

Significant HUD Handbook 4000.1 Changes

This is not intended to be a complete list of all HUD/FHA changes and clarifications and will NOT explain all of the changes in the new FHA Handbook. It does cover a number of underwriting changes and clarifications based on Section II of the new handbook: Origination through Post-Closing/Endorsement. This is a guide to upcoming changes and not a replacement for CMG Guidelines, Policies, nor HUD Handbook requirements.

FHA Resource Links Provided At End of Document

Topic	Current Rule	New Rule (effective for cases assigned as of 9/14/15)
Manual Downgrades	Various reasons as outlined in TOTAL Scorecard User's Guide	<p>If TOTAL Scorecard issues an Approve/Eligible and the following applies, then the loan must be downgraded to a Refer and manually underwritten:</p> <ul style="list-style-type: none"> • The mortgage file contains information or documentation that cannot be entered into or evaluated by TOTAL Mortgage Scorecard; • Additional information, not considered in the AUS recommendation affects the overall insurability of the Mortgage; • The Borrower has \$1,000 or more collectively in Disputed Derogatory Credit Accounts (defined as disputed charge off accounts, disputed collection accounts, and disputed accounts with late payments in the last 24 months. Exclusions from cumulative balance include: disputed medical accounts; and disputed derogatory credit resulting from identity theft, credit card theft or unauthorized use. To exclude these balances, the Mortgagee must include a copy of the police report or other documentation from the creditor to support the status of the accounts.); • The date of the Borrower's bankruptcy discharge as reflected on bankruptcy documents is within two years from the date of case number assignment (see credit section for seasoning requirements); • The case number assignment date is within three years of the date of the transfer of title through a Pre-Foreclosure Sale (Short Sale) (see credit section for seasoning requirements); • The case number assignment date is within three years of the date of the transfer of title through a foreclosure sale (see credit section for seasoning requirements); • The case number assignment date is within three years of the date of the transfer of title through a Deed-in-Lieu (DIL) of foreclosure (see credit section for seasoning requirements); • For purchase and non-cash out refinances transactions, if any mortgage trade line, including mortgage line-of-credit payments, during the most recent 12 months reflects: 3 or more late payments of greater than 30 days; OR 1 or more late payments of 60 days plus one or more 30-day late payments; OR 1 payment greater than 90 days late • For a cash out transaction if a mortgage trade line reflects any delinquency within 12 months of case assignment date or a current delinquency • The Borrower has undisclosed mortgage debt; or • Business income shows a greater than 20 percent decline over the analysis period.

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Deferred Obligations	Loans deferred more than 12 months from closing do not have to be counted in ratios.	<p>All deferred obligations, regardless of when they will begin, must be included in the qualifying ratios. The lender must obtain evidence of: the deferral; the outstanding balance; the terms of liability; and the anticipated monthly payment.</p> <ul style="list-style-type: none"> • If the actual monthly payment is not available for installment debt, the lender must utilize the terms of the debt or 5 percent of the outstanding balance to establish the monthly payment. • For student loans, if the actual monthly payment is zero or is not available, the lender must utilize 2 percent of the outstanding balance to establish the monthly payment.
Installment Debt	Installment debts lasting less than ten months must be included if the amount of the debt will affect the borrower's ability to pay the mortgage during the months immediately after loan closing, especially if the borrower will have limited or no cash assets after loan closing.	<p>Closed-end debts do not have to be included if they will be paid off within 10 months if</p> <ul style="list-style-type: none"> • Cumulative payments of all such debts are less than or equal to 5 percent of the borrower's gross monthly income. • The borrower may not pay down the balance in order to meet the 10-month requirement.
Revolving Debt	If the credit report shows any revolving accounts with an outstanding balance but no specific minimum monthly payment, the payment must be calculated as the greater of 5 percent of the balance, or \$10. If the actual monthly payment is documented from the creditor or if the lender obtains a copy of the current statement reflecting the monthly payment, that amount may be used for qualifying purposes.	<p>Revolving Charge Account refers to a credit arrangement that requires the borrower to make periodic payments but does not require full repayment by a specified point of time. A 30-Day Account refers to a credit arrangement that requires the borrower to pay off the outstanding balance on the account every month.</p> <ul style="list-style-type: none"> • Revolving Charge Accounts, must include the monthly payment shown on the credit report or if not included on report use the payment shown on the current account statement or 5 percent of the outstanding balance. • 30-Day Accounts must verify the borrower paid the outstanding balance in full on every 30-Day Account each month for the past 12 months. <p>30-Day Accounts that are paid monthly are not included in the DTI. If the credit report reflects any late payments in the last 12 months, utilize 5 percent of the outstanding balance as the borrower's monthly debt to be included in the DTI. Lender must use the credit report to document that the borrower has paid the balance on the account monthly for the previous 12 months and to document the balance. Additionally, lender must document sufficient funds are available to pay off the balance as well as meet reserve requirements and funds needed to close the loan.</p>
Credit Event Waiting Period Definition	Not specifically addressed, CMG required seasoning to final DE loan approval date.	Seasoning is from event date to date of case number assignment.

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Charge Offs	Excluded from guidance and do not require resolution.	Defined as debt that has been written off by the creditor and does not need to be included in liabilities or debt. <ul style="list-style-type: none"> • When using TOTAL Scorecard, lender not required to obtain an explanation of charge off accounts • When manual underwriting: <ul style="list-style-type: none"> ○ Underwriter must determine why charge off occurred (disregard for financial obligations, inability to manage debt, or extenuating circumstances) ○ Underwriter must document reasons for approving ○ Borrower must provide a letter of explanation, supported by documentation, for each charge off account (and must make sense).
Medical Collections	Excluded from guidance and do not require resolution.	Not considered debt.
Satisfactory Credit for Manual Underwrites	Satisfactory Credit if: <ul style="list-style-type: none"> • No late housing or installment debt payments. • No major derogatory credit on revolving accounts. 	Satisfactory Credit determined by acceptable payment history and no major derogatory credit on revolving accounts in the previous 12 months (must also meet any derogatory credit seasoning). <ul style="list-style-type: none"> • Acceptable payment history is when: <ul style="list-style-type: none"> ○ All housing and installment debt payments are made on time for the previous 12 months. ○ No more than two 30-day late mortgage and payments or installment payments in the previous 24 months. • Major Derogatory Credit is when: <ul style="list-style-type: none"> ○ Payments on revolving accounts are made more than 90 days after the due date, or ○ Three or more payments are made more than 60 days after the due date.
Alimony and/or Child Support	May be treated as a reduction from gross income or as a monthly obligation	May still be treated as a reduction from gross income or as a monthly obligation. <ul style="list-style-type: none"> • Must obtain paystubs covering at least 28 consecutive days to verify if there is wage garnishment. • Calculate the monthly debt from greater of: <ul style="list-style-type: none"> ○ The amount shown on the most recent decree or agreement establishing the obligation; or ○ The monthly amount of the garnishment.
Gaps in Employment	Borrower must explain any gap in employment of one month or more.	Borrower must explain any gap in employment of six months or more.

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Frequent Job Changes	Acceptable if borrower changes jobs frequently within the same line of work, but continues to advance in income or benefits.	If borrower has changed jobs more than three times in the previous 12-month period, or has changed lines of work, the following documentation must be provided to verify borrower's stability of employment: <ul style="list-style-type: none"> • Transcripts of training and education demonstrating qualification for a new position; or • Employment documentation evidencing continual increases in income and/or benefits.
Part-Time Income	Part-time income received for less than two years may be included as income, provided the underwriter justifies and documents that the income is likely to continue.	Part-time income can only be used if the borrower has worked a part-time job uninterrupted for the past two years and the current position is reasonably likely to continue. For income, average over 2 years, unless pay increase, then average hours of last 12 months at current rate.
Nontaxable Income	Must use same tax rate the borrower used per prior year tax return and if no tax return filed the prior year, must use 25%.	Must use greater of 15% or the same tax rate the borrower used per prior year tax return and if no tax return filed the prior year, must use 15%.
Social Security Income	Must be verified by complete copy of the current awards letter from SSA or from federal tax returns. If benefits expire within the first full 3 years of the loan, the income may only be considered as a compensating factor.	Must obtain a copy of the last Notice of Award letter (or equivalent document) and one of the following : <ul style="list-style-type: none"> • Federal tax returns; • The most recent bank statement evidencing receipt; • A proof of income letter (budget or benefits letter) or • Copy benefit statement. If benefits expire within three years from the date of case number assignment, the income may only be considered as a compensating factor.
Pension Income	Must be verified from the former employer or from federal tax returns	Must obtain any one of the following documents: <ul style="list-style-type: none"> • Federal tax returns; • The most recent bank statement evidencing receipt of income from the former employer; or • A copy of the Borrower's pension/retirement letter from the former employer.
401K/IRA Income	Must be verified from the former employer or from federal tax returns	Must obtain most recent IRA/401(k) statement and <ul style="list-style-type: none"> • Federal tax returns; or • The most recent bank statement evidencing receipt of income. For income, use current amount if consistent, but if fluctuating, use 2 year average (or length of receipt of income if less than 2 years)
Hourly Wage Income Calculations	No specific guidance provided.	<ul style="list-style-type: none"> • If hours do not vary, use current hourly rate. • If hours vary, use average of the income over the previous two years. • If hours vary, and there was an increase in pay use the most recent 12-month average of hours at the current pay rate.

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Declining Income for Self-Employed Borrowers	<p>Must determine borrower's earning trend from previous two years tax returns</p> <ul style="list-style-type: none"> • Stable or increasing earnings are acceptable • Businesses showing a significant decline are not acceptable, even if the current income and DTI meets FHA guidelines. <p>If borrower's earnings trend for the previous two years is downward and the most recent tax return or P&L is less than the prior year's tax return, the borrower's most recent year's tax return or P&L must be used to calculate income.</p>	<p>Income from businesses with stable or increasing earnings are acceptable. If the income from businesses shows over a 20% decline in income over the analysis period, lender must downgrade to manual underwrite and show that the business income is now stable. May consider income as stable after a 20% reduction if able to document :</p> <ul style="list-style-type: none"> • Decline was the result of an extenuating circumstance • The borrower can demonstrate the income has been stable or increasing for a minimum of 12 months AND • The borrower qualifies utilizing the reduced income.
Overtime and Bonus Income Calculation	<p>Must have been received for the past two years and be likely continue, however less than two years may be acceptable, provided the lender can justify and document in writing the reason for using the income for qualifying purposes. Calculated as follows:</p> <ul style="list-style-type: none"> • Average over 2 years. • Average over more than 2 years if the income varies significantly each year. 	<p>Must have been received for the past two years and be likely to continue, less than two years may be acceptable, as long as it has been consistently earned over a period of not less than 1 year and is reasonably likely to continue. Calculated as follows:</p> <ul style="list-style-type: none"> • Average over 2 years • If the current year decreases by 20% or more from the previous year, use the current year's income.
Boarder Income	<p>Allowed on a single family residence if the boarders are related by blood, marriage or law and shown on the borrower's tax return.</p>	<p>Allowed when:</p> <ul style="list-style-type: none"> • Obtain two years of tax returns showing income from boarders and the current lease. • Use the lesser of the two year average or the current lease. • For purchase transactions, obtain a copy of the executed written agreement with intent to continue boarding with the borrower.

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Commission Income	<p>Defined as a person who receives over 25% of annual income from commissions</p> <ul style="list-style-type: none"> • Must be earned for 2 years, or at least 1 year if change from salary to commission for similar position with same employer or borrower would qualify if commission income was not used and income is likely to continue. • 2 years tax returns and recent paystub. • Calculate 2 year average and if it has decreased compensating factors are required. 	<p>Defined as being paid contingent upon the conducting of a business transaction or the performance of a service.</p> <ul style="list-style-type: none"> • Earned income for at least one year in the same/similar line of work and likely to continue may be acceptable. • If income is 25% or less use traditional or alternative documentation, if exceeds 25% of total income, 2 years full tax returns required. • Subtract unreimbursed business expenses from the lesser of (1) average net commission over the past two years or length of time received or (2) average income over prior year.
Income from Voluntary Alimony or Child Support Payments	No guidance	<p>Allowed with agreement and 12 months cancelled checks, deposit slips, or tax returns for verification.</p> <ul style="list-style-type: none"> • If the income has been consistent for the most recent 6 months, use the current amount • If the income has not been consistent for the most recent 6 months, use the average of the income received over the previous 2 years or if income less than 2 years, average over the time of receipt.
Rental Income	<p>Required Documentation:</p> <ul style="list-style-type: none"> • Current lease or agreement to lease. • Evidence of a 24-month history of rent with no unexplained gaps over 3 months. • Schedule E. 	<p>Required Documentation:</p> <ul style="list-style-type: none"> • Varies depending on property type, length of ownership and history of rental income receipt. • Non-subject with no history of rental income from the property since previous tax filing require appraisal to establish market rents and 25% equity. <p>Income calculations vary depending on history of receiving rental income.</p>
Rental Income from Vacating Properties	<p>Allowed with following requirements:</p> <ul style="list-style-type: none"> • Relocating outside of reasonable commuting distance for job. • 25% equity verified in property. • 1 year lease agreement and if possible, supported by security deposit or first month's rent. 	<p>Allowed with following requirements:</p> <ul style="list-style-type: none"> • Relocating 100 or more miles from current principal residence. • 1 year lease agreement. • Evidence of payment of security deposit or first month's rent. <p>If no history of rental income on property since previous tax filing, appraisal to establish market rents and 25% equity.</p> <p>Income calculations vary depending on history of receiving rental income.</p>

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Temporary Income Reduction	No guidance	<p>Borrower with temporary reduction of income due to a short-term disability or similar leave may use current income to qualify if can verify and document:</p> <ul style="list-style-type: none"> • Borrower intends to return to work; • Borrower has the right to return to work; and • Borrower qualifies taking into account any reduction of income. <p>For borrowers returning to work before or at the time of the first payment date:</p> <ul style="list-style-type: none"> • Use the borrower's pre-leave income. <p>For borrowers returning to work after the first payment due date:</p> <ul style="list-style-type: none"> • Use the borrower's current income plus available surplus liquid asset reserves, above and beyond any required reserves, as an income supplement up to the amount of the borrower's pre-leave income. • Amount of the monthly income supplement is the total amount of surplus reserves divided by the number of months between the first payment due date and the borrower's intended date of return to work. <p>Required documentation:</p> <ul style="list-style-type: none"> • Written statement from borrower for intent and date to return to work; • Documentation from current employer confirming borrower's eligibility to return to employer after temporary leave; and • Proof of sufficient liquid assets, in accordance with sources of funds used to supplement the borrower's income through intended date of return to work with current employer.
Retirement Accounts	<p>Requires most recent account statement</p> <ul style="list-style-type: none"> • Evidence of liquidation is not required, unless more than 60% of the amount in the account is used. 	<p>Requires most recent monthly or quarterly statement</p> <ul style="list-style-type: none"> • May include up to 60 percent of the value of assets, less any existing loans unless there is conclusive evidence that a higher percentage may be withdrawn after subtracting any federal income tax and withdrawal penalties • If any portion of the asset is required for funds to close, evidence of liquidation is required.
Stocks and Bonds	Most recent monthly or quarterly statement.	<p>Obtain statements for each account for the most recent two months.</p> <ul style="list-style-type: none"> • Copy of each stock or bond certificate for stocks or bonds not held in brokerage account required
Earnest Money Deposit (EMD)	Document source of funds if the EMD exceeds 2% of the sales price or seems excessive based on the borrower's savings history.	Document source of funds if the EMD exceeds 1% of the sales price or seems excessive based on the borrower's savings history.

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Adjusted Value	Not addressed (new term), but in general, equivalent to lesser of sales price or appraised value.	<p>For purchase transactions , adjusted value is the lesser of:</p> <ul style="list-style-type: none"> • Purchase price less any inducements to purchase; or • The property (appraised) value. <p>For refinance transactions adjusted value is:</p> <ul style="list-style-type: none"> • For properties acquired by the borrower within 12 months of the case number assignment date, the lesser of: <ul style="list-style-type: none"> ○ The borrower’s purchase price, plus any documented improvements made subsequent to the purchase; or ○ The property (appraised) value. • For properties acquired by the borrower within 12 months of case number assignment by inheritance or through a gift from a family member, use the calculation for properties purchased 12 months or more (below). • For properties acquired by the borrower 12 months or more prior to the case number assignment date use the property (appraised) value.
Source of Gift Funds	Must be able to determine that the gift funds were not from an unacceptable source.	Must be able to make a reasonable determination that the gift funds were not provided by an unacceptable source.
Large Deposits	If there is a large increase in an account, or the account was recently opened, obtain a credible explanation and documentation of the source of the funds.	For recently opened accounts and recent individual deposits of more than 1 percent of the adjusted value, must obtain documentation of the deposits. Must also verify that no debts were incurred to obtain part, or all, of the minimum required investment.
Documenting Transfer of Gift Funds	<p>If the funds are verified in the borrower’s account, obtain:</p> <ul style="list-style-type: none"> • Withdrawal document showing that the withdrawal was from the donor's account, and • The borrower's deposit slip and bank statement showing the deposit. 	<p>If the funds are verified in the borrower’s account, obtain:</p> <ul style="list-style-type: none"> • Donor’s bank statement showing the withdrawal, and • Evidence of the deposit into the Borrower’s account.
Handling of Documents	Documents cannot be transmitted from or through equipment of interested third parties	Documents cannot be transmitted from or through equipment of interested third parties or unknown parties
Loan Application Signatures	Borrower signature required on either initial or final loan application	Borrower signature required on both initial or final loan application

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Multiple FHA Loans	Borrower relocating for employment reasons can be eligible for another FHA loan, as long as borrower establishes a new principal residence more than a reasonable commuting distance from the current principal residence.	Borrower relocating for employment reasons can be eligible for another FHA loan, as long as borrower establishes a new principal residence more than a 100 miles from the current principal residence.
Flood Insurance	No calculation requirements.	Amount must be at least equal to the lesser of either: <ul style="list-style-type: none"> • The appraiser’s estimated replacement cost, less the appraiser’s estimated site value; • The outstanding balance of the mortgage; or • The maximum amount of the NFIP insurance available with response to the property improvements.
Rate and Term Refinances	Available refinance types: <ul style="list-style-type: none"> • Rate and Term (any mortgage type with appraisal) • Non-Credit Qualifying Streamline with or without appraisal • Credit Qualifying Streamline with or without appraisal 	Available refinance types: <ul style="list-style-type: none"> • Rate and Term (any mortgage type with appraisal) • Simple Refinance (refinance of FHA-insured mortgage – requires appraisals) • Non-Credit Qualifying Streamline (no appraisal required) • Credit Qualifying Streamline (no appraisal required)
Cash Out Refinances	Maximum mortgage amounts vary based on length of ownership	Borrower must own property as principal residence for 12 month prior to date of case number assignment, with an exception for inherited properties
Non-Occupying Co-borrowers on Cash Out Refinances	May not be added to a cash out refinance transaction in order to meet FHA’s credit underwriting guidelines for the mortgage	Income from a non-occupant co-borrower may not be used to qualify for a cash-out refinance

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Streamline Refinances Net Tangible Benefit Definition	A 5% reduction to the principal and interest (P&I) of the mortgage payment plus the annual mortgage insurance premium (MIP), or refinancing from an Adjustable Rate Mortgage (ARM) to a fixed rate mortgage.	Defined as a reduced combined rate, a reduced term, and/or a change from an ARM to a fixed rate mortgage that results in a financial benefit to the borrower. <ul style="list-style-type: none"> • Combined rate refers to the interest rate on the Mortgage plus the Mortgage Insurance Premium (MIP) rate. Define benefit for following transactions <ul style="list-style-type: none"> • Fixed • ARMs (based on payment change date)
Streamline Refinances Net Tangible Benefit – Reduced Term	Reduction in term alone does not constitute a net tangible benefit.	Reduction in term does constitute a net tangible benefit if the following are met: <ul style="list-style-type: none"> • Term is reduced • The new rate does not exceed the current rate • Payment does not increase more than \$50.
Tax Liens	A satisfactory repayment plan is required to be established between the borrower and the Federal agency owed, which is verified in writing.	Tax liens may remain unpaid if the borrower has entered into a valid repayment agreement with the federal agency owed to make regular payments on the debt and the borrower has made timely payments for at least three months of scheduled payments. The Borrower cannot prepay scheduled payments in order to meet the required minimum of three months of payments.
Tax Service Fees	Not allowed	Not mentioned
Prepaid Items	15 days per diem interest required for estimated prepaids on GFE and prepaid items may include “other similar fees and charges”.	Prepaid items may include flood and hazard insurance premiums, MIPs, real estate taxes, and per diem interest. They must comply with the requirements of the CFPB.

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Premium Pricing	<p>May pay a borrower's closing costs, and/or prepaid items</p> <ul style="list-style-type: none"> • Must be disclosed on the GFE and the HUD-1 Settlement Statement • Must be used to reduce the principal balance if the premium pricing agreement establishes a specific dollar amount for closing costs and prepaid expenses, with any remaining funds in excess of actual costs reverting to the borrower. 	<p>Defined as credit from lender for the interest rate chosen.</p> <ul style="list-style-type: none"> • May be used to pay borrower's actual closing costs and/or prepaid items. Closing costs paid in this manner do not need to be included as part of the Interested Party limitation • Must be disclosed in accordance with RESPA; • Must be used to reduce the principal balance if the credit amount exceeds the actual dollar amount for closing costs and prepaid expenses;
Dual Employment	<p>If employee has other outside employment, including a self-employed business, the employment may not be in mortgage lending, real estate, or a related field.</p>	<p>If employee has other outside employment, including any self-employment it cannot create a prohibited conflict of interest. Conflict of interest:</p> <ul style="list-style-type: none"> • Employees are prohibited from having multiple roles in a single FHA-insured transaction. • Employees are prohibited from having multiple sources of compensation, either directly or indirectly, from a single FHA-insured transaction.
Short Sale	<p>Exception to 3 year seasoning allowed if borrower was current on mortgage at the time of the short sales, it was on primary residence, if not in same geographic area, all mortgage payments on the prior mortgage were made within the month due for the 12-month period preceding the short sale; and installment debt payments for the same time period were also made within the month due</p>	<p>Short sales within the last 3 years to the case number assignment date are not allowed, with the following exception: if a short sale has occurred within 3 years of the case assignment date, there is no seasoning requirement as long as the loan is manually underwritten, all Mortgage Payments on the prior Mortgage were made within the month due for the 12-month period preceding the Short Sale; and installment debt payments for the same time period were also made within the month due.</p>

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Streamlines	Must be credit qualifying if a change in the mortgage term will result in an increase in the mortgage payment of more than 20% or with certain circumstances, removal of a borrower from the transaction	<p>Borrower is eligible for a streamline refinance without credit qualification if all borrowers on the existing mortgage remain as borrowers on the new mortgage. Mortgages that have been assumed are eligible provided the previous borrower was released from liability.</p> <p>Borrower on the mortgage to be paid may be removed from title and new mortgage in cases of divorce, legal separation or death when:</p> <ul style="list-style-type: none"> • the divorce decree or legal separation agreement awarded the property and responsibility for payment to the remaining borrower, if applicable; and • the remaining borrower can demonstrate that they have made the mortgage payments for a minimum of six months prior to case number assignment.
Streamline Proof of Occupancy	No specific evidence required to prove current occupancy on streamline transaction	Must review the borrower's employment documentation or obtain utility bills to evidence the borrower currently occupies the property as their principal residence. When processing as a second home, must obtain evidence that the secondary residence has been approved by the Jurisdictional HOC.
Self-Employed Schedule C Borrower Balance Sheet	A balance sheet is required for self-employed borrowers filing Schedule C income if more than a calendar quarter has elapsed since date of most recent calendar or fiscal year-end tax return was filed by the borrower	A balance sheet is not required for self-employed borrowers filing Schedule C income if more than a calendar quarter has elapsed since date of most recent calendar or fiscal year-end tax return was filed by the borrower
Cost Approach to Value	Unless the cost approach is specifically required (proposed or new construction existing less than a year, or existing if market acceptable of cost as an indication of pricing and value) or considered applicable in the appraiser's judgment, developing this approach is not required for a HUD/FHA appraisal.	<p>The Appraiser must consider and attempt all approaches to value and must develop and reconcile each approach that is relevant.</p> <p>The Appraiser may use any of the credible and recognized methods to complete the cost approach (unit in place, segregated costs, price per unit, detailed builder's cost method, or any other credible source that can be duplicated by the reader).</p>

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Definition of Family Member	<p>For Identity of Interest transactions, defined as a child, parent, or grandparent spouse legally adopted son or daughter, including a child who is placed with the borrower by an authorized agency for legal adoption foster child brother, stepbrother sister, stepsister uncle, and aunt; Note: A child is defined as a son, stepson, daughter, or stepdaughter. A parent or grandparent includes a step-parent/grandparent or foster parent/grandparent.</p> <p>For all other transactions, defined as a child, parent, or grandparent, spouse, legally adopted son or daughter, including a child who is placed with the borrower by an authorized agency for legal adoption, and, foster child. Note: A child is defined as a son, stepson, daughter, or stepdaughter.</p>	<p>For all transactions, defined as follows, regardless of actual or perceived sexual orientation, gender identity, or legal marital status: child, parent, or grandparent, a child is defined as a son, stepson, daughter, or stepdaughter, a parent or grandparent includes a step-parent/grandparent or foster parent/grandparent, spouse or domestic partner, legally adopted son or daughter, including a child who is placed with the Borrower by an authorized agency for legal adoption, foster child, brother, stepbrother, sister, stepsister, uncle, aunt, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of the Borrower</p>
FHA Resources/Links		
Online Handbook 4000.1	http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsgq	
Handbook Glossary	http://portal.hud.gov/hudportal/documents/huddoc?id=40001gaHSGH.pdf	
PDF version of Handbook 4000.1	http://portal.hud.gov/hudportal/documents/huddoc?id=40001HSGH.pdf	
FAQs on HUD.gov	<p>New Handbook FAQs: http://portal.hud.gov/hudportal/documents/huddoc?id=SFH_FAQ_Preview.pdf</p> <p>Note: The FAQs will first post on the <i>Single Family Housing Policy Handbook</i> Information Page (link above) and then later migrate to the permanent FHA Resource Center Bulletin Board/FAQ page (still current FAQs).</p>	
FHA Self-Paced Recorded Training Modules	FHA's SF Handbook Archived Webinars	
DU TOTAL Scorecard scheduled updates	https://www.fanniemae.com/content/release_notes/du-government-loans-release-notes-09122015.pdf	
FHA Connection Technical Specifications	http://portal.hud.gov/hudportal/documents/huddoc?id=sf_hb_fhac_sys.pdf	

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