

# NEWSFLASH

Important information: Please read immediately



Date: 3/10/09

## Topics in this newsflash include:

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## FHA Temporary 2009 loan limits

On Feb 17, 2009 the President signed a new stimulus bill into law called the American Recovery and Reinvestment Act of 2009. McCue Mortgage is pleased to announce we will accept the 2009 temporary FHA loan limits effect with new registrations on and after March 6, 2009. Please refer to the updated loan program description on our website for county loan limits, special pricing requirements, additional underwriting criteria and appraisal requirements for Jumbo FHA Balance loan sizes.

## VA Clarifications

As announced in Newsflash Feb 23, streamline refinances are subject to meet a 620 FICO score for all borrowers including VA Interest Rate Reduction Refinance streamlines (IRRRL).

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

## Agency Conforming HELOC calculation Clarification

The qualifying payment calculation for conventional loans with subordinate Home Equity Lines of Credit (HELOCs) is the current interest rate on the full line amount regardless of the current outstanding line balance.

## Agency Conforming Appraisal requirements

With Fannie Mae announcement 08-30, Form 1004MC ("Market Conditions Addendum") will be required on all conventional appraisals dated on and after April 1, 2009. Other changes and clarifications announced in 08-30 were effective with appraisals dated on or after January 1, 2009.

## Agency Conforming Home Valuation Code of Conduct

Fannie Mae and Freddie Mac entered into an agreement in March 2008 with the Federal Housing Finance Agency (FHFA), and the New York State Attorney General to enhance the independence and accuracy of the appraisal process, and provide added protections for homebuyers, mortgage investors and the housing market.

Fannie Mae Announcement 09-01 outlines the Home Valuation Code of Conduct ("the Code"), and will be effective with application dates on or after May 1, 2009, for all single-family mortgage loans (except government insured and guaranteed loans) delivered to Fannie Mae or Freddie Mac.

McCue Mortgage is currently reviewing the requirements and clarifications outlined in Announcement 09-01. The specific requirements and process will be communicated in an upcoming Newsflash.

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## Lender Paid MI (LPMI)

Due to the contraction by the Mortgage Insurance Companies, The 30 YR conforming with LPMI will be discontinued effective with all new locks Tuesday March 10. Loans locked prior to Tuesday March 10 must close by April 15,

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**Please contact your account manager if you have any questions.**