

Breech, Mariana

From: CLD ABQ
Sent: Saturday, March 28, 2020 8:21 AM
To: CLD ABQ
Subject: COVID-19 **Important Updates** Cornerstone Home Lending, Inc., ****(Tax Transcripts, Locks, VOE, FICO SCORE)*****
Attachments: BORROWER.pdf
Importance: High



TO: Correspondent Lenders
FROM: Jason Kershaw, Operations Manager
DATE: March 28, 2020
RE: COVID-19 Updates

Effective Immediately:

Due to the rapidly changing environment we all find ourselves in, CHL is making the following changes and/or updates to existing policies at the recommendation of FNMA, FHLMC and GNMA. These measures are effective immediately and will remain in place until further notice.

Tax Transcripts

In light of the IRS delays in fulfilling orders, CHL is strongly suggesting you have your borrowers obtain their transcripts directly from the IRS using the on line service. Link and instructions are below:

<https://www.irs.gov/individuals/get-transcript>

To register and use this service, your borrowers will need:

- [SSN](#), date of birth, filing status and mailing address from latest tax return,
- access to their email account,
- personal account number from a credit card, mortgage (**not proposed loan #**), home equity loan, home equity line of credit or car loan, and
- a mobile phone with their name on the account.

What You Get

- All [transcript types](#) are available online
- View, print or download your transcript
- Username and password to return later

Locks

Effective immediately

All locks must have a note certifying the borrower is currently employed and detail how this was verified.

Verification of Employment

Effective Immediately:

Lenders must ensure the borrower(s) are still employed on the date of lock and closing. It is recommended that lenders perform additional due diligence which may include actions such as obtaining updated YTD paystubs for the pay period that immediately precedes the Note date and ensuring the employer is open for business. Lenders should continue to try and verify employment in the traditional manner and verify the borrowers employment status as close to closing as possible but later than 10 days. If you're unable, the Agencies have allowed for flexibilities, please refer to FNMA (Fannie Mae) Lender Letter 2020-03 and FHLMC (Freddie Mac) Bulletin 2020-5 for acceptable alternatives. This change is being made to ensure that capacity at both the correspondent and CHL is focused on borrowers who qualify. In addition to the VVOE or acceptable alternative per the agency, within 10 days of closing, CHL will require the most recent YTD paystub for pay period that immediately proceeds the note date.

Furloughed employees should be considered Temporary leave, if they can meet the requirements.

- CHL will now require the attached attestation executed by the borrower(s) at closing, loans submitted without the certification will be suspended until its received.

FICO

Effective Immediately:

Minimum FICO for all government loans is 640, no manual underwrites. Pricing for FICO less than 640 has been disabled for the time being and will not result in pricing. Loans already locked with FICO between 600-639 will be honored.

As always, your business is greatly appreciated. If you have questions regarding these issues, please contact your Account Executive, Jeff Mayes at jmayes@houseloan.com and Marian Breech mbreech@houseloan.com

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