

BULLETIN #2017-48

TO: Distribution

DATE: September 20, 2017

RE: CMG Financial Correspondent Lending Updates

EFFECTIVE: As noted below

CMG FINANCIAL CORRESPONDENT LENDING UPDATES

Topics Covered in this Announcement:

- Summary- Non Agency Program Disaster Policies
- Reminder- FHA loans Not yet Closed Require FEMA "End Date" Prior to DIR

SUMMARY- NON AGENCY PROGRAMS DISASTER POLICIES

As a reminder, the FEMA Declared Disaster Area policies applies to all areas eligible for individual and or Public Assistance due to a federal government disaster declaration. Non-agency specific requirements must be adhered to, including but not limited to, the need for the inspection to be interior/exterior, specific verbiage requirements, photo requirements, etc and are outlined in the posted guidelines. At this time:

- Jumbo Series 6200,7200,6600,6700 and 7600 allow disaster inspection report to be completed prior to FEMA establishing an end date.
- Jumbo Series 6400 has not released an update at this time. We will announce once determination has been made if re-inspections can occur prior to FEMA's incident end date.

Links:

- [Jumbo Series 6200](#)
- [Jumbo Series 6400](#)
- [Jumbo Series 6600](#)
- [Jumbo Series 6700](#)
- [Jumbo Series 7200](#)
- [Jumbo Series 7600](#)

REMINDER- FHA LOANS NOT YET CLOSED REQUIRE FEMA "END DATE" PRIOR TO DIR

Based on HUD Handbook 4000.1 requirements, re-inspections for FHA Loans (including bond loans) that have not closed as of the beginning of the incident period cannot occur until after the incident period end date (as defined by FEMA). At this time, FEMA has not issued end dates for neither Florida Hurricane Irma (DR-4337) nor the Texas Hurricane Harvey (DR-4332) disaster declarations.

Action to Take: FHA loans cannot proceed until an end date is established by FEMA and the disaster inspection report is obtained after the incident end date (as defined by FEMA). See last topic in this memo for information on how to locate the FEMA "end date" on the FEMA webpage.

Reminders: In addition, once eligible for the inspection, the inspection is to be an on-site inspection with interior/exterior photographs. Damage inspections should be completed by the original appraiser. However, if the original appraiser is not available, another FHA Roster Appraiser in good standing with geographic competence in the affected market may be used. If a different appraiser is used to inspect the property, the appraiser performing the damage inspection must be provided with a complete copy of the

original appraisal.

Reference: See FHA Handbook 4000.1, II.A.7.c. Inspection and Repair Escrow Requirements for Mortgages Pending Closing or Endorsement in Presidentially-Declared Major Disaster Areas.

Irma/Florida: <https://www.fema.gov/disaster/4337>

Harvey/Texas: <https://www.fema.gov/disaster/4332>

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

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