

“Money It’s So Common, But How Do I Get It?”

New Regulatory & Lending Practices

Understanding FHA, Conventional, and VA requirements their guidelines and programs:

The main objective to this class is to inform the General Contractor, Builders and Realtors about updated Lending regulations, requirements and programs available.

The Self Employed Borrower - Let’s talk about the Elephant in the room.

1. Mortgage or Tax Deductions? That is the question
2. How to avoid pitfalls in mortgages for self-employed borrowers.
3. Declining Income as a large indicator of risk for Self Employed Borrowers

FHA – HUD programs that can help and can hurt

1. 3.5% down payment
2. 1.35% Upfront Mortgage Insurance
3. 1.5 Monthly Insurance Premium / less depending on LTV (Loan to Value)
4. FHA Debt to Income Ratio’s (DTI)...requirements getting strict
5. Gift Letters (Who or Where can they receive “Gift Letters”)
6. Utah Housing Programs Available
7. Building an FHA ready Home
8. USDA – Great Option but not for everyone

Financial Requirements:

1. 2 Year W2’s and Tax returns
2. 2 Month Bank Statements
3. 2 Months Paystubs
4. Social security Card
5. Drivers License or other ID
6. Divorce Decree
7. Savings Documentation: 401K, IRA, Stocks, Other
8. Award Letter for retirement, Social Security or Disability PAST / PRESENT / FUTURE
9. Must have at least 2 Years of Employment History
10. FICO score 640 and above or 660 for Utah Housing

Conventional:

1. New Minimum of 3% Down Payment with PMI
2. Minimum of 20% Down Payment without PMI
3. No upfront Mortgage Insurance Premium Programs
4. PMI is less depending on LTV
5. Conventional DEBT to Income Ratio’s (DTI)
6. Gift Letters (How do they differ from FHA Gift Letters?)
7. Fannie Mae / Freddie Mac what is the difference?

Financial Requirements:

1. 2 Year W2’s and Tax returns
2. 2 Month Bank Statements
3. 2 Months Paystubs
4. Social security Card
5. Drivers License or other ID

6. Divorce Decree
7. Savings Documentation: 401K, IRA, Stocks, Other
8. Award Letter for retirement, Social Security or Disability PAST / PRESENT / FUTURE
9. Must have at least 2 Years of Employment History
10. FICO Scores 720 or higher

VA Loans:

1. No Down Payment requirements
2. Upfront Mortgage Insurance 2.25% first time user 3.25% subsequent user.
3. No PMI or MIP
4. DTI Ratio requirements/ Overlays by lender
5. Military Verifications
6. Term in military requirements: 6 months times of war/ 1 year times of peace.

Financial Requirements:

1. 2 Year W2's and Tax returns
2. 2 Month Bank Statements
3. 2 Months Paystubs
4. Social security Card
5. Drivers License or other ID
6. Divorce Decree
7. Savings Documentation: 401K, IRA, Stocks, Other
8. Award Letter for retirement, Social Security or Disability
9. Must have at least 2 Years of Employment History
10. Must have DU approval (Desktop Underwriter)
11. FICO score not as important as DU approval.

Jumbo Loans

1. Why are they different than conventional?
2. Larger down payments required.
3. Assets and Reserves required to qualify

Grant Programs Available for First Time Home Buyers

1. Utah Housing
2. Home\$tart
3. Own in Ogden
4. Clearfield City
5. Salt Lake City Grants

Refinance to Remodel, Is it worth it?

1. The cost to refinance
2. The cost to demolish and remodel
3. How long to recoup the cost

Students will leave this class with the ability to know all of their financing options for prospective clients.

Thank you,
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