

Course Title: FHA FUNDAMENTALS WEBINAR SERIES

Course Description: This course is designed for individuals who need an introduction to FHA requirements or to refresh their knowledge of FHA. The course covers FHA requirements for origination, processing and credit guidelines that are unique to FHA.

Course Delivery: A four part series of webinars covered over a four day period. The format can be changed upon request. Webinars to be hosted by Mortgage U.

Attendee Description: originators, processors and underwriters who are new to FHA.

Lesson Plan:

Lesson 1: FHA PURCHASES – 40 page workbook included with copies of forms and worksheets

Calculating the Maximum Mortgage Amount on a Purchase Transaction

- Statutory Limits
- Review of the 3.5% minimum investment
- Reviewing allowable closing costs and seller paid costs
- Review Anti-property flipping rule

Understanding the Mortgage Insurance Premiums

- Up Front and Annual Premiums
- Refund/cancellation provisions

FHA Purchase Agreements

- Required disclosures
- Contract issues to watch for

Open Q&A – (30 minutes)

Lesson 2: FHA REFINANCES – 20 page workbook included with worksheets

Overview of differences between regular and streamline refinances

Regular refinances (not FHA to FHA)

- LTV requirements and definition of rate and term refinance
- LTV requirements and definitions of cash out refinances
- Underwriting requirements

Streamline refinances with and without appraisals

- Requirements for 'with' an appraisal
- Requirements for 'without' an appraisal
- Basic documentation requirements
- Unique documentation triggers for streamline refinances

Understanding MIP refunds

- Review of current MIP refund policy

Open Q&A - (30 minutes)

Lesson 3: FHA UNDERWRITING – 20 page workbook included with direct feedback messages from TOTAL Scorecard guide

Underwriting

- Automated underwriting and manual underwriting differences
- Overview of credit history requirements
- How income stability requirements differ from secondary market
- Acceptable sources of funds to close
- Understanding compensating factors and 'risk' on FHA loans
- Appraisal review basics

Open Q&A - (30 minutes)

Lesson 4: FHA Appraisals – 50 page workbook handout including a list of FHA minimum property requirements

FHA Appraisals

- FHA minimum property requirements
- FHA repairs and repair escrows
- FHA appraisal forms

Open Q&A - (30 minutes)