

BULLETIN



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BROKER / WAREHOUSE LINES / NON-DELEGATED CORRESPONDENT

Friday, January 7, 2022

Bulletin #2022-AC-001

NOTICE TO ALL CUSTOMERS

Various Credit Updates

FLC Bank would like to inform you of various credit updates taking place on Conventional and Government loans.

AUS for Government Loans (FHA/VA)

DU	LPA
FHA County loan limits applied by Total Mortgage Scorecard are recognized by DU; however, in cases where a property county cannot be determined by DU the system will apply the FHA low-cost area limit for 2021 FHA loan limit on FHA loans submitted prior to 01/22/2022. For FHA loans submitted or resubmitted on or after January 22, 2022, DU will display the 2022 FHA low-Cost area limits; however, the lender is responsible in verifying that the correct loan limit is being applied.	Loan Product Advisor was updated with the new Government Loan Limits on January 2, 2022
DU will be updated the weekend of January 22, 2022 to support VA's new loan limits for 2022. Lenders are responsible in verifying that the correct VA loan limit is applied.	

Freddie Mac Condominium Requirements

Freddie Mac published an updated policy for condominium requirements via [Bulletin 2021-38](#) on December 15, 2021, announcing revised temporary condominium requirements. These changes are similar to the updates announced by Fannie Mae Lender Letter 2021-14 regarding projects with significant deferred maintenance, critical repairs, and special assessments. These policies are effective immediately and projects utilizing LPA must comply with these requirements.

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FHA Updates

FHA updated several sections of the Single-Family Housing Policy Handbook 4000.1 that will become effective with FHA Case Numbers Assigned on or After 01/24/2022. Most notably, Streamline Refinances must comply with the new net tangible benefit requirements announced via FHA Info #21-90 that are now incorporated into the Single-Family Housing Policy Handbook 4000.1.

FHA Streamline Refinances Net Tangible Benefits	
Current Requirements	New Requirement
<p>A net tangible benefit may also be met when all of the following are met:</p> <ul style="list-style-type: none">• The loan term is reduced and• On a fixed rate to fixed rate, the new combined interest rate is below the prior combined rate, or on an ARM to fixed rate the new combined interest rate is no more than 2% points above the prior combined rate, and• The combined principal and interest plus monthly MIP payment of the new mortgage does not exceed the combined principal and interest plus monthly MIP of the refinanced mortgage by more than \$50.00	<p>A net tangible benefit may also be met when all of the following are met:</p> <ul style="list-style-type: none">• The remaining unpaid mortgage term is reduced by a minimum of three (3) years, and• On a fixed rate to fixed rate, the new combined interest rate is below the prior combined rate, or on an ARM to fixed rate the new combined interest rate is no more than 2% points above the prior combined rate, and• The combined principal and interest plus monthly MIP payment of the new mortgage does not exceed the combined principal and interest plus monthly MIP of the refinanced mortgage by more than \$50.00

Other updates include information for lenders processing HUD-FHA held secondary lien are to contact the National Servicing Center at [National Servicing Center](#)
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