

# WHOLESALE BULLETIN

IMPORTANT INFORMATION: PLEASE READ IMMEDIATELY

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## 19W-082

**Attention: AEs, Business Development Managers & Mortgage Brokers      October 1, 2019**

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

**Included in this Bulletin: Monthly Bulletin Digest – September 2019**

*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-074	
Multiple Underwriting Guideline Updates and Clarifications	19W-075	
Fannie Mae Government DU Release October 2019	19W-076	<p>During the weekend of October 19, 2019, Desktop Underwriter for government loans will be updated to support the Maximum Loan-to-Value and Combined Loan-to-Value Percentages for Cash Out Refinance Mortgages announced by FHA in Mortgagee Letter 2019-11.</p> <p>Mortgagee Letter 2019-11 reduced the maximum allowable LTV and CLTV for cash out refinances effective September 1, 2019 from 85% to 80%. To support these changes, several impacted DU eligibility messages will be updated. These updates will apply to all FHA cash out refinance loan casefiles submitted or resubmitted on or after the weekend of October 19, 2019.</p> <p>To ensure a smooth and speedy process, be sure that FHA cash out refinance transactions follow the LTV/CLTV changes noted above. During the period between FHA's effective date of September 1, 2019, and DU's update on the weekend of October 19, 2019, it is recommended that the LTV/CLTV is reviewed for accuracy prior to submission</p>
USDA Funding for Fiscal Year 2020	19W-077	<p>At the beginning of each fiscal year, funding for the USDA guaranteed loan program is not available for a short period of time (approximately 2 weeks). USDA anticipates this brief lapse in funding to continue for Fiscal Year 2020.</p>

		<p>During this time, Rural Development will issue Conditional Commitments (Form RD 3555-18/18E) “subject to the availability of commitment authority” for purchase and refinance transactions.</p> <p>There will be no change to the Submission or Underwriting process for Mountain West Financial, Inc. during this time.</p> <p><b>Reminder:</b> An upfront guarantee fee of 1.00% and an annual fee of .35% will apply to both purchase and refinance transactions for Fiscal Year 2020</p>
Updates to Initial Disclosures	19W-078	<p>Mountain West Financial, Inc. is updating its privacy policies and consequently its initial loan disclosure packages effective September 23, 2019. Beginning on that date, borrowers will be notified of their right to opt-out of some information sharing for marketing purposes. Those that obtain their disclosure packages by e-sign will be able to make their elections immediately. Those that don't will have to mail in their elections. We are also updating our RESPA Affiliate Disclosure on that same date.</p> <p>The document package changes are as follows: updated privacy notices (federal and state), and an updated affiliate disclosure form.</p> <p>If you have any questions regarding this change, please contact Brian Daily at 909-255-8332.</p>
Revised Appraisal Fees - Utah	19W-079	<p>Effective Monday, September 23rd, appraisal fees for the state of Utah will be updated.</p> <p>Please view our updated Appraisal Fees by clicking here. The updated fee chart will also be posted to BOLT.</p> <p>Please Note: Properties that are Unusual/ Unique/ Rural/ Acreage/ Complex/ Waterfront, and/or properties outside of the usual appraiser coverage area will require an additional fee, and will require a quote directly from the Mortgage Works AMC, LLC staff.</p> <p>To contact Mortgage Works AMC, LLC for a fee quote, email us directly at <a href="mailto:appraisals@mortgageworksamc.com">appraisals@mortgageworksamc.com</a>.</p>
USDA Student Loan Payments	19W-080	<p>USDA has announced a change for transactions containing Non Fixed student loan repayment plans. Effective September 23, 2019, payments must be calculated and included as follows:</p> <p><b>Fixed Payment Loans:</b> A permanent amortized, fixed payment may be used in the debt to income ratio when documentation is obtained to verify the payment is fixed, the interest rate is fixed, and the repayment term is fixed.</p> <p><b>Non Fixed Payment Loans:</b> Payments for deferred loans, Income Based Repayment (IBR), Graduated, Adjustable, and other types of repayment agreements</p>

		<p>which are not fixed cannot be used in the total debt to income ratio calculation. The higher of one-half percent (.50%) of the loan balance OR the actual payment reflected on the credit report must be used as the monthly payment in the debt to income ratio. No additional documentation is required.</p> <p>Chapter 11 of HB-1-3555 will be permanently updated in the near future</p>
<p>Free Appraisals - FHA VA Purchases</p>	<p>19W-081</p>	<p>Great News!! As an "October special" for our valued Broker partners, Mountain West® is offering free appraisals on FHA and VA Purchases through the month of October.</p> <p>Highlights</p> <ul style="list-style-type: none"> <li>• Applicable on select FHA and VA Standard Loans</li> <li>• FF30, FF30D, FF20, FF15, FA5T, FF30EEM, FF30DEEM, VF30, VF30D, VF20, VF15, VA5T</li> <li>• Purchase Transactions Only</li> <li>• Loans must be submitted between October 1st and October 31nd</li> <li>• Minimum 680 FICO or higher</li> <li>• NEW SUBMISSIONS ONLY</li> </ul> <p>Sale disclaimer: Available to Mountain West Financial, Inc. Approved Wholesale Brokers. Valid on the initial Appraisal ONLY. Free appraisal in the form of a lender credit at closing</p>

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