

## **I. ExpressPath™ Overview**

ExpressPath is an innovative new home financing option for borrowers seeking to purchase an eligible Fannie Mae REO property as an owner-occupied residence. With the introduction of ExpressPath, Fannie Mae is taking another important step to improve the speed, efficiency and effectiveness in the sale of its REO properties.

ExpressPath—created in association with PHH Mortgage, one of the top 10 retail residential lenders in the U.S.—will open up new home ownership opportunities for prospective homeowners in all 50 states. ExpressPath features include:

- *A Faster and Simpler Pre-Approval Process.* A streamlined application process allows owner-occupant borrowers interested in eligible properties to get a pre-approval decision—not merely a pre-qualification—in as little as 20 minutes. The borrower also benefits by receiving this decision without having to pay an up-front application fee.
- *Free ExpressPath Pre-Approvals Now Required.* For all eligible ExpressPath REO properties, we are now requiring that purchasers get a free ExpressPath pre-approval from PHH Mortgage. As always, the purchaser can finance the transaction using any lender he or she chooses, but with the ExpressPath pre-approval, we can feel confident that the purchaser is a serious, qualified buyer who is likely to close the sale.
- *Incentives and Seller-Paid Closing Costs.* Fannie Mae will waive the appraisal requirement on eligible properties\*, and seller-paid closing costs may be negotiated on a property-by-property basis.
- *Hours of Service.* PHH Mortgage has established a dedicated team of experienced loan professionals that is available to work with borrowers Monday - Friday from 8:30 AM to 8:00 PM ET and on Saturday from 8:30 AM to 5:00 PM ET. The call center—reached at **(866) 366-2736**—is staffed with bilingual representatives should homebuyers prefer to receive assistance in Spanish. The Agent Help Desk is accessible by selecting option 2 at the same phone number and has been created to answer any questions agents might have.
- *Low Down Payment Products.* ExpressPath financing includes a wide array of mortgage products with competitive pricing, borrower contributions as low as \$500, and up to 100% financing for qualified borrowers.

\*Appraisals are required on Co-ops, 3-4 units, FHA, VA and Specialty Loan Products.

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## **II. ExpressPath Process**

The following is a brief overview of how an ExpressPath property will be processed.

1. Property eligibility is noted in the Listing Supplement Letter.
2. Eligible properties have “ExpressPath” collateral materials placed in them.
3. Prospective buyer is found.
4. Listing agent informs buyer and buyer’s agent of the ExpressPath pre-approval requirement through PHH Mortgage.
5. Buying agent/buyer calls special PHH Mortgage number (866) 366-2736.
6. PHH Mortgage sales consultant verifies the property is an approved Fannie Mae REO property eligible for ExpressPath financing.
7. PHH Mortgage consultant pre-approves buyer and contacts listing agent\*.
8. Listing agent presents contract to Fannie Mae.
9. Fannie Mae and borrower agree to contract and closing date.
10. Buyer registers with PHH Mortgage or other lender of borrower’s choice.
11. PHH Mortgage or other lender contacts listing agent.
12. If ExpressPath financing is selected by borrower, PHH Mortgage obtains title work from closing agent, part of NPDC network. If borrower selects another lender to finance the purchase, lender must obtain its own title work.
13. Loan is processed and all conditions met by borrower.
14. Loan is closed.

\*Borrower must provide authorization for PHH Mortgage to contact listing agent.

### **III. Property Requirements**

In order for a property to be eligible for ExpressPath financing, it must meet certain criteria regarding the overall condition of the property. At the time of the Broker Price Opinion (BPO), the listing agent should report to the Fannie Mae sales representative if the property is structurally sound with no evidence of severe settling, major foundation cracks, rotting support beams or leaning sections. It should also have:

- Functional kitchen, baths, doors, windows, plumbing, electrical, water and wastewater systems (or working well and septic)
- Sound roof
- Solvent homeowner's association (if applicable)
- No material code violation, and in the event any such violation exists you should contact your Fannie Mae sales representative to discuss
- No environmental issues

The Fannie Mae sales representative will then make an eligibility determination. Property eligibility will be noted in the Listing Supplement Letter. Property will be sold in "as is" condition and the buyer will be solely responsible for the inspection of the property and all repairs. For 3- or 4-unit properties and Co-ops, certain limitations may apply.

### **IV. Loan Products and Borrower Requirements**

Standard loan products are available with ExpressPath financing. There is no minimum or maximum loan amount. Qualified borrowers may be able to obtain up to 100% loan-to-value financing (LTV), with borrower contributions as low as \$500. Contact the Agent Help Desk for details and to address specific questions.

- Mortgage Product (No Appraisal Required)
  - Traditional 30-25-20-15 year mortgages
  - 7- year balloons
  - Adjustable Rate Mortgages with fixed terms of 3-5-7 or 10 years
  - Interest Only Mortgages
    - Customer pays only interest during the fixed period
    - Adjustable Rate Mortgages with fixed periods of 3-5-7 or 10 years
  - First Time Homebuyers Program (FHA Alternatives)
- Mortgage Products (Appraisal Required)
  - FHA and VA Loans
  - Specialty Products
  - 3-4 unit homes
  - Co-op

## **V. Seller-Paid Fees and Benefits**

ExpressPath affords borrowers with limited assets the opportunity to purchase a home. ExpressPath benefits include:

- Waiver of the appraisal requirement\* on most properties financed with ExpressPath.
- Fannie Mae may offer closing cost assistance to borrowers on a property-by-property basis.

PHH Mortgage has a dedicated team educated in processing ExpressPath loans to make the experience as *smooth and easy* as possible for the borrower and the agent.

\*Appraisals are required on Co-ops, 3-4 units, FHA, VA and Specialty Loan Products

## **VI. Lender Guarantees**

As part of ExpressPath, PHH Mortgage provides borrowers with certain guarantees regarding same day decision, price and closing date. Please refer to PHH Mortgage's Sales Sheet for additional details.

## **VII. Lender Hours of Operation and Agent Help Desk**

### **Hours of Operation**

PHH Mortgage has a dedicated team of sales consultants ready to assist homebuyers six days a week. The team has bilingual representatives, should borrowers prefer to receive assistance in Spanish. The ExpressPath phone number is (866) 366-2736\*. The days and hours of operation are as follows:

- Monday-Friday 8:30 AM to 8:00 PM (ET), Saturday 8:30 AM to 5:00 PM (ET)

### **Agent Help Desk**

In addition to assisting prospective borrowers, PHH Mortgage has resources dedicated to assist agents. Consultants are available to answer questions regarding ExpressPath or to check on the status of a loan (if the borrower has opted to allow information to be shared with the agent) at [www.MortgageLoanStatus.com](http://www.MortgageLoanStatus.com). The Agent Help Desk is accessible during the same days and hours of operation through the same phone number—(866) 366-2736. Select menu option #2 to reach the Agent Help Desk.

\*PHH Mortgage Corporation, 3000 Leadenhall Rd., Mt. Laurel, NJ 08054. Arizona Residential Mortgage Licensee #BK 0903164; Licensed by the Department of Corporations under the California Residential Mortgage Lending Act, Delaware Licensed Lender License #112579, Georgia Residential Mortgage Licensee; Illinois Residential Mortgage Licensee #443, 310 South Michigan Ave., Suite 2130, Chicago, IL 60604, 312-793-1409; Massachusetts Licensed Lender #ML0060; Mississippi Registered Mortgage Company; NH First Mortgage Banker #5625-MB & Second Mortgage Home Lender #5626-MHL; Licensed by the N.J. Department of Banking and Insurance; Licensed Mortgage Banker - NYS Banking Department; Rhode Island Licensed Lender; Minnesota - This is not an offer to enter an interest rate lock-in agreement. Licensed First Mortgage Banker and Secondary Mortgage Lender by Pennsylvania Department of Banking.

