

# WHOLESALE BULLETIN

IMPORTANT INFORMATION: PLEASE READ IMMEDIATELY

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## 19W-008

Attention: Business Development Managers & Mortgage Brokers

February 1, 2019

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

Included in this Bulletin: **Monthly Bulletin Digest – January 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	19W-001	
Multiple Underwriting Guideline Updates and Clarifications	19W-002	
Important Dates for Refinance Transactions	19W-003	For Refinance Loans closing in the month of January, please review the bulletin for important information and dates.
GSFA AUS Loan Limits MCC Updates	19W-004	<p>Conventional loans reserved on or after January 7, 2019, <u>must be run through Freddie Mac Loan Product Advisor (LPA) and receive a purchase eligible Accept through LPA. GSFA will no longer allow</u> loans that are underwritten utilizing Fannie Mae's Desktop Underwriter (DU). This change impacts Platinum Conventional DTI and other real estate ownership guidelines:</p> <ul style="list-style-type: none"> <li>• Conventional debt-to-income ratio will be 45% max regardless of LPA findings.</li> <li>• Borrowers cannot own other real estate at time of closing.</li> </ul> <p><b><u>Loan Limits:</u></b> GSFA will increase the Conventional and FHA loan limits for the GSFA Platinum Program to \$484,350 effective January 1, 2019 for all counties.</p> <p><b><u>FHA High Balance:</u></b> GSFA has discontinued offering High Balance for Platinum FHA. The maximum loan amount is capped at \$453,100 until January 1,</p>

		<p>2019.</p> <p><b><u>GSFA Mortgage Credit Certificate (MCC):</u></b>  The MCC application fee will be increased to \$450 as of January 1, 2019. The GSFA MCC application fee waiver promotion will end December 31, 2018 and will be replaced with a new promotion running January 1, 2019 through June 30, 2019. The MCC fee will be reduced to \$350 if the GSFA MCC reservation is made concurrently with a GSFA Platinum Program reservation.</p>
CalHFA Changes to Income Calculation, Non-Occupant Co-signers and Borrower Affidavit	19W-005	<p>Effective for loans locked on and after February 1, 2019, CalHFA is making the following revisions:</p> <p><b><u>CalHFA Income Calculation:</u></b> For all CalHFA loan programs, CalHFA will use the lender's credit qualifying income, calculated per GSE and FHA, for CalHFA's income limits. To validate the income calculation used, CalHFA will need the final AUS and:</p> <ul style="list-style-type: none"> <li>• FHA: 92900-LT with Chums# and income calculation breakdown</li> <li>• Conventional: 1008 with income calculation breakdown</li> </ul> <p>This change does not affect the income calculation method for CalHFA's Mortgage Credit Certificate (MCC) program, nor the fact that an MCC cannot be used for qualifying purposes when used in conjunction with a CalHFA first mortgage.  See the new <a href="#">CalHFA Loan Submission Checklist</a> for a complete list of items to be uploaded.</p> <p><b><u>Non-Occupant Co-Signors:</u></b> CalHFA will no longer allow non-occupant co-signors on FHA loans. The allowance of non-occupant co-signors on Conventional loans was previously eliminated. Non-occupant co-signors and non-occupant co-borrowers are not allowed on any CalHFA loan.</p> <p><b><u>New Borrower's Affidavit:</u></b> CalHFA has introduced a new <a href="#">Borrower Affidavit and Certification</a>, which includes the borrower self-certifying that they are a first-time:</p> <p>See CalHFA Program Bulletins <a href="#">2019-01</a> and <a href="#">2019-02</a> for additional details.</p>
GSFA FHA Platinum Program DPA Changes	19W-006	<p>Good news! For reservations locked on and after Monday, January 14, 2019, the amount of down payment assistance (DPA) available for GSFA Platinum FHA loan transactions with a borrower FICO 640-659 will increase by 0.5%. DPA will be available as 2.5% or 3.5% of the loan amount.</p> <p>The assistance options for FHA borrowers with FICOs 660+ remains unchanged at 3.0% or 4.0%.</p> <p>For complete program details, please see the <a href="#">GSFA Platinum Program Matrix and Overview</a>.</p>
Impact of Federal Government Shutdown	19W-007	<p>Fannie Mae and Freddie Mac have produced some temporary requirements for borrowers impacted by the government shutdown</p>

as outlined below.

These temporary requirements apply to borrowers impacted by the shutdown and will automatically expire when the federal government resumes full operations.

**Liquid Financial Reserves**

For loans other than high LTV refinances with application dates on or after January 16, 2019, the borrower must have the greater of:

- Two months of documented reserves, OR

For loan casefiles underwritten through an AUS, the amount of reserves required by the AUS (with overlays as required by the Selling Guides for certain transactions); or for manually underwritten loans, the amount of reserves required for the transactions is per the Selling Guides.

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