



BULLETIN

TO: To Our Valued Clients

Date: May 10, 2018

SUBJECT: **FEMA Disaster Declaration – North Carolina** **BULLETIN-18MAY10**

***** IMPORTANT NOTICE *****

FEMA Disaster Declaration – North Carolina

Due to effects of severe storms and a tornado the Federal Emergency Management Agency (FEMA) issued a disaster declaration for the following North Carolina counties:

Incident Date: April 15th, 2018 – TBD by FEMA

State	Impacted Counties
North Carolina	Guilford and Rockingham

**For FHA loans only:

All affected properties require an interior/exterior disaster inspection (see below) However, per FHA handbook 4000.1, the inspection **MUST** be dated on or after the end for the “incident period” as determined and published by FEMA. This date can be up to several weeks after the natural disaster and has not been published for the North Carolina disaster incidents.

The FHA 4000.1 handbook states that the inspection must be completed by an FHA roster appraiser **AFTER** the incident period. Therefore, effective immediately Towne Mortgage Company will not close any FHA loans within any of the affected counties until an incident period is determined by FEMA for the North Carolina incident and the appropriate inspections are completed **AFTER** that date.

For loans with the appraisal completed:

- Prior to **impacted date listed above**, a standard disaster inspection is required to confirm that no damage has occurred to the subject property. See Inspection Requirements below.
- On or within 90 days after **the impacted date listed above**, the appraiser must comment on the condition of the property and any effects to the marketability.

Inspection Requirements

You may utilize **any** of the following inspection options to satisfy the post standard disaster inspection requirement:

- Appraisal Update and/or Completion Report (1004D) for exterior inspection
- 1004D interior/exterior inspections **REQUIRED** for FHA (**completed AFTER incident end period**), VA and RD loans not closed prior to the disaster incident date
- 2075 exterior Disaster Inspection
- Certification from a Licensed Property Inspector

Disaster Policy

Please follow our posted disaster policies and ensure to give consideration as follows:

Loan Type	Requirements
Conventional Loans with Property Inspection Waiver (PIW) or Automated Collateral Evaluation (ACE)	A property inspection waiver is not allowed for properties located within disaster areas
DU Refi Plus and Relief Refi	An additional inspection and/or new appraisal of the property is not necessary after a disaster if the loan meets the property insurance requirements, by which the property fieldwork waiver/HVE point value estimate can be used.
VA IRRRLs and FHA Streamlines Without Appraisals	<ul style="list-style-type: none"> • An additional inspection, recertification of the value, and/or new appraisal of the property is not necessary after a disaster if the loan meets the property insurance requirements. • Borrower Attestation stating there has been no damage done to the property is required.
VA loans	If the appraisal was performed before the FEMA incident end date, VA requires a VA Lender and Veteran Disaster Certification form signed by the borrowers at closing, and signed by the Lender.

Thank you,
Towne Family of Companies