



Wholesale BROKER BULLETIN

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Summary

The VA Product Summary has been revised to reflect updated program guidelines.

Detailed Requirements

The VA program guidelines have been updated and reflect a 1/25/12 revision date. The new revision reflects HSOA VA guidelines, and replaces the former Product Summary.

These new guidelines are effective with new underwriting submissions starting January 25, 2012 and for all loans not funded by February 20, 2012

Key changes include:

- Maximum final loan amount is \$650,000 for full doc loans; \$417,000 for VA IRRRLs
- Reserves are no longer required, except for properties with rental income
- Loan amounts exceeding \$417,000 are subject to
 - Refer AUS findings or manually underwritten loans not allowed
 - No subordinate financing
 - 30 year fixed rate only (no ARMs, no shorter-term fixed rate loans)
 - Gifts are not allowed
- Log homes are permitted, subject to value being supported by similar comps
- Flipping restrictions: seller must be on title at least 30 days
- Maximum DTI is 50% for approve/eligible AUS findings
- 3-4 unit properties must have approve/eligible findings and not be manually downgraded
- If tax returns are used in qualifying, they must be signed by borrowers (4506 validation is not an accepted substitute)
- The requirement for 2106 expenses being considered a liability is rescinded
- POA requirements added

To view our VA Product Summary in detail: [VA Product Summary](#)

Locks/Pipeline

As above

Questions

If you have any questions, contact your Wholesale Account Executive.

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