

Date: 12/4/19

Topics: 2020 Conventional Loan Limits

Channels: Broker and Correspondent

Products: Conventional

Effective Date: Immediately

The Federal Housing Finance Agency (FHFA) issued the maximum mortgage limits that apply to conventional mortgages for 2020. The new conforming loan limits are as follows:

| Number of Units | Conforming Loan Limit | High Cost Area Loan Limits |
|-----------------|-----------------------|----------------------------|
| 1 | \$510,400 | \$765,600 |
| 2 | \$653,550 | \$980,325 |
| 3 | \$789,950 | \$1,184,925 |
| 4 | \$991,700 | \$1,472,550 |

The new 2020 loan limits are effective immediately.

Automated Underwriting Systems

- DU will be updated over the weekend of December 7th to allow these increases
- LPA will be updated by Wednesday, December 4.
- FHA and VA have not announced their loan limits. Please look forward to a future announcement.

Optimal Blue (Pricing Engine)

OB is in the process of being updated. A manual lock will need to be requested until OB is ready to support at a later date. Please contact Secondary Marketing (secondary@midwestloansolutions.com) for pricing locks with loan amounts greater than the 2019 limits until the OB update is complete.

Loan amount changes on rate locked loans must follow the change of circumstance process attached. In addition, Underwriting approval at the new loan amount is required prior to requesting a loan amount change with Secondary on a currently locked loan.

Please note that you may initially receive an "Approve/Ineligible" due to the higher 2020 loan limit that may be remediated prior to final approval.

If you have any questions regarding this announcement please contact your assigned Account Executive.

Thank you for your business and for being a valued partner!



Definition of Changed Circumstance

Midwest Loan Solutions, Inc. is bound by the Loan Estimate provided within three business days of the application, and may not issue revisions to Loan Estimates because of technical errors, miscalculations, or underestimations of charges that are later discovered. Midwest Loan Solutions, Inc. is permitted to provide to the consumer revised Loan Estimates only in certain specific circumstances.

A changed circumstance for purposes of a revised Loan Estimate is:

- An extraordinary event beyond the control of any interested party or other unexpected event specific to the consumer or transaction; or
- Information specific to the consumer or transaction that was relied upon when providing the Loan Estimate and that was inaccurate or changed after the disclosures were provided; or
- New information specific to the consumer or transaction that was not relied on when providing the Loan Estimate; or
- The consumer requesting revisions that affect items disclosed on the Loan Estimate causing an estimated charge to increase.

MLS may provide and use a revised Loan Estimate redisclosing a charge if changed circumstances cause the estimated charge to increase or, in the case of charges subject to the 10% cumulative variance, cause the sum of those charges to increase by more than the 10% tolerance.

The revised Loan Estimate must be issued within three business days of receipt of the information related to the changed circumstance. The revised Loan Estimate may increase charges only to the extent that the changed circumstance actually results in a higher charge. Any information that was known at the time the Loan Estimate was originally issued cannot be the basis of a changed circumstance.

MLS requires all changed circumstance requests to be sent through the MLS SMART Portal. Verbal changed circumstance requests will not be considered valid. If you are unable to submit the changed circumstance through the SMART portal, please send an email to disclosures@midwestloansolutions.com to notify them of the changed circumstance, the reason for the change and the date the change was requested.

Requesting a Changed Circumstance

1. To request a Changed Circumstance for a loan file, access the loan through the MLS SMART portal at <https://tpo.midwestloansolutions.com/>.
2. Locate the loan from the Pipeline view and click the Edit action icon to open the Loan Summary page.




My Pipeline Recently Viewed Loans
Sample Sample 71003466

Start a New Loan Registration

Unregistered 0 | Registered 59 | Submitted 24 | **Underwriting 3** | Closing 0 | Funded 0 | Archived 3 | All Loans 89

Refresh | Filters | Export Pipeline | Archive Checked

Search: 71003466

| <input type="checkbox"/> | Actions | Borrower | Loan # | Status | Days in Status | Channel | Client Loan # | Processor | Address | Loan \$ | Lock Status | Lock Expires |
|-------------------------------------|---|----------|----------|---------------------|----------------|--------------------|---------------|-------------|-------------------|-----------|-------------|--------------|
| <input checked="" type="checkbox"/> |    | S Sample | 71003466 | Initial UW Complete | 150 | Corr Non-Delegated | | T Processor | 111 Sample Street | \$200,000 | | |

3. Access the “Requests” tab and then choose “Request Change of Circumstance” from the menu bar.

View 1003 | Loan Details | Loan Documents | Open Conditions | Price & Lock | Appraisal | **Requests** | Compliance Package

Request Lock Extension

Request Change of Circumstance

Reason: -- Select --

Changed Circumstance: Select Some Options

Date: 11/27/2019

Comments: Comments

Submit Request

4. Select the Reason and the Changed Circumstance from the dropdown menu that best describes the change. Input the date the change was requested. Add any additional comments outlining the changed circumstance in the comment box.

Note: Be as detailed as possible when entering comments to allow efficient processing of the Changed Circumstance.

Reason: -- Select --

Changed Circumstance: Select Some Options

Date: 11/27/2019

Comments: Comments

Submit Request

5. Once the Changed Circumstance screen has been completed, choose the “Submit Request” button along the bottom of the screen to submit the request to MLS. The Operations Department will process your request and, if required, issue a revised Loan Estimate and any other applicable disclosures to the borrower(s).

