
From: Toni Pierce
Sent: Wednesday, July 15, 2020 3:36 PM
To: Sales; Mortgage Support; Dave Weber; Joshua Heinrich; Justin Yahnig; Rebecca Moorehead; Robert Anderson; Toni Pierce; Wayne Pierce
Subject: A Few Updates from your friendly neighborhood Mortgage Support Team

Today is the update day! You would think after our lengthy LO Meeting we would not have much more to talk about. Well, that was a short lived thought. 😊 So, here are a few more tidbits for your personal info.

Please read through this entire email. If you know of someone in your office not getting these emails, have them email me!

FHA Amendatory Clause

Speaking of PTF's.....sorry, everyone. No more moving this lovely document to a PTF moving forward. FHA has advised us that this is a form that MUST be executed and signed ON OR BEFORE the date of the Purchase agreement.

What does this mean for you? Well....I think this is a perfect time to call, Zoom, FaceTime or GoToMeeting your agents and have a meet & explain session with them. Of course, you can make it look good for you that you are updating them on a very important piece of their role. 😊 An email will do the trick, too...but this is a great opportunity to have a reason to contact them and see how things are going for them. Inquire about the family and their business....you get the drift.

Want to throw in the Why this needs to be signed at purchase? Here is what you need to know:

- The purpose of the FHA amendatory clause is to protect the buyer against a low appraisal
- The clause states that the buyer cannot be required by the seller to purchase the home if the appraisal is lower than the sales price

So, after reading this, I believe you can see why the timing of this is so important. If this document comes after the contract and in many cases, it is significantly after, then both parties (legally) can have a dispute with technicalities if they wanted to. Since our borrower leans on us to know and understand the loan process, we want to make sure they have the protection in place that FHA loans (and VA) offer them in this capacity.

Recommended course of action: reach out to your agents. Use this time as important advisory time getting you in front of them and getting some great one on one time with them. Advise them to make the FHA Amendatory clause a part of their contract process. If they do this already, that is even better. A phone call to thank them for doing their part would be really nice at this time. If they need a blank form, make sure they get one!!!

Want a bit more info on this subject for your agents? Here you go: <https://homeguides.sfgate.com/fha-amendatory-clause-39180.html>

Upcoming Training

July 22nd @ 1:00 PM CST

The 1003, The Borrower & The Underwriting – understanding the pieces of information the 1003 contains, how to get the best information from the borrower and how underwriting sees the information

July 23rd @ 2:00 PM CST

What You Need To Know as an LO About Income (But don't.....) – We will review all types of income to identify the pieces and how an LO should view them to know what underwriting may want. This is not an income calculation

training. This is understanding the income docs you receive from the borrower and what else might or might not be needed.

If you would like to attend these trainings, email mtgsupportcenter@flanagansstatebank.com for the links.

Since you read to the end, here is a funny for you! Given the rate environment at the moment, I bet many of you get a chuckle out of this!



Have a great day!

The opinions contained herein are based on a proposed loan scenario presented to us by you. They are non-binding, intended to be informational only, and under no circumstances are to be construed as a commitment to purchase the loan. The Seller/Loan Officer is responsible for the information provided to Mortgage Support/Assisted Correspondent or Scenarios to insure we have the most/best information to provide an accurate response for the situation being discussed. Delegated customers are responsible for making their own credit decision with respect to the loan. All loans submitted to Flanagan State Bank are subject to the terms and conditions of the matrix's published on our website and the Agency guidelines that apply to the loan type.

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