



SONYMA FHA Plus and Conventional Plus
Operational Instructions



SECTION 100

**APPLICATION, REGISTRATION & UNDERWRITING
SUBMISSIONS**

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APPLICATION, REGISTRATION & UNDERWRITING SUBMISSIONS

Section 101 REGISTRATION PROCESS WITH M&T BANK

This section of the FHA Plus and Conventional Plus Operational Instructions provides registration requirements with M&T Bank. The requirements contained in this section may not necessarily fulfill all requirements for all loans registered with M&T Bank for purchase. M&T Bank reserves the right to require any additional documentation necessary to ensure the marketability of the loan on a case-by-case basis.

Loans submitted for the FHA Plus and Conventional Plus program are registered with M&T Bank only. Loans must NOT be registered on SONYMA Express M&T Registration Department will register the DPAL loan with SONYMA.

To register a loan with M&T Bank, the Seller must complete the following:

- Register all loans on MEME (Mortgages Electronically Made Easy) at [http:// www.mtbcl.com](http://www.mtbcl.com)
- Update the 1003 to MEME (Go to *Help Info* folder on MEME, see MEME Desk-Side Guide for assistance)
- The following documents are required on all correspondent lender registrations
 - Signed and dated 1003
 - Fully executed sales contract
 - DPAL Recapture Notification (*SONYMA Form #D4/9-09*), if applicable
- **If there is a DPAL you must register it at the same time as the first mortgage. See steps below:**
 - 1. Underwriting type should be manual /accept**
 - 2. Select Conventional or FHA based on 1st mtg. type (see example below)**
 - 3. The first mortgage amount needs to be entered in other financing not subordinate financing**
 - 4. Amortization term should be 120**
 - 5. Desired rate should be 0.00 to 7.00%**
 - 6. Desired lock period needs to be 60 days**

*Interest Only: Yes No

*Underwriting Type:

* Recommendation:

* Loan Type:

*Program Type:

Section 102 UNDERWRITING

All loans must be underwritten in accordance with the first lien mortgage loan product guidelines AND the ‘SONYMA FHA Plus and Conventional Plus’ Term Sheets. In all instances, the more conservative of the two guides must be adhered to. Manual underwriting is NOT permitted.

Conventional Plus

Delegated Underwriting is not permitted for the Conventional Plus program. All loans must be submitted to Genworth.

DU: Approve/Eligible are acceptable AUS feedback

Please note M&T Bank recommends a pre-closing review for all Agency purchase requests in addition to the normal purchase review.

FHA Plus

Delegated underwriting is permitted for DE lenders only. All loans must be run through FHA Total Scorecard (TSC) for approval. Risk scores of ‘Refer’ are NOT eligible. Manual underwriting is NOT permitted.

Section 103 MORTGAGE INSURANCE (MI)

This section of the FHA Plus and Conventional Plus Operational Instructions provides primary mortgage insurance requirements.

Borrower-paid primary Mortgage Insurance (MI) is required for all loans with LTVs in excess of 80%. For the Conventional Plus program, MI may be submitted to Arch, Essent, Genworth, MGIC, National MI, Radian and Untied Guaranty.

Conventional Plus MI Requirements

- Monthly, annual, and single premiums are eligible. “Reduced”, “Custom”, Financed and LPMI are not allowed.
- Coverage

LTV	Required MI Coverage
95.01% – 97%	18%
90.01% – 95%	16%
85.01% – 90%	12%
80.01% – 85%	6%

Submissions

- Genworth - When the loan is submitted to Genworth for MI, complete the Cover Sheet for GE Mortgage Insurance (Exhibit 02-457) and the Application for Genworth Mortgage Insurance Application (Exhibit 02-453) as follows:
 - Under Submission Information, check “1C Genworth Underwrite-MI Full Package”. Then, complete all remaining sections as applicable.
 - The Full Loan Package is sent to:
 - Genworth Mortgage Insurance
 - Attn: Bill Wippich
 - 8325 Six Forks Road
 - Raleigh, NC 27615

- Online full package submission at:
mortgageinsurance.genworth.com
- Bill Wippich’s contact information is:
800-548-0884
bill.wippich@genworth.com
- Pool insurance through MIF is NOT required for either program.
- Escrow waivers are NOT permitted.

FHA Plus Mortgage Insurance Premium – For case numbers assigned on or after January 26, 2015. See Exhibit 02-010 for MIP requirements for loans where the case number was assigned prior to January 26, 2015. MIP is the amount paid by the borrower for HUD to provide insurance on the loan. Similar to private mortgage insurance, there is an upfront premium, which can be financed, and an annual premium.

- Purchase Transactions – Base loan amounts **less than or equal to \$625,500**

LTV	Mortgage terms of more than 15 years		
	Upfront Premium	Annual Premium	Duration in Years
Less than or equal to 90%	1.75%	.80%	11
90.01% to 95%	1.75%	.80%	❶
Greater than 95%	1.75%	.85%	❶
LTV	Mortgage terms of less than or equal to 15 years		
	Upfront Premium	Annual Premium	Duration in Years
Less than or equal to 90%	1.75%	.45%	11
Greater than 90%	1.75%	.70%	❶

❶ The duration of the Annual MIP will be the term of the loan.

- Refinance transactions -
 - FHA to FHA Refinance - On any refinance, where the MIP refund exceeds the new Up-front MIP (based on 1.75%), HUD will refund the overage directly to the borrower. The lesser of the MIP refund or the new Up-front MIP (based on 1.75%) should be subtracted from the unpaid principal balance before calculating the new mortgage amount. Use the Purchase Transactions charts above to determine the annual premium.
 - Non-FHA to FHA Refinance – use the Purchase Transactions charts above to determine the UFMIP and the annual premiums.