

Shelsie Crawford

**From:** Toni Pierce  
**Sent:** Thursday, January 20, 2022 9:18 AM  
**To:** Sales; Mortgage Support Center  
**Cc:** Dave Weber; Joshua Heinrich; Justin Yahnig; Rebecca Moorehead; Robert Anderson; Toni Pierce; Wayne Pierce  
**Subject:** Mortgage Support Update - 1/20/22

Good morning! I hope everyone is staying warm today. We are at a balmy 2 degrees. 🧊 I have a few things I need to share with you! Please read through this entire email and let me know if you have any questions.

**FHLB Income**

We have successfully submitted our first 3 reservations for funds to FHLB for the grant. Out of those 3 we have already been kicked back on our income review on one of these. This one really surprised us. And, it puts us on notice that FHLB is going to be strict regarding the income. Which is the #1 reason I am communicating with you all. We are pushing back on the income decision, but after discussing this with the team, we strongly feel that FHLB will be very strict on the income review and any grant submissions that are borderline to the median income will be scrutinized very closely. Just for example purposes, here is the situation:

*The borrower has received a bonus in 2019 & 2020. 2021 did not show a bonus received. Due to this, we did not include the bonus as part of the income in the workbook. FHLB, however, did and advised us that since they have a history of receipt, we should be including this in the figures. This bonus average was enough to put them above the median income allowed. 😞 We are working with the LO & LOA to get an updated VOE to show/comment that they did not receive the bonus and that the bonus will not continue moving forward.*

What I really want to stress for those who use this program is to really look at the income when you are prepping the file for an overall forward view on what they have the potential to make. Since the funds are going to go fast...FHLB is going to step up their game on the income and really make sure the borrowers meet their requirements. When you send income in for review for the FHLB Grant, make sure to tell us everything we need to know so we can help you get the funds the borrower is anticipating for their loan. Mtg Support will do our best to help with income and advise when we are above the median income from our calculations.

**FHA Matrix**

Has been updated for the following changes:

- 1) Cash out minimum credit score has been lowered from 660 to 620 effective immediately
- 2) Streamline Net tangible benefits have been updated to the chart:

Net Tangible Benefit of FHA Streamline Refinances	
Current Requirements	NEW Requirements
NTB may also be met when all of the following are met:  • The loan term is reduced, and ◦ <u>Non Delegated: The remaining unpaid mortgage term is reduced by a minimum of one year</u>  • <b>On a Fixed Rate to Fixed Rate:</b> the new combined interest rate* is below the prior combined interest rate, or <b>On an ARM to a Fixed Rate:</b> the new combined interest rate is no more than two percentage points above the prior combined rate, and  • The combined PI+MIP <i>payment</i> of the new mortgage does not exceed the combined PI+MIP of the refinanced mortgage by more than \$50.00	NTB may also be met when all of the following are met:  • <i>The remaining unpaid mortgage term is reduced by a minimum of three years</i> , and  • <b>On a Fixed Rate to Fixed Rate:</b> the new combined interest rate* is below the prior combined interest rate, or <b>On an ARM to a Fixed Rate:</b> the new combined interest rate is no more than two percentage points above the prior combined rate, and  • The combined PI+MIP <i>payment</i> of the new mortgage does not exceed the combined PI+MIP of the refinanced mortgage by more than \$50.00

\*The term combined interest rate refers to the interest rate on the mortgage plus the mortgage insurance premium (MIP) rate.

**Conventional Matrix**

Has been updated to include the following:  
Manufactured homes may not exceed 2 acres for the land included with the home for financing.

**Reverse Mortgage Loans**

Just a quick reminder that FSB does do these!!!! And, the LO will still get paid regular commission for them without needing to do the work. 😊 Win/Win!!! Our next Let’s Discuss on February 9<sup>th</sup> will be about Reverse Mortgages. Mark your calendar!

**Eloomi/Training**

Eloomi training has been assigned recently. 5 new courses were assigned to all LO’s, LOA’s and Processors!

- AUS Training
- SSA-89
- The Art of Being a Loan Officer – Taking the URLA
- Flood Certification Training
- FHLB Grant Training

Make sure to get in there and knock these out! More training on its way soon!

Remember – on all live training, we will be having camera’s ON! I love seeing you all! If you do not have a proper microphone and camera, please get with your branch manager on this. Branch Managers...once you have this information, get with your Sales Managers to help resolve!

That wraps up our update. Thank you! If you made it to the end, let’s have a bit of fun. Email [mtgsupportcenter@flanagansatebank.com](mailto:mtgsupportcenter@flanagansatebank.com) with the answer to this question:

**What is your favorite part of your job?**

There are no right or wrong answers...just your answer!

Have a great one!

**Please allow 24 hours for a full response from Mtg Support!**

***Toni Pierce***

**Mortgage Support/Assisted Corr Department Manager  
Corporate Training Manager/TPO Account Executive  
NMLS 329142**

**Flanagan State Bank NMLS 408461**

**815-676-0988 Direct Office**

**815-761-2442 Cell**

