
TO: Distribution

DATE: January 13, 2021

RE: CMG Financial Correspondent Lending
Updates 2021-01

EFFECTIVE: As noted below

CMG FINANCIAL CORRESPONDENT LENDING UPDATES

Topics Covered in this Announcement:

- Fannie FAQ of the Week
- Disaster Updates- Mississippi and Louisiana
- FHA Manufactured Homes
- FHA TOTAL Scorecard 4.0
- COVID-19 "Extensions"

FANNIE FAQ OF THE WEEK

If the borrower is also the realtor, can they use commission earned on the sale for funds to close?

A borrower, who is also the realtor on the subject property, may use commission earned towards the funds to close requirement, as long as

- the lender verifies that the borrower has sufficient funds for the transaction without the commission, and
- funds for closing are validated prior to closing.

Source: <https://singlefamily.fanniemae.com/faq-top-trending-selling-faq>

DISASTER LIST UPDATES-MISSISSIPPI AND LOUISIANA

Summary: Based on recent updates to FEMA Declarations for Individual assistance the following counties in Mississippi and Louisiana are subject to CMG's disaster policy:

Disaster County	State	Disaster #	Declaration Date	Declared By	Incident Start Date	FEMA End Date	Termination Date
George	Mississippi	DR-4576-MS (Hurricane Zeta)	12/31/2020	FEMA - Individual Assistance	10/28/2020	10/29/2020	2/26/2021
Greene	Mississippi	DR-4576-MS (Hurricane Zeta)	12/31/2020	FEMA - Individual Assistance	10/28/2020	10/29/2020	2/26/2021
Hancock	Mississippi	DR-4576-MS (Hurricane Zeta)	12/31/2020	FEMA - Individual Assistance	10/28/2020	10/29/2020	2/26/2021
Harrison	Mississippi	DR-4576-MS (Hurricane Zeta)	12/31/2020	FEMA - Individual Assistance	10/28/2020	10/29/2020	2/26/2021
Jackson	Mississippi	DR-4576-MS (Hurricane Zeta)	12/31/2020	FEMA - Individual Assistance	10/28/2020	10/29/2020	2/26/2021
Stone	Mississippi	DR-4576-MS (Hurricane Zeta)	12/31/2020	FEMA - Individual Assistance	10/28/2020	10/29/2020	2/26/2021
Iberia	Louisiana	DR 4570 (Hurricane Delta - Amend 2, 12/23/20)	10/12/2020	FEMA - Individual Assistance	10/6/2020	10/10/2020	2/7/2021
Allen	Louisiana	DR 4570 (Hurricane Delta, Amend 2, 12/23/20)	10/12/2020	FEMA - Individual Assistance	10/6/2020	10/10/2020	2/7/2021

Effective Date: *Immediately*

FHA MANUFACTURED HOMES

Summary: FHA published [Mortgagee Letter \(ML\) 2020-48](#), Manufactured Housing Appraisal Sales Comparison Approach Update. This ML updates the appraisal standards for sales comparison approach for a category of manufactured housing that meets Fannie Mae's MH Advantage® or Freddie Mac's CHOICEHome® program certification requirements. These programs established construction and design attributes that exceed the Department of Housing and Urban Development's (HUD) Manufactured Home Construction and Safety Standards (MHCSS).

FHA made these changes to ensure the selection of the appropriate appraisal comparable sales of this unique category of manufactured housing. The ML applies to mortgages secured by manufactured homes insured under FHA Title II Single Family forward and reverse (Home Equity Conversion Mortgage) mortgage programs.

Effective Date: *This guidance is effective immediately for appraisals dated on or after December 22, 2020, through December 31, 2022. During this effective period, FHA will monitor the performance of this guidance to determine if adjustments are necessary.*

FHA TOTAL SCORECARD 4.0

Summary: With FHA INFO #20-97 FHA announced the release of TOTAL Scorecard Version 4.0

- On January 1, 2021, the Federal Housing Administration (FHA) will implement a new version of its Technology Open To Approved Lenders (TOTAL) Mortgage Scorecard. This new version incorporates adjustments to maintain and improve upon predictiveness as part of FHA's continual revalidation of the TOTAL scoring model.
- Unofficially, changes are not expected to have significant impact on borrower eligibility.

Effective Date: *All Mortgages being scored for the first time will be scored using the new version. For Mortgages with a case number, the Mortgages will be scored using the version that was effective when the case number was assigned. Existing Mortgages scored without a case number will be scored according to the version number tag that is provided in the TOTAL file by the Automated Underwriting System (AUS) provider (if none, then the current version will be used). All Mortgages without a case number will be scored using the new version 90 Days after the new version is implemented.*

Quick Links:

- View the online or PDF versions of the SF Handbook at http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsggh
- View TOTAL Mortgage Scorecard information at https://www.hud.gov/program_offices/housing/sfh/total

COVID-19 "EXTENSIONS"

Summary: The CMG COVID-19 Corporate Credit Response Document is updated to reflect the extension of the following COVID- 19 related flexibilities:

- Updated to reflect GSE extension for VVOE and appraisal flexibilities to January 31, 2021.
- FHA – With ML 2020-47 the extension of the Exterior-Only Appraisal inspection option in ML 2020- 37 is effective immediately for appraisals with an effective date on or before February 28, 2021 and the continuation of re-verification of employment guidance in ML 2020-05 is effective immediately for cases closed on or before February 28, 2021.
- USDA - Extension of Temporary Exceptions: The temporary exceptions originally issued on March 27, 2020, pertaining to appraisals, repair inspections, and income verifications for the Single Family Housing Guaranteed Loan Program (SFHGLP) due to the COVID-19 pandemic have been extended until February 28, 2021 and apply to the requirements in the program handbook HB-1-3555 for new loans, described below. (12/21/2020)

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



© 2021 CMG Financial, All Rights Reserved. CMG Financial is a registered trade name of CMG Mortgage, Inc., NMLS #1820 in most, but not all states. CMG Mortgage, Inc. is an equal opportunity lender, licensed by the Department of Business Oversight under the California Residential Mortgage Lending Act No. 4150025, California Finance Lenders Law No. 6053674. For information about our company, please visit us at www.cmqfi.com. To verify our complete list of state licenses, please visit www.nmlsconsumeraccess.org. For more information on State licenses, please visit <http://www.cmqfi.com/corporate/licensing>.

[Unsubscribe here.](#) if you don't wish to receive these messages in the future.
null, null null