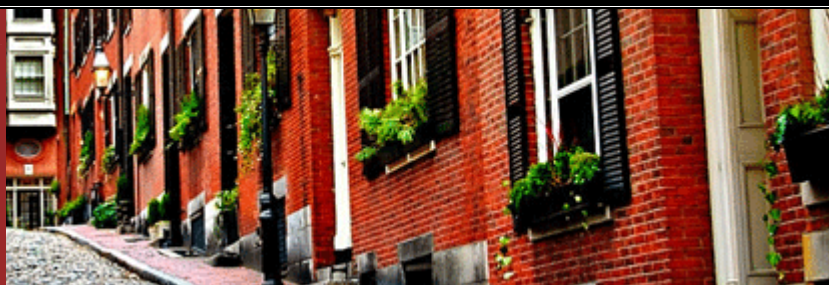


# Home Savings of America

Wholesale Lending

## BROKER BULLETIN



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### Summary

**DU for Government Loans to be updated February 18, 2012**

**This announcement replaces and combines Broker Bulletin dated 12/14/2011 (FHA Loan Limit Increases) and Broker Bulletin dated 12/14/2011 (DU for Government Loans)**

### Detailed Requirements

FNMA will install an update for DU for Government loans the weekend of February 18, 2012. Any new submission and any re-submissions will be subject to the changes. Key items are listed below

#### FHA and VA 2012 Loan Limits

##### **FHA Loan Limits**

The 2012 FHA county loan limit file will be incorporated in this release. The new county loan limits, when published, will be available on HUD's Web site at <https://entp.hud.gov/idapp/html/hicostlook.cfm>.

Submissions made prior to the weekend of February 18, 2012 will be based on the current county loan limits. Loan casefiles resubmitted, or created, after the weekend of February 18, 2012, will be based on the January 2012 county loan limits.

**Since the eligibility assessment could be inaccurate, lenders are responsible for ensuring that the correct FHA county loan limits are applied on all submissions and resubmissions to DU.**

HSOA will accept FHA loans at the increased loan limits for most loans, the following steps are required:

- As required by FHA, the increase is available by FHA for case numbers assigned on and after November 18, 2011.
- eHome is programmed to screen for the new higher limits, but doesn't capture/recognize case assignment dates. Users are to confirm that case assignment dates meet FHA requirements.
- Loans cannot exceed the "October Limits" – those in effect for cases assigned between October 1 and November 17.
- As a reminder, as indicated in the FHA Product Summary, the product code differentiation and underwriting guideline differences for loans exceeding \$417,000 still apply.

To aid in determining which loans require special loan size handling:

- DU submissions prior to February 18 will issue Accept/ineligible findings if the loan amount exceeds the October limits. Starting February 18, new DU submissions and re-submissions will be based on 2012 loan limits.
- For further details, refer to the loan limits posted on HSOA's website
  - **Mortgagee Letter 11-29 attachments A and B**, which are the October 2011 limits **Mortgagee Letter 10-40 attachments 1 and 2**, which are the loan limits for cases assigned November 18 through December 31, 2011.

**Mortgage Letter 11-39 attachments 1 and 2**, which are 2012 loan limits (there are 5 county limits changing from the November limits to the 2012 limits)

### **VA Loan Limits**

**VA loan limits went down in 106 counties nationwide (posted on HSOA's Wholesale website/ [www.hsoawholesale.com](http://www.hsoawholesale.com)). For VA loans, the loan limit is based on closing date (the date the loan Note is signed). All loans closing in 2012 must meet the new limits.**

The 2012 VA county loan limits will be incorporated in this release. The new county loan limits, are available on VA's Web site at [http://www.homeloans.va.gov/loan\\_limits.htm](http://www.homeloans.va.gov/loan_limits.htm).

DU Submissions made prior to the weekend of February 18, 2012, will be based on the 2011 county loan limits. DU Loan casefiles resubmitted, re-ran, or created after the weekend of February 18 2012, will be based on the January 2012 county loan limits.

**Because DU does not know the closing date associated with a loan casefile, lenders are responsible for ensuring that the correct VA county loan limit is applied for all submissions to DU.**

**For any loan >\$417,000, loans can be re-run in DU on and after February 18, underwriters are to confirm that the subject property county is not on the attached list; and if it is, that the maximum loan amount has been properly adjusted to account for the reduced VA guaranty amount.**

### **Locks/Pipeline**

Effective immediately

### **Questions**

If you have any questions, contact your Account Executive.

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