

BULLETIN 18AUG13.2

TO: Our Valued Clients & Staff

Date: August 13, 2018

SUBJECT: EXPANDED SOLUTIONS PRODUCTS ANNOUNCEMENT

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

Towne Family of Companies is excited to announce the introduction of our Expanded Solutions suite of products! In addition to our current Non Warrantable condominium program introduced in January, we have added our Premier Access and Elite Access as the next step in helping more borrowers qualify for homeownership.

Attached are the Matrices and underwriting guidelines for these programs. You should read the guidelines carefully when originating these loans as they contain features unique to these programs. All will be posted to our intranet and TPO Connect sites. Please note we have removed investment properties from our Non-Warrantable Condo offering.

Some of the key features of these programs are:

- ✓ NO MI on any of these products!
- ✓ Eligible income sources including restricted stock units and asset depletion for borrowers with available assets after closing equal to or in excess of 180 months of PITI payment
- ✓ LTV ratios up to 90% with no MI
- ✓ Loan amounts from \$100,000 up to \$3,000,000
- ✓ 5/1 **Interest-only** option available
- ✓ 85% LTV on a cash out refinance transaction
- ✓ DTI's up to 50% - see guidelines for program availability
- ✓ 100% gift funds from family members allowed

- ✓ Flexibility on Derogatory Event Seasoning
- ✓ Non Warrantable condos allowed (see NWC guidelines)

These are **non-QM** products and require full income documentation per Appendix Q including the following

- Wage Earners:
 - Full 30 days of pay stubs
 - Two years W/2s
 - Two years W/2 transcripts
 - Gaps in employment require 6 months return to work
- Self Employed
 - YTD Profit and Loss/Balance sheet completed by CPA for all businesses
 - Signed Tax returns (both personal and all businesses)
 - Full transcripts (both personal and all businesses)

The following additional fees must be disclosed on the initial Loan Estimate (or Change of Circumstance with program change):

- There is a \$250 Condo project review fee on all Non warrantable Condo loans.
- \$200 CDA fee must be disclosed on all loans. A Collateral Desktop Analysis (CDA) through Clear Capital is required if the rating score on the Fannie Mae SSR is 3.99 or above. A second appraisal may be required, depending on the CDA results. The fee will not be charged if CDA report is not required

LOAN ESTIMATES FOR THESE PROGRAMS MUST BE PRODUCED BY TOWNE MORTGAGE DISCLOSURE DESK – no exceptions. Towne will not retain servicing on this product.

Rates and pricing for this product WILL NOT be listed on your rate sheets. You must go directly into Optimal Blue (OB) for rates. Loans will be locked as follows:

- Go to “Product Search”
- Select “Premier Access” or “Elite Access”

Non Warrantable Condos can be locked under either program and do not require any special codes.

These are NON-DELEGATED products and require prior Investor Approval prior to closing. Loans must be submitted to Towne Mortgage’s underwriting department for review for general program compliance and then submitted to the investor for full review. All investor conditions must be cleared prior to scheduling a closing. Please make sure to allow additional processing time for these products.

If you need additional training on the material contained within this publication, please contact your Account Executive, Client Relations Representative or salesupport@townemortgage.com.