

SUBJECT: Conventional Fannie Mae and Freddie Mac Updates

BULLETIN 19JUL23

July 23, 2019

**** IMPORTANT NOTICE ****

Fannie Mae Updates

Effective with new case files submitted to DU on or after July 20, 2019, Fannie Mae HomeReady borrower income limits have been updated to the following:

Product Detail	Current Guidelines	New Guidelines
Income -Borrower Income limits and Calculations	<p>Income may not exceed 80% of the annual area median income (AMI) for the property's location, except:</p> <ul style="list-style-type: none"> • an income limit of 100% of AMI for properties located in: <ul style="list-style-type: none"> o high minority census tracts (tract minority population is at least 30% and median tract income is less than 100% of AMI), and o designated disaster areas. • There is not an income limit for properties located in a low-income census tract (median tract income no greater than 80% AMI) 	<p>Income may not exceed 80% of the annual area median income for the property's location. except:</p> <ul style="list-style-type: none"> • an income limit of 100% of AMI for properties located in: <ul style="list-style-type: none"> o high minority census tracts (tract minority population is at least 30% and median tract income is less than 100% of AMI), and o designated disaster areas. • There is not an income limit for properties located in a low-income census tract (median tract income no greater than 80% AMI)

Review [Fannie Mae Lender Letter LL-2019-06](#) for additional details.



NMLS ID# 3028

Freddie Mac Update

Effective with new case files submitted or resubmitted to LPA on or after July 28, 2019, Freddie Mac Home Possible borrower income limits have been updated to the following:

Product Detail	Current Guidelines	New Guidelines
Borrower Income Limits and Calculations	The income used to qualify the Borrower converted to an annual basis must not exceed 100% of the area median income for the location of the property. There is no income limit if the property is located in a low-income census tract, which is a census tract where the median tract income is at or below 80% of the AMI. Loan Product Advisor will determine the income eligibility of the mortgage.	The income used to qualify the Borrower converted to an annual basis must not exceed 80% of the area median income for the location of the property. Loan Product Advisor will determine the income eligibility of the mortgage.

Review [Freddie Mac Bulletin 2019-15](#) for additional details

Thank you,
 Operations Group
Towne Family of Companies