



Mortgage Services III, LLC

A Subsidiary of First State Bank Member FDIC

# Wholesale Partner Announcement

At MSI...Your Interest Is Our Priority!

Issue Date 6/17/09

Effective Date As Noted

WPA 2009-025

## FHA ARM Change Date Calendar; POC Requirements; USDA Hazard Insurance Deductible Maximum

### Purpose

This communication announces:

- ✓ FHA Change Date Calendar.
- ✓ MSI Paid Outside of Closing (POC) Requirements.
- ✓ Insurance Deductible maximums for USDA loans.

### Effective Date

As Noted.

### FHA ARM Change Date Calendar

**Effective Immediately, regardless of registration or lock date.**

MSI will post an FHA ARM Change Date Calendar; the change dates on all FHA ARM loans must fall within the required dates. FHA ARM loans with Notes reflecting change dates that do not meet our Change Date Calendar will not be purchased.

### POC Requirements

**Effective Immediately, regardless of registration or lock date.**

As a direct result of the tightening credit market, MSI has encountered more stringent post funding/purchase documentation requests from the Secondary Market.

- ✓ MSI requires documentation (evidence) of payment for all items listed Paid Outside of Closing (POC) on the HUD-1. Evidence may include
  - A receipt from the vendor or
  - A copy of the cancelled check evidencing payment to the vendor.

**Important Note:** Due to Secondary Market issues, MSI may require evidence of payment for POC items as a post-funding/purchase requirement.

### USDA Hazard Insurance Deductible

**Clarification:**

MSI requires the following Hazard Insurance Deductibles for all USDA loans:

- ✓ The USDA maximum Hazard Insurance (for all types of Hazard except Flood) deductible is 1% of the face value of the insurance or \$1,000.00, whichever is greater.

### Seller Guide

As Applicable: The Seller Guide and applicable Product Quick Reference Sheets will be updated within 2 business days of the effective date of the change.

### Questions

If you have questions, contact your Account Executive.

WPA-09-025

This communication is intended for use only by mortgage professionals and business partners of Mortgage Services III, LLC (MSI).

Page 1 of 1





Mortgage Services III, LLC  
 A Subsidiary of First State Bank Member FDIC

# Quick Reference Sheet

## FHA ARM CHANGE DATES

Posted 6/18/09

FHA ARM CHANGE DATES 1/1, 3/1, 5/1				
First Payment Date	1/1	3/1	5/1	Delivery Cut-Off Date
1/01/09 2/01/09 3/01/09	4/01/10	4/01/12	4/01/14	2/28/09
4/01/09 5/01/09 6/01/09	7/01/10	7/01/12	7/01/14	5/31/09
7/01/09 8/01/09 9/01/09	10/01/10	10/01/12	10/01/14	8/31/09
10/01/09 11/01/09 12/01/09	1/01/11	1/01/13	1/01/15	11/31/09
1/01/10 2/01/10 3/01/10	4/01/11	4/01/13	4/01/15	2/28/10

Interest Change Dates are used for pooling purposes.  
 If the change date on your documents does not meet the MSI posted dates,  
 the loan may not be eligible for MSI.

MSI provides Quick Reference sheets for mortgage professionals only..  
 See your Seller Guide for full details regarding MSI Products.

