

BULLETIN



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BROKER / WAREHOUSE LINES / NON-DELEGATED CORRESPONDENT

Friday, February 05, 2021

Bulletin #2021-AC-004

NOTICE TO ALL CUSTOMERS

Removal/Relaxing of FLCBank COVID-19 Overlays

Great News! FLCBank is pleased to announce the removal/relaxation of a number of COVID-19 Overlays effective **Monday, February 8, 2021.**

Summary of Changes:

Detail	Current COVID-19	New COVID-19
Salaried/Wage Earner//Hourly Borrowers	<ul style="list-style-type: none"> A Year-to-Date (YTD) paystub dated within 30 days preceding the closing date must be provided. Borrowers must have 1 month reserves of PITIA from own funds in addition to any reserve required by the program on Purchase Transactions. The Verbal Verification of employment must be obtained 7-business days prior to loan closing. 	<ul style="list-style-type: none"> A Year-to-Date (YTD) paystub dated within 60 days preceding the closing date must be provided. Borrowers <u>are no longer required to have 1 month reserves of PITIA</u> from own funds on Purchase Transactions. The Verbal Verification of employment must be obtained 10-business days prior to loan closing. <p>The above changes align with agency requirements.</p>
Self Employed Borrowers	Verification of Business' current existence within 10-business days of loan closing	Verification of Business' current existence within 20-business days of loan closing. The above change aligns with agency requirements.
Conventional Cash Out Refinances	<p>Cash out refinance will be limited to 1-Unit Primary Residence Properties with the following criteria:</p> <ul style="list-style-type: none"> Minimum credit score of 660 Maximum DTI is 45% regardless of AUS approval A letter of explanation is required describing the purpose for the cash out <p>Important: Cash Out Refinance transactions are being temporarily suspended on 2-4 Units primary residences and investment properties</p>	<p>Cash out refinance will be limited to 1-Unit Primary Residence and Second Home Properties with the following criteria:</p> <ul style="list-style-type: none"> Minimum credit score of 640 Maximum DTI is 45% regardless of AUS approval A letter of explanation is required describing the purpose for the cash out <p>Important: Cash Out Refinance transactions are being temporarily suspended on 2-4 Units primary residences and investment properties.</p>
FHA/USDA/VA Program	<p>The minimum credit score and DTI requirements on FHA, USDA and VA loan programs. This policy remains in place until further notice for all mortgage products</p> <ul style="list-style-type: none"> The minimum acceptable Credit Score is 660 (this is an increase to lower credit scores required under certain loan amounts and AUS risk assessment) The maximum DTI on TOTAL Scorecard Accept loans is limited to 50% The maximum DTI on Total Scorecard Refer/Manually Downgraded loans is 43% <p>Note: The minimum credit scores required under High Balance loan amounts/AUS Refer/Manual Downgrade loan programs are higher than 660 and remain unchanged.</p>	<p>The minimum credit score and DTI requirements on FHA, USDA and VA loan programs.</p> <ul style="list-style-type: none"> Minimum Credit Score is 640 (AUS Accept) Maximum DTI on is 50% (AUS Accept) Maximum DTI is 43% (Refer/Manually Downgraded loans) <p>Note: The minimum credit scores required for Conforming and High Balance loan amounts/AUS Refer/Manual Downgrade loan programs remain at 660 or higher.</p>

To access our most recently updated Temporary Policies Related to COVID-19 (version 28) please [click here](#).

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