



MEMORANDUM

VIA E-MAIL

TO: WVHDF Lenders

FROM: Jon M. Rogers  
Senior Division Manager – Single Family Lending

DATE: Monday, June 8, 2020

SUBJECT: Rate Announcement & Program Changes Summary

The West Virginia Housing Development Fund is pleased to inform that following the recent closing of a \$30 million sale of tax-exempt mortgage revenue bonds, we are introducing improved interest rates effective with loan reservations received today, as follows:

- Homeownership Program: **3.320%** (Conventional *and* FHA/VA, USDA),
- Movin' Up Program: **3.750%**, and,
- Movin' Up Special Program: **3.625%**.

The Closing Cost and Down Payment Assistance Program rate will remain unchanged. We continue to offer the Programs above to our Participating Lenders at a purchase price of 101.85 (minimum of \$1,500) along with a .65 SRP.

Barring the cancellation of an existing, locked reservation and a 30-day period between cancellation and the new reservation, loans currently locked must Close at their existing rate. We are always willing to discuss unique circumstances on a case-by-case basis.

Additionally, as you know, the Fund has adjusted multiple program parameters in response to market conditions and COVID-19. **For your convenience, page two of this memo is a summary of recent changes still in effect.**

We appreciate your partnership and cooperation. Please contact us with any questions.

The below table indicates currently available Programs by insurance type:

	Program			
	Homeownership	Movin' Up	Movin' Up Special	Secondary Market (FNMA)
Conventional	X	X	X	X
Government (FHA/VA, USDA)	X			

Lender Memos on the following topics are available on the Fund’s Lending Partners page with additional details:

**FHA Requirements (1/15/2020)**

- 620 – Minimum, representative credit score on all loans delivered to the Fund with FHA insurance, and,
- 50% – Maximum, total debt-to-income ratio on files with a representative score of 639 or below. Loans with a 640 score and above may exceed the 50% threshold.

As always, your FHA-insured loans must receive a DU “Approve/Eligible” decision.

**COVID-19 Response (4/1/2020)**

- Underwriting remains in line with FNMA, FHA/VA, and USDA guidelines unless specified. We urge you to exercise caution regarding effective dates of COVID-19-specific changes.
- The Fund is following the 2019 Federal Tax filing deadline of July 15, 2020 when returns are required for Federal Compliance review.
- Tax Returns required for income verification will continue to follow the appropriate insuring agency guidelines.
- Application and Seller Affidavits (Homeownership only) may be submitted without notarization prior to loan approval. The Fund expects fully executed Affidavits (with notary) delivered in the Closed Loan Package.

**Conventional, Homeownership Loans w/ DU “Approve/Ineligible” (5/18/2020)**

When a Conventional, Homeownership loan with the Fund’s Down Payment & Closing Cost Assistance Program meets the required Homeownership guidelines but receives an “Approve/Ineligible” due to “Multiple High Risk Factors,” the Underwriter has the option of approving the loan when it meets the following criteria:

- Minimum, representative credit score of 620 with no derogatory credit in last 24 months,
- Maximum housing ratio of 33%,
- Maximum total debt ratio of 41%,
- No current NSF or overdrafts on depository accounts,
- Borrower reflects sufficient funds to Close, and,
- Enforceable MI is required, as necessary.