

# WHOLESALE BULLETIN

IMPORTANT INFORMATION: PLEASE READ IMMEDIATELY

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## 20W-117

**Attention: AEs, Business Development Managers & Mortgage Brokers      September 23, 2020**

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

**Included in this Bulletin: REVISED Current California Wildfires – FEMA Declared Disaster Areas**

Mountain West Financial® is committed to helping its customers during the recovery process in areas impacted by the massive California fires.

**Re-inspection requirements for properties in FEMA-declared disaster areas are as follows:**

**NOTE: Reinspection and ordering of the 1004D cannot be done until the FEMA declared disaster has an end date announced by FEMA.**

- Conventional, VA and USDA loans require an exterior only disaster inspection report to certify that the property was unaffected by the disaster. Conventional loans with property inspection waivers VA IRRRLs and USDA Streamline loans will require a re-inspection if the property is in a FEMA-declared disaster area.
- FHA requires an interior and exterior disaster inspection report and photos. FHA Streamlines do not require re-inspection.
- VA requires both the lender and the veteran to certify the property is not damaged.

### **Veteran Certification**

I have inspected the property located at \_\_\_\_\_ and find its condition now to be acceptable to me. I understand that I will not be charged for any disaster-related expenses and now wish to close the loan.

Veteran Signature and Date

- Re-inspections are a valid COC and may be charged to the borrower except for VA loans.

### **Re-Disclosing**

Branches with properties in affected areas per this bulletin dated September 23, 2020, have already been contacted by Corporate and instructed to redisclose. If you were not contacted, you have no loans in process at this time in an affected area. However, each time an updated zip code list is published through an MWF bulletin, branches are to audit their pipelines to confirm if any properties are now in the affected areas. If so, redisclosures must be issued to add the fees. The deadline to redisclose is three business days after the date of the bulletin. If a match is found on a

file that is already past initial disclosures and loan documents have not yet been released, the file must have a COC LE or a COC CD issued to the borrower to collect for the 1004D reinspection fee of \$125.00 and administration fee of \$25.00. This would include transactions with appraisals and those with appraisal waivers.

If a match is realized and you have previously disclosed a 1004D fee and administration fee you do not need to disclose them again. Do not remove the fees from the transaction.

In addition, verify new files as they are originated. If the subject property is a match to a zip code on the most recent list, include the 1004D reinspection fee and administration fee in initial disclosures. This applies to transactions with appraisals as well as those with appraisal waivers.

### California

| Location              | Zip Codes  |
|-----------------------|--|
| Butte County          | 95916, 95930, 95940, 95941, 95965, 95966   |
| Fresno County         | <del>96902, 96905, 96933, 96934, 96951</del> , 93602, 93605, 93634, 93657, 93664, 93666, 93667 |
| Humboldt County       | 95511, 95514, <del>95526, 95528</del> , 95542, 95559, 95569                                    |
| Lake County           | 95469  |
| Los Angeles County    | 91023, 93550   |
| Madera County         | 93604, 93626, 93643, 93644, 93645, 93669   |
| Mendocino County      | 95428, 95429, 95454, 95469, <del>95930, 95490</del> , 95542                                    |
| Monterey County       | 93920, 93924, 93927, 93928, 93930  |
| Plumas County         | 95956, 95971, 95981  |
| San Bernardino County | 92305, 92339   |
| Santa Cruz County     | <del>95006</del> , 95017, 95060  |
| Siskiyou County       | 95568, 96027, 96031  |
| Solano County         | 95421, 95425, 95436, 95441, 95466, 95448   |
| Tehama County         | 96080  |
| Trinity County        | 95526, 95552, 95595, 96041   |
| Tulare County         | 93265, 93271, 93527  |
| Yuba County           | 95925, 95930, 95941  |

### Colorado

|                |  |
|----------------|--|
| Larimer County | 80512, 80515, 80517, 80526, 80532, 80535, 80536, 80541, 80545, 82063 |
|----------------|--|

### Idaho

|                   |       |
|-------------------|-------|
| Washington County | 83610 |
|-------------------|-------|

### Oregon

|                  |  |
|------------------|--|
| Clackamas County | 97004, 97013, 97017, 97022, 97023, 97038, 97042, 97045, 97055, 97375 |
| Douglas County   | 97443, 97447, 97470, 97479   |
| Jackson County   | 97522, 97524, 97539  |
| Josephine County | 97523, 97534, 97544  |

|                |  |
|----------------|--|
| Klamath County | 97624, 97626   |
| Lane County    | 97413, <del>97438, 97454</del> , 97478, 97488, 97489                                       |
| Lincoln County | <del>97367</del> , 97368   |
| Linn County    | <del>97329, 97345</del> , 97346, 97350, <del>97358, 97360</del> ,                          |
| Marion County  | <del>97038</del> , 97342, 97346, 97350, 97358, 97360, 97375, <del>97381, 97383</del> 97385 |

## Washington

|                 |                            |
|-----------------|----------------------------|
| Douglas County  | 98812, 98813, 98830, 98858 |
| Lincoln County  | 99117, 99122, 99134, 99159 |
| Okanogan County | 98812, 98840, 98841        |

You can access the **FEMA Website** for updates on disaster declarations.

## Documentation Requirements

### Appraisal Completed Before the Incident Period End Date

To ensure the property value has not been impacted by the disaster, a post disaster property inspection is required. The inspection may be performed by the original appraiser, or another licensed appraiser.

The property inspection must identify the following:

- Property is free from damage and the disaster had no effect on value or marketability
- If the re-inspection indicates damage, the extent of the damage must be addressed. Completion of repairs is required as evidenced by form #1004D, Appraisal update and/or completion report, or other post disaster inspection report, with photos of interior, exterior, and neighborhood.

### Appraisal Completed On or After the Incident Period End Date

Appraisal must include written certification by the appraiser that:

- Property is free from damage and the disaster had no effect on value or marketability
- If the appraisal indicates damage, the extent of the damage must be addressed. Completion of repairs is required as evidenced by form #1004D. Appraisal update and/or completion report, with photos of interior and exterior.

**If the damages are structural or major (subject to rebuild), the loan will be declined due to collateral condition.**

Some disasters are not widespread, and may not be addressed by FEMA. FEMA does not always issue declarations immediately following a disaster. If an underwriter has reason to believe that a property may have been damaged in a disaster, the underwriter should require an acceptable re-inspection to verify the soundness of the property.

### **Areas Subject to Disaster Policy**

Until FEMA issues a declaration, individual underwriters are responsible for determining potential impact to the subject property.

In general, the Disaster Policy should be followed during an ongoing disaster and up to 90 days from the FEMA declaration.

If you have any questions, contact your local Account Executive, or Production Coordinator. You may also contact Brian Daily, SVP Wholesale: [Brian.Daily@mwfinc.com](mailto:Brian.Daily@mwfinc.com) 909-255-8332.

**Author: Underwriting**