

BULLETIN #2018-01

TO: Distribution

DATE: January 3, 2018

RE: CMG Financial Correspondent Lending Updates

EFFECTIVE: As noted below

CMG FINANCIAL CORRESPONDENT LENDING UPDATES

Topics Covered in this Announcement:

- FHA Rate & Term Refinances & Paying Off a PACE Obligation
- Maximum Loan Amount – Texas Section 50(a)(6)
- Maximum Loan Amount - USDA

FHA RATE & TERM REFINANCES & PAYING OFF A PACE OBLIGATION

Summary: Properties encumbered with PACE obligations continue to be ineligible for purchasing. However, FHA's recent Mortgagee Letter 2017-18 clarifies that an existing PACE obligations may be paid off with a rate and term refinance. CMG will align with FHA in regards to allowing the unpaid principal balance of any unpaid PACE obligation to be included in calculating the maximum mortgage amount for an FHA rate and term refinance.

Effective Date: *This guidance is effective for case numbers issued thirty days after the date of the ML (December 7th, 2017).*

Link: [FHA Mortgagee Letter 2017-18](#)

MAXIMUM LOAN AMOUNT- TEXAS SECTION 50 (A)(6)

Summary: Effective as of January 1, 2018, the maximum loan amount for Texas Section 50(a)(6) transactions will increase to \$453,100 (previously \$424,100).

Effective Date: *January 1, 2018.*

MAXIMUM LOAN AMOUNT-USDA TRANSACTIONS

Summary: Effective as of January 1, 2018, the maximum loan amount for USDA transactions will increase to \$453,100 (previously \$424,100).

Effective Date: *January 1, 2018.*

***Please contact your Correspondent National Sales Manager
or your Correspondent Liaison with any questions.***

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