



WHOLESALE BULLETIN

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22W-060

Attention: Valued Broker Partners

July 12, 2022

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

Included in this Bulletin: FHA COVID-19 Update

The Federal Housing Administration has updated their guide for “Calculating Effective Income after a Reduction or Loss of Income for Borrowers Affected by the Presidentially-Declared COVID-19 National Emergency.” This update to the guide is to ensure flexibility when calculating income for borrowers who experienced a gap in employment and/or a reduction or loss of income due to a COVID-19 related economic event and now have stable income.

FHA defines a COVID-19 Related Economic Event **as a temporary**: (1) loss of employment, (2) reduction of income, and/or (3) reduction of hours worked during the Presidentially Declared COVID-19 National Emergency. The following sections have been updated in the 4000.1:

- Sections II.A.4.c.iii and II.A.5.b.iii – Primary Employment
- Sections II.A.4.c.iv and II.A.5.b.iv – Part-Time Employment
- Sections II.A.4.c.v and II.A.5.b.v – Overtime, Bonus or Tip Income
- Sections II.A.4.c.viii and II.A.5.b.viii – Employed by Family-Owned Business
- Sections II.A.4.c.ix and II.A.5.b.ix – Commission Income
- Sections II.A.4.c.x and II.A.5.b.x – Self-Employment Income
- Sections II.A.4.c.xi and II.A.5.b.xi - Additional Required Analysis of Stability of Employment Income

While these updates are effective for case numbers assigned on or after **September 5, 2022**. MWF may begin implementing these updates immediately.

If you have any questions, contact your local Account Executive, Production Coordinator, Regional Vice President, or Brian Daily, SVP Wholesale: Brian.Daily@mwfinc.com, 909-255-8332.