



Northwind Financial Mortgage Training Syllabus

The ABC's of FHA Lending

- 1. Introduction** *(10 min)*
 - a. Welcome and Open
 - b. Syllabus Review
 - c. Materials Review
 - i. Participant Manuals, Handouts, Info Pkgs.

- 2. Introduction To FHA Lending** *(50 min)*
 - a. Who/What is FHA
 - i. Becoming an FHA Lender & requirements
 - ii. Available Programs
 1. Fixed, ARM, 203b, 203k, other program definitions
 2. Manufactured / Mobile Housing
 3. New Construction guidelines
 - iii. Borrower Eligibility
 - iv. Property Eligibility

- 3. FHA Origination** *(40 min)*
 - a. Origination Basics
 - i. Regional Mortgage Limits
 - ii. High vs. Low Closing Cost States
 - iii. Forms and Disclosures
 1. Application Package
 2. FHA Forms and Purpose

- 4. FHA Costs and Calculations** *(1 hr 40 min)*
 - a. Maximum Mortgage Calculations
 - i. Max Mortgage Limits, MIP
 1. Explanation & Charts
 2. Sample Calculations
 - a. Case Studies - #1-4
 - i. Base Loan; Acquisition; Statutory Required Investment; Total Loan Calculations
 3. Good Faith Estimate
 - a. Costs and Fees
 - b. Effect on Maximum Mortgage Calculations
 4. Case Study #5 – Putting It All Together

5. FHA Refinance Transactions (45 min)

- i. Refinance Basics
 - 1. Three Types of Refinances
 - a. Conventional / FHA*Secure*
 - 2. Streamline Refi Guidelines
 - a. MIP calculations and “Netting”
 - b. Credit qualifying streamlines
 - 3. UFMIP Refunds & eligibility
 - 4. Cash-out Transactions
- ii. Refund Factor Charts and Calculation Worksheets

6. Property and Credit Analysis (2 hr 35 min)

- a. Bankruptcy
- b. Income & Liability Analysis
- c. Credit Analysis
 - i. Non-traditional Credit
 - ii. Credit Scoring
 - iii. Alternative Documentation
 - iv. CAIVRS system
 - v. LDP/GSA Checks
- d. Acceptable Cash To Close Requirements
 - i. Source of Funds
 - ii. Gift Funds
 - iii. Cash At Home
- e. Property Evaluation
 - i. Role of the Appraiser
 - ii. FHA Case Numbers
 - iii. The Appraisal Process
 - iv. Assignments
 - v. Inspections
 - vi. Repair Escrows
- f. Underwriting
 - i. Automated Underwriting
 - 1. TOTAL Scorecard
 - 2. Minimizing AU Errors
 - ii. Direct Endorsement (DE)
 - 1. Conventional vs. FHA
 - 2. Conditional Commitments
 - 3. MCAW Analysis
 - iii. Underwriting The Property
 - 1. Valuation Condition Statements
 - 2. Property Inspections
 - a. Mechanical and Structural
 - b. Pest Inspections
 - 3. Property Escrow Accounts
 - iv. Compensating Factors
- g. FHA Marketing Guidelines
 - i. Do’s and Don’t’s

- ii. Targeting The Customer
- iii. Preparing Instant GFE, Comparisons, and Qualifying Reports

7. Resource Materials **(20 min)**

- a. 4155.1 Rev-5 – Mortgage Credit Analysis Handbook
- b. Mortgagee Letters
 - i. What and why – Key ML review
- c. FAQ's and other resource guides

8. Program Close **(10 min)**

- a. Review of Class Outline
- b. Evaluation and Questions

◆ Class schedule: 8:00am – 5:00pm

All above times are estimated and do not include break times

8:30am – 10:30am	Instruction
10:40am – 12:00am	Instruction
12:00pm – 1:00pm	Lunch
1:00pm – 2:50pm	Instruction
3:00pm – 5:00pm	Instruction

Total Instruction Time = 430 minutes (8 total credit hours)

- ◆ Presentation material may be re-arranged for program continuity purposes & questions
- ◆ Class presentation includes PowerPoint multi-media presentation throughout, case study material with worksheets. Attendees will need calculators
- ◆ Participant Manual is updated at least four times per year, contains approximately 320 pages with worksheets and reference material and includes an interactive CD (*with over 2500 pages of resource materials*).



- ◆ Program Author and Lead Instructor is **Chip Cummings, CMC** – Certified Mortgage Consultant. Chip has over 25 years of mortgage lending experience and training, and is a certified National NAMB and MMBA Instructor. He is also a certified instructor for dozens of State Continuing Education programs. Full C.V., qualifications and references available upon request.

For additional questions or information regarding program content or training administration, please contact:

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