

Monday, April 8, 2024
Bulletin #2024-NDC-004

NOTICE TO NON DELEGATED CORRESPONDENT CUSTOMERS

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).
 - For HomeReady - DU Findings Message: "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.
- Grant disclosure on the Closing Disclosure (CD): The Grant funds should be listed in Section L of the Closing Disclosure and be labeled as "Grant Funds."
- Disbursement of Grant Funds: Funds must be added to the wire sent to the settlement agent and the borrower cannot receive cash back at closing from these funds.

FLCBank will refund the \$2,500 credit to the Non-Delegated Correspondent Lender via an LLPA credit on the purchase advice under a line item labeled "Other" in the fee details section.

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](#).