

TOWNE MORTGAGE COMPANY

BULLETIN

TO: Our Valued Clients

DATE: March 27, 2017

SUBJECT: Fannie Mae Selling Guide Changes

BULLETIN: 17-03

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

2016 Transcripts will be required for all loans that will close on or after June 1, 2017

The following is our policy with respect to 2016 tax transcripts:

W/2 Transcripts only

- For loans requiring only W/2 transcripts – transcripts covering 2016 are required (if one year required or 2015 and 2106 if two years)
- If 2016 W/2 transcripts are not available because borrower has filed extension – then follow below:

Full returns required

If a borrower has filed an extension, we require:

- Evidence in the file that the extension was filed
- Along with 2016 Tax Transcript showing "No record of return filed"
- For commission borrowers: 2014 and 2015 transcripts (if two years required) or 2015 only (if one year required), and 2016 W-2.
- For self-employed borrowers: 2014 and 2015 transcripts (if two year required) or 2015 only (if one year required) AND a signed Profit and Loss statement for 2016 (does not need to be audited).
- For retired borrowers: In cases where the borrower is not required to file, transcripts are still required. If "No Results" feedback is received, provide a copy of the feedback in the Loan file with supporting income documentation.

Documentation evidencing any 2016 tax liability has been paid

Please contact your Account Executive with questions.

Operations Group
Towne Mortgage Company

