

# TOWNE MORTGAGE COMPANY

# BULLETIN

TO: Our Valued Clients

DATE: July 1, 2016

SUBJECT: FNMA Home Ready Program

BULLETIN: 16-15

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## \*\*\*\*\* IMPORTANT NOTICE \*\*\*\*\*

We are pleased to announce the roll out of Fannie Mae's Home Ready loan product effective July 1, 2016. Rate sheets have been updated to include pricing for this program. Program codes are designated "HR" and must be used to lock loans under this program.

Home Ready is an affordable low down payment mortgage product designed for low-to moderate income borrowers, with expanded eligibility for financing homes in low-income communities. The program features:

- Low down payment with up to 97% financing for purchases and 95% for Limited cash out refinances.
- Competitive pricing – meets or beats standard loan pricing (with credit scores equal to and above 680 and LTV ratios above 80%)
- Reduced MI – for LTVs above 90% up to 97%
- Expanded DTI ratios when using additional household income from non-borrowers

The borrower's income must be within applicable Area Median Income (AMI) limits as stated in the program guidelines. All borrowers must complete Pre Purchase homeownership counseling using Fannie Mae's Framework Homeownership online program.

Attached are the full guideline matrix for this program which is posted to the Resource Center in MortgageBot under Products and Guidelines. In addition, we have provided a direct link to the Home Ready page on Fannie Mae's website located in Links under Resource tab. Here you can find an income eligibility look up tool, additional program information and a direct link to the Framework Homeownership website.

Lastly, we have posted instructions (with the guidelines) on mandatory MortgageBot field requirements which instruct the system to run AUS findings under the Home Ready Program.

Please note our guidelines contain overlays and not all program offerings are available. Please read our guidelines carefully.

Please contact your Account Executive with any questions.

Thank you,  
Operations Group  
**Towne Mortgage Company**