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FHFA Extends Emergency Loan Processing Changes

The Federal Housing Finance Agency (FHFA) has extended several of the "flexibilities" it announced in March to assist mortgage originators in processing loans for Fannie Mae and Freddie Mac during shutdown associated with the COVID-19 emergency. The accommodations are designed to eliminate some in-person contact and to make it possible for processing staff to work from remote locations.

Originally intended to remain in effect for loans with application dates on or before May 17, the following are now extended to **at least June 30th**.

- Use of exterior only or Desktop appraisals for purchase and rate term refinances where complete interior and exterior appraisals cannot be obtained due to virus fears.
- Flexibility for borrowers to provide documentation (rather than requiring an inspection) to allow disbursements for completed renovations.
- Alternative methods for verifying employment before loan closing including email verification, year-to-date paystubs, or bank statements. Verification can also be obtained in some situations up until the date of loan delivery.
- Expanding the use of power of attorney and remote online notarizations to assist with loan closings.

"These loan origination flexibilities will continue to facilitate loan closings and go a long way to keeping the market functioning effectively during this national emergency," said FHFA Director Mark Calabria. "Today's actions also keep homebuyers, sellers, and appraisers safe."

While unconfirmed by FHFA, it appears that servicers of Fannie Mae and Freddie Mac loans **may be reimbursed \$500** for each forbearance plan they handle. The payments, rumored to be available around the first of July, are meant to defray the extra expenses servicers will incur in staffing up phone lines, counseling borrowers, and putting forbearance plans in place.

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	7.08%	-0.05	0.00
15 Yr. Fixed	6.45%	-0.02	0.00
30 Yr. FHA	6.55%	-0.05	0.00
30 Yr. Jumbo	7.25%	-0.04	0.00
5/1 ARM	7.07%	-0.03	0.00

Freddie Mac

30 Yr. Fixed	6.86%	-0.01	0.00
15 Yr. Fixed	6.16%	+0.03	0.00

Mortgage Bankers Assoc.

30 Yr. Fixed	7.03%	+0.09	0.62
15 Yr. Fixed	6.56%	+0.09	0.54
30 Yr. FHA	6.90%	+0.11	0.95
30 Yr. Jumbo	7.11%	-0.01	0.50
5/1 ARM	6.38%	+0.11	0.54

Rates as of: 7/3

Recent Housing Data

		Value	Change
Mortgage Apps	Jun 12	208.5	+15.58%
Building Permits	Mar	1.46M	-3.95%
Housing Starts	Mar	1.32M	-13.15%
New Home Sales	Mar	693K	+4.68%
Pending Home Sales	Feb	75.6	+1.75%
Existing Home Sales	Feb	3.97M	-0.75%

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	Value	Change
30 Year Fixed Rate	Mar 51	+6.25%

With 27+ years of expertise in mortgage banking you can be confident in my knowledge and abilities to deliver a seamless loan transaction while providing personalized service.

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