

CORRESPONDENT LENDING BULLETIN

TOPICS:

Purchase Advice

Down Payment Assistance Program –eligible states

VA Refinance loans

FEMA/Presidentially-Declared Major Disaster Areas

Purchase Advice

The Essex Purchase Advice (PA) provided at the time of purchase is now available in our portal, TPO Connect. The PA can be generated on the day a loan is purchased or can be generated for a date range. A step by step user guide has been added to the documents menu for your reference. TPO Connect is available to all users 24 hrs. a day, 7 days a week.

Down Payment Assistance Program - NHF

The NHF program has been modified to remove Massachusetts as a permitted state. If you have already delivered or locked a loan in the state of Massachusetts in the NHF program, Essex will purchase. No additional locks or registrations will be accepted.

VA Refinance Transactions

As a reminder, all VA Refinance loans must meet the VA and GNMA seasoning requirements. The seasoning requirements for all VA Refinance transactions are based on the original terms of the Note unless the loan was modified. If a modification has been completed, seasoning requirements are based on the terms of the modification agreement/Note. When delivering a refinance loan to Essex for purchase, a copy of the prior Note and a 12- month mortgage history statement of the loan being refinanced will be required for all loans. If the loan has been modified, that would be the modified Note and history.

For your reference, the seasoning requirements set by VA/GNMA are as follows:

- The borrower must have made at least six (6) consecutive monthly payments on the loan being refinanced
- The Note date of the refinance loan is no earlier than 210 days after the date on which the first monthly payment was due on the loan being refinanced

For a refinance that has been modified, the Note date of the new loan must be on or after the later of:

- The date that is 210 days after the date the first modified monthly payment was due on the loan being refinanced and
- The date on which at least six (6) modified payments have been made on the loan being refinanced

FEMA/Presidentially-Declared Major Disaster Areas

All properties with pending Mortgages or endorsements located in areas under a Presidentialy-Declared Major Disaster Area must adhere to the FHA Single Family Handbook, Section II.A. Chapter 7, section (c) – Inspection and Repair Escrow Requirements for Mortgages Pending Closing or Endorsement in Presidentialy-Declared Major Disaster Areas.

If you have questions regarding these changes, please reach out to your Pipeline Manager or Account Executive for assistance.