

Lending Guide Announcement

IMPORTANT

ClearPoint Funding will apply certain changes to the following:

Pipeline

- **FHA:** HUD safeguards for appraiser independence through HVCC.
 - In alliance with Mortgagee Letter 2009-28, all case numbers ordered on or after February 15th, 2010 regardless of pipeline status will be required to order the appraisals through ClearPoint Funding's appraisal management company.
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Appraiser Independence

To ensure appraiser independence, it is prohibited to accept appraisals prepared by FHA Roster appraiser who is selected, retained or compensated in any manner by a mortgage broker or any member of a lender's staff who is compensated on a commission basis tied to the successful completion of a loan.

Appraisal Updates

- FHA has adopted FNMA Form 1004D, for case numbers ordered on or after February 15, 2010, for the purposes of appraisal updates and/or completion reports.
 - The original FHA Roster appraiser continues to be required and must sign the update
 - Property may not have declined in value
 - Building improvements that contribute value to the property must be observable from the street or public way
 - If the exterior inspection reveals deficiencies, then the 1004D may not be utilized.
 - HUD-92051 continues to be required for new construction
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FHA Property Requirements

All appraisal practices utilized by ClearPoint Funding (a) conforms to the requirements of HUD, (b) complies with Home Valuation Code of Conduct (HVCC) issued by the Federal Housing Finance Agency, and (c) meets the minimum standards established under FIRREA.

Appraisal Portability / Transfer

When a borrower changes from one lender to ClearPoint Funding, the initial lender must at the borrower's request transfer the case to us. This requires the initial lender to:

- Transfer the FHA case number to ClearPoint Funding using the Case Transfer functionality within FHA Connection.
 - Provide ClearPoint Funding with a copy of the appraisal report ordered by and completed for the initial lender.
 - It is acceptable for the client name listed on the appraisal report to continue to reflect the initial lender. FHA does not require that the client name on the original appraisal to be changed into our name.
 - A ClearPoint Funding DE Underwriter will review the original appraisal as provided from the initial lender to determine if it is acceptable collateral as required by HUD. A Conditional Commitment issued by the first lender's DE Underwriter is not transferable and may not be utilized or considered by ClearPoint Funding.
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