

## Reminder: Homebuyer Education

January 4, 2017

Housing Finance Agency Division

News Reminder

U.S. Bank Home Mortgage has had several files come in for purchase where lenders have not required borrowers to take the required and/or permissible pre-closing homebuyer education course.

This Bulletin is a reminder to Lenders that Fannie Mae and Freddie Mac both have guidelines regarding pre-close homebuyer education on all of their community lending products, including the Fannie Mae HFA Preferred Product, and the Freddie Mac Home Possible Advantage for HFA product.

Homebuyer Education requirements are located in our Product Descriptions within the [HFA Division Lending Guide](http://www.hfa.usbank.com) (www.hfa.usbank.com). The requirements are the following:

**Fannie Mae** – Follow Fannie Mae Home Ready home buyer education requirements. Courses are required only if all borrowers are first time home buyers. All home buyer education courses must be completed **prior to closing**. (Exception to which course is permitted - If the HFA offers a course, this course is permitted to fulfill the home buyer education course requirement.) If the HFA does not offer a course, follow the Fannie Mae Selling Guide for Home Ready home buyer education requirements.

**Freddie Mac** – Follow Freddie Mac Home Possible Advantage home buyer education requirements. Courses are required only if all borrowers are first time home buyers. All home buyer education courses must be completed **prior to closing**. (Exception to which course is permitted - If the HFA offers a course, this course is permitted to fulfill the home buyer education course requirement.) If the HFA does not offer a course, follow the Freddie Mac Selling Guide for Home Possible Advantage home buyer education requirements.

The Fannie Mae and Freddie Mac AUS systems generally will provide a message that helps to guide the lender through their Home Buyer educational requirements.

In some cases the HFA that you have registered your loan with may not have a requirement for pre-closing homebuyer education. Even if the HFA does not require Home Buyer Education, lenders **MUST** follow the requirements of Fannie Mae or Freddie Mac as communicated in their selling guidelines.

When pre-closing homebuyer education is required but not obtained by lenders, loans are not saleable to Fannie Mae or Freddie Mac, therefore U.S. Bank Home Mortgage will not be able to purchase these loans.

### Questions

Please refer to the [HFA Division Lending Guide](http://www.hfa.usbank.com) (www.hfa.usbank.com) for information regarding the delivery and funding of loans through the HFA Division. From the home page, select "U.S. Bank Lending Manuals", then "Continue". If you experience problems accessing the guide you may need to temporarily allow pop-ups or add AllRegs as a favorite.

If you have questions regarding this HFA Lender Bulletin Update, please contact the HFA Hotline at 800-562-5165, Option 2.

We appreciate your continued partnership.

