

BROKER / WAREHOUSE LINES / NON-DELEGATED CORRESPONDENT

Monday, April 8, 2024 Bulletin #2024-B-006

NOTICE TO BROKERS

Home Possible and HomeReady Guidelines with VLIP \$2,500 Grant

Effective Tuesday April 9, 2024, FLCBank will offer to Very-Low-Income Purchase (VLIP) Borrowers, a \$2,500 Credit Grant to be used towards the down payment and/or closing costs and pre-paid items of the purchase of a primary residence property when the borrower qualifies under Home Possible or HomeReady Loan Product.

In order for the Borrower(s) to qualify for the \$2,500 Grant, the following requirements must be met:

- The Borrower's qualifying income must not exceed 50% of the Area Median Income (AMI) for the location of the subject property.
- The AUS will determine if the Borrower is eligible for the grant with the following VLIP messages listed on the AUS results:
 - For Home Possible LPA Feedback Certificate: "Based on the annual qualifying income (\$xx,xxx.xx) and the Area Median Income (AMI) (\$xxx,xxx.xx) where the property is located, the loan meets the housing goal qualifications for a Very Low-Income Purchase (VLIP) since the income is at or below 50% AMI (\$xx,xxx.xx). Additionally, the loan meets the Low-Income Purchase goal which requires income of less than or equal to 80% AMI (\$xx,xxx.xx).
 - <u>For HomeReady DU Findings Message</u>: "This loan casefile may be eligible towards Fannie Mae's Very Low-Income Purchase Goal. This goal includes owner-occupied, purchase, conventional mortgages where the total qualifying income is equal to or less than 50% of AMI where the property is located."
- The \$2,500 Grant must be listed in the URLA Asset Type Section as a Grant with "Source" selection to be "Federal Agency, and the loan originator must enter "Florida Capital Bank, N.A." in order for the Grant to be recognized by the AUS.
- The Borrower cannot receive cash back at closing from the Grant funds.

Click on the link for a helpful Home Possible-Home Ready Very-Low Income Purchase Tip Sheet.

If you have any questions, please contact your Account Executive or Client Relations Representative.

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