

# TOWNE FAMILY OF COMPANIES

# BULLETIN

TO: Our Valued Clients

Date: September 13, 2017

SUBJECT: Changes and Updates to Fannie Mae Home Ready Program    BULLETIN: 17-10

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

**Ownership of other property:** Fannie Mae has removed this restriction. Borrowers may now own other properties. However, subject property must be used as borrower's primary residence.

**Non-Borrower income:** Due to enhancements within Desk Top Underwriter (DU), to allow more loans with DTI ratios between 45 and 50% to receive Approve/Eligible recommendation, the Non-borrower Household income feature has been removed as it is no longer needed.

Our Home Ready Guidelines has been updated to reflect these changes:

We are also reminding everyone that Home Ready requires pre-closing home-ownership education for at least one borrower through the **FRAMEWORK online education program**. The only exceptions to completing the ONLINE education through Framework are as follows:

- For HomeReady loans that involve a Community Seconds or down payment assistance program, buyers may instead complete the homeownership education course or counseling required by the Community Seconds or down payment assistance program as long as it is provided by a HUD-approved agency and completed prior to closing.
- The presence of a disability, lack of Internet access, and other issues may indicate that a consumer is better served through other education modes (for example, in-person classroom education or via a telephone conference call). In such cases, lenders should direct buyers to Framework's toll-free customer service line (855-659-2267), which can refer consumers to a HUD-approved counseling agency.
- Finally, buyers who have already completed housing counseling prior to entering into a sales contract (as evidenced by a completed Fannie Mae Form 1017) are not required to complete the Framework course.