



WHOLESALE BULLETIN

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19W-019

Attention: Business Development Managers & Mortgage Brokers

March 15, 2019

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

Included in this Bulletin: FHA Update for Mortgagee Letter 2019-04 and 2019-05 Inspector Roster and New Construction 10 Year Protection Plans

Mountain West Financial, Inc. is pleased to share that the **Federal Housing Administration** has taken steps to reduce some of the regulatory burdens that belabor the lending process, releasing two mortgagee letters Tuesday with updated guidelines on home warranty and inspection requirements for single-family FHA loans.

[Mortgagee Letter 2019-04](#) eliminates the FHA Inspector Roster in order to expand the pool of inspectors for lenders.

Per the Mortgagee Letter, the FHA said industry standards and local regulations are sufficient to ensure inspector qualifications. "There is no longer a need for HUD to maintain and administer its own standardization process for inspectors," the mortgagee letter stated.

[Mortgagee Letter 2019-05](#) streamlines guidelines for home warranties by eliminating the requirement that borrowers purchase 10-year protection plans for new construction homes, reducing expenses for the borrower. The FHA said homebuyer and builder's one-year Warranty of Completion of Construction provides enough assurance that the home was built properly and the borrower is protected.

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