

# NEWSFLASH

Important information: Please read immediately



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Date: 4/24/2009

## Topics in this newsflash include:

- **FHA Cash Out CLTV changes**
- **VA IRRRL changes**
- **VA CLTV clarifications**
- **15 day Lock Option**

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## FHA Cash Out transactions

Effective 4/27/09 with all new locks, repriced loans or extension requests, the maximum CLTV for all FHA cash out refinance transactions is limited to 85% CLTV. CLTV is defined as base loan amount plus financed upfront MIP.

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## VA IRRRL

Effective 4/27/09 with all new locks, repriced loans or extension requests, a conventional full appraisal will be required on VA Interest Rate Reduction Refinance loans. The appraised value must be supported and be equal to or greater than the total loan amount (base loan amount plus financed VA funding fee). This means the CLTV (base loan amount plus financed VA funding fee) cannot exceed 100%.

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## VA Clarifications

As announced in Newsflash Feb 23, the maximum CLTV for purchase transactions is 100% and the maximum CLTV for Non VA refinance transactions is 90%, therefore the funding cannot be financed.

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## 15 Day Lock Option

As announced in Newsflash March 25, 2009 we are now accepting 15 day locks on 30 Year conforming and 30 Year Government fixed rate product. As a reminder, the loan must be cleared to close in order to lock with a 15 day option.

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**If you have any questions, please contact your wholesale account executive**