18W-091	<p>Mountain West Financial, Inc. began offering the “Professional Program” effective 10/05/2018! This program allows for unique guidelines that are beneficial for borrowers newly entering the medical profession.</p> <p><b>Program Highlights for the Professional Program</b></p> <ul style="list-style-type: none"> <li>• Borrowers that are in or have recently completed a medical residency program and/or medical clinical fellowship program are eligible (see Product Matrix for specific professions).</li> <li>• Student loan payments that are in a period of deferment or forbearance may be excluded from the DTI.</li> <li>• Future income that will take effect within 90 days after the Note Date may be considered.</li> <li>• LPA Accept finding is required.</li> </ul> <p>Please review the <a href="#">Professional Program Product Matrix</a> for complete program guidelines.</p>

<p>GSFA Platinum US Bank Loan Document Requirements</p>	<p>18W-092</p>	<p>Effective with all reservations on or after 10/5/18, US Bank is requiring a Mortgage Loan Origination Agreement (MLOA) for ALL loans (borrower paid and lender-paid). Since US Bank is the Master Servicer for the GSFA Platinum program, this requirement affects ALL of the GSFA Platinum loans.</p> <ul style="list-style-type: none"> <li>• The MLOA form must be delivered to the borrower within 3 days of application.</li> <li>• The MLOA must be signed by the broker and a minimum of one borrower.</li> <li>• The MLOA needs to identify the source of compensation (borrower-paid for GSFA loans) and the compensation amount (dollar amount or percentage).</li> <li>• The MLOA must match the final Closing Disclosure (CD).</li> </ul> <p>As a reminder, the Anti-Steering Certificate (aka Anti-Steering Disclosure) must be provided on all GSFA Platinum loans and signed by the broker</p>
<p>Introducing HELOCs</p>	<p>18W-093</p>	<p>Wholesale brokers may request a TCF HELOC at the time they submit the simultaneous 1st trust deed loan to Mountain West Financial, Inc. (MWF). This program can be used in conjunction with any MWF product that allows for secondary financing. MWF will act as a facilitator to gather and submit information/documentation on behalf of the broker to TCF. MWF will assign a HELOC Transaction Coordinator to process the request for the simultaneous TCF HELOC. Because MWF is acting as a facilitator, no HELOC loan file is to be created in BOLT. The terms of the HELOC are entered when the 1st TD is registered and priced. Disclosures are not required to be issued.</p> <p>Borrower pays TCF loan origination charge of \$295 and third party settlement charges as well as a \$75.00 annual maintenance fee.</p> <p>Broker will not be compensated by borrower, MWF or TCF.</p> <p>Please review the <a href="#">TCF HELOC Product Matrix</a> for complete guidelines and details.</p>
<p>Home Ready Changes</p>	<p>18W-094</p>	<p>Mountain West Financial is pleased to announce the introduction of 2-4 units to the Fannie Mae HomeReady program.</p> <p><b>2-4 Units Highlights:</b></p> <ul style="list-style-type: none"> <li>• High Balance eligible</li> <li>• Purchase loans and rate/term refinances (no cash-out)</li> <li>• 85% Max LTV/CLTV for 2 Unit properties <ul style="list-style-type: none"> <li>○ 3% Minimum borrower contribution for LTVs &gt;80%</li> </ul> </li> <li>• 75% Max LTV/CLTV for 3-4 Unit properties</li> </ul>

		<p><b>ARM Options Discontinued</b>  Due to lack of demand, adjustable rate mortgage options are no longer available for HomeReady.</p> <p>As a reminder, the Fannie Mae HomeReady program has favorable pricing, especially for credit scores <math>\geq 680</math> and LTV above 80% and reduced MI requirements for LTVs <math>&gt;90\%</math> up to 97%.</p>
<p>Home Possible Consolidation and 2-4 Units</p>	<p>18W-095</p>	<p>Effective October 29, 2018, Freddie Mac combined the Home Possible and Home Possible Advantage to help with ease of use and operational efficiencies by eliminating the need to maintain two separate offerings. The Home Possible program continues to meet the needs of low- and moderate-income Borrowers looking for a 3% down payment option. Certain requirements and permissible loan attributes will continue to vary depending on LTV and TLTV ratios.</p> <p>With the consolidation, Freddie has expanded access to credit by providing new flexibilities that will help increase homeownership opportunities for more borrowers:</p> <ul style="list-style-type: none"> <li>• Non-occupant borrowers are permitted on 1-unit properties with LTV/TLTV <math>\leq</math> to 95%*</li> <li>• Ownership of other property is permitted without any restrictions</li> <li>• Super conforming loan amounts are permitted with LTV/TLTV <math>\leq</math> to 95%*</li> <li>• Standard secondary financing, including HELOCs, for TLTV/HTLTV now up to <math>\leq</math> to 97%*</li> <li>• Evidence of regular rental payments for at least 9 of the past 12 months, is required and the income must be averaged over 12 months when fewer than 12 months is documented</li> </ul> <p>*A TLTV ratio of less than or equal to 105% is permitted for Mortgages with an Affordable Second.</p> <p>Mountain West Financial is expanding to include 2-4 units to the Home Possible program.</p> <p><b>2-4 Units Highlights:</b></p> <ul style="list-style-type: none"> <li>• Super conforming eligible</li> <li>• Landlord education required for purchase (recommended for refinance/no cash-out)</li> <li>• Minimum borrower contribution is 3% when LTV/TLTV <math>&gt;80\% \leq 95\%</math>: 3% of Value</li> </ul>

**Refer to individual Bulletins for complete details.**