Topics Covered In This Announcement:
- COVID-19 Updates
  - Fannie Mae Updated LL-2020-03 and LL-2020-04
  - Freddie Mac Bulletin 2020-08

Channels:  □ Correspondent | Non-HFA
  □ All HFA  ☒ CalHFA  ☒ DSHA  □ WSHFC  ☒ TSAHC  ☒ Home in Five  □ metroDPA

Products:
- FNMA Conforming and High Balance
- FNMA HomeReady
- FNMA HFA Preferred
- FHLMC Conforming and Super Conforming
- FHLMC HFA Advantage
- FHLMC Home Possible
- Bayview Fannie Mae Conforming & High Balance
- Bayview Freddie Mac Conforming & Super Conforming
- Texas 50(a)(6) Program

Topic: COVID-19 Updates
- Fannie Mae Updated Lender Letters (LL-2020-03) & (LL-2020-04)
- Freddie Mac Bulletin 2020-08

Effective Date: As indicated by topic

Lakeview is aligning with Fannie Mae’s updated Lender Letters 2020-03 and 2020-04 dated March 31, 2020, and the updates announced in Freddie Mac’s Bulletin 2020-08 with the exception of the flexibilities pertaining to the use of a power of attorney and remote online notarizations (RON).

Age of Documentation

Effective with applications dated on or after April 14, 2020 through May 17, 2020, Lakeview is aligning with the Fannie Mae and Freddie Mac age of documentation updates.

All income and asset documentation must be dated no more than 60 days prior to the note date, except as described below:

- If an asset account is reported on a quarterly basis, the correspondent must obtain the most recently issued quarterly statement.
- For electronic income verifications obtained from third-party verification service providers (e.g. The Work Number), the information from the electronic data base reflected on the third-party verification must be dated no more than 60 days prior to the Note Date, (information “as of” date).
The following types of income are not required to meet the updated policies and may continue to follow standard age of documentation guidelines:

- Military income documented on Leave and Earnings Statements
- Retirement income
- Survivor and dependent benefit income
- Long-term disability income
- Social Security Supplemental Security Income (SSI)
- Public assistance income
- Homeownership Voucher Program payments
- Foster-care income
- Trust income (fixed)
- Royalty payments
- Mortgage Credit Certificates (MCC)

Any income not specifically excluded above must meet the temporary age of documentation update.

**Verification of Self-Employment**

Effective with applications dated on or after April 14, 2020 through May 17, 2020, Lakeview is aligning with the Fannie Mae and Freddie Mac verification of self-employment updates.

When self-employment is used to qualify, verification that the borrower’s business is open and operating must be confirmed within ten (10) business days prior to the note date.

As a reminder, Lakeview requires all VVOEs to be completed within three (3) business days of the note date for all salaried, hourly and commissioned income borrowers.

Correspondents remain responsible for ensuring all borrowers are employed at their disclosed employment through closing.

**Tax Filing Extension Date**

Due to the federal income tax filing extension granted through July 15, 2020, the following documentation requirements will be eliminated:

- IRS Form 4868
  - The IRS Form 4868 (Application for Automatic Extension of Time to File U.S. Individual Tax Return) will not be required when a mortgage has an application or disbursement date between April 15 and July 15.
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- IRS Form 4506-T
  - At this time, IRS Form 4506-T (Request for Transcript of Tax Return) confirming “No Transcript Available” will not be required for the 2019 tax year. At such time as when the IRS resumes its acceptance of new IVES work, Lakeview’s IRS tax return & transcript requirements as outlined in the prior announcement C2020-03 dated January 23, 2020 will be re-institated and this topic will be addressed.

Market-Based Assets

Effective with applications dated on or after April 14, 2020 through May 17, 2020, Lakeview is aligning with the Fannie Mae and Freddie Mac updates regarding the documentation and qualifying requirements for market-based assets.

Appraisals - New Construction Purchase Transactions

Effective immediately for all loans in process and for new applications dated on or before May 17, 2020, Lakeview is aligning with the Fannie Mae and Freddie Mac updates related to appraisal flexibilities for new construction purchase transactions.

All Fannie Mae and Freddie Mac requirements related to appraising a new construction property with a desktop appraisal must be met, including but not limited to any additional documents that must be provided to the builder (plans and specs, survey or plot, photos, sales contracts, etc.) and any required builder certifications.

Power of Attorney

At this time Lakeview is not aligning with Fannie Mae and Freddie Mac’s Power of Attorney flexibilities. The following persons connected to the transaction remain ineligible as attorney-in-fact under a POA, unless also related to the borrower or as required by applicable law:

- the lender;
- any affiliate of the lender;
- any employee of the lender or any other affiliate of the lender;
- the loan originator;
- the employer of the loan originator;
- any employee of the employer of the loan originator;
- the title insurance company providing the title insurance policy or any affiliate of such title insurance company (including, but not limited to, the title agency closing the loan), or any employee of either such title insurance company or any such affiliate; or
- any real estate agent with a financial interest in the transaction or any person affiliated with such real estate agent.
C2020-14 | April 7, 2020

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  - Freddie Mac Bulletin 2020-08

Lakeview will continue to accept POAs in accordance with Lakeview requirements and Fannie Mae and Freddie Mac standard guidelines. Lakeview will continue to monitor our position on this topic and will re-visit and communicate any updates as necessary.

Remote Online Notarization (RON)

Lakeview will not accept the use of remote online notarizations at this time. Lakeview will continue to monitor our position on this topic and will re-visit and communicate any updates as necessary.