

Date: 2/4/2020

Topics: Reduced Admin Fee for VA IRRRL and Reduced FHA FICO Score Requirement

Channels: Broker & Correspondent

Products: VA & FHA

Effective Date: Immediately

Midwest Loan Solutions is offering VA IRRRL Transactions with a promotional reduction to our admin fee. Our regular \$995 admin fee is now \$495*.

In addition, we are reducing our minimum credit score for FHA Transactions to 600 for borrowers who receive an Approve/Eligible through Total Scorecard/AUS and meet the following requirements:

For FHA Purchase, Rate and Term and Cash-Out Refinance Transactions the borrower must have at least 3 of the listed compensating factors below:

- Current housing verified with 0x30 days
 - Private party lender/ landlord require 12 months canceled checks
- New housing PITI does not increase over 25% of the current housing costs. NO payment shock
- Additional 1 month reserve required over the Total Score Card requirement
- Residual income must exceed the minimum requirement by 120%
- Strong employment history
 - Borrower must be working for the same employer for a minimum of 5 years
- Ratios not to exceed 29.00% /41.00%
- All borrowers must have a credit score
- No major derogatory credit in last 12 months (i.e. charge off, collections, judgements, public record, foreclosure, deed in lieu, short-sale)
- Gift funds not allowed for down payment
 - Gift funds are allowed for pre-paid and closing cost only
- Non occupant co-borrowers not allowed

For FHA Streamline Refinance Transactions with a Credit Score of 600:

- No major derogatory credit in the last 12 months (i.e. more than 3 x 30 on installment or revolving accounts; charges offs or judgements or public records in excess of \$1,000)
- No more than 3 mortgage inquiries shown on credit report

For complete details, please refer to the FHA Product Matrix and the FHA Streamline Matrix which can be located at: <https://midwestloansolutions.com/resources/#tab-4>

**VA admin fee reduction may be offered only for a limited time*

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!

