FannieMae

HomePath

FirstLook™

Program Updates and Reminders

The First Look Program continues to be an important contributor in the mission to stabilize neighborhoods. The following information will assist with your understanding and support of this initiative.

Properties within the First Look Marketing Period will have a countdown clock on the property details page on HomePath.com. The presence of the countdown clock indicates the period of time reserved for negotiations with eligible buyers. The initial First Look Marketing Period is 15 days, except Nevada where it is 30 days.

Eligible Buyers

Refer to the separate Buyer Eligibility Chart to identify eligible buyer types and the required documentation.

Owner Occupants

(indicated by the response to Section 4 of Real Estate Purchase Addendum)

- Intend to occupy the dwelling on the property as their primary residence within 60 days of closing and maintain their occupancy for 1 year
- Must sign the Owner Occupant Certification form, regardless of First Look status or financing type, before you can enter their offer into the system (AMN or Equator). You must note receipt of the signed certification in the offer comments
- Are considered investors if purchasing a Second Home (used by the buyer occasionally such as a vacation property) and are not eligible as an Owner Occupant buyer type
- If using Public Funds, the offer will be negotiated by the Public Entity (PE) Sales Team

Eligible Investors

- Offers will be negotiated by the PE Sales Team
- Enter the correct Public Funds code so the offers can be identified by PE Sales Team and note the source of public funds being used in the offer comments.

Time Frames

- The countdown clock begins the day after listing by Fannie Mae. The appearance of the clock is not tied to MLS but it is your responsibility to place the listing in MLS within 1 day of receipt.
- There is no feed from the Fannie Mae system to HomePath® on Sunday night, therefore if a property is listed by Fannie Mae on Sunday, day 1 does not begin until Tuesday, 2 days later. Thereafter, HomePath® countdown clock counts all days, regardless of holidays or weekends.
- Properties are not eligible for negotiation, regardless of buyer eligibility within First Look during the first 3 days on HomePath.com. Look for the countdown clock to display 12 days (27 in Nevada) remaining for the first day your Sales Representative or Asset Manager can enter into negotiations with eligible buyers. Do not hold offers. Submit as received provided all required elements for submission are present. Offers submitted earlier than the 3 days will be rejected.
- If a sale falls through and you receive another offer, which you submit the same day, the HomePath.com clock will still show “Under Contract” until the site is updated with the next nightly feed. The Sales Representative or Asset Manager may reject the offer in order to confirm the First Look status on HomePath.com the following day. This also allows time to return the property to MLS which may yield additional interest.

Initial and Subsequent First Look Marketing Periods

- Properties placed under contract during the initial First Look Marketing Period that later fall through will have a 10 day (15 in Nevada) subsequent First Look Marketing Period
- Properties that become unavailable, (due to a major title issue or repairs, etc.) during the initial First Look Marketing Period will begin a full First Look Marketing Period of 15 days upon re-entering Listed Status, except Nevada where it is 30 days. Similarly, properties that go into UTM or Valuation status during a subsequent First Look Marketing Period will begin a restart of 10 days (15 in Nevada), upon re-entering Listed status.

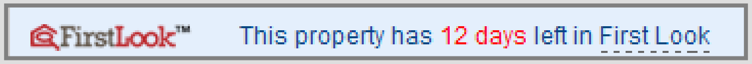
NOTE: If the First Look Marketing Period(s) completed or two fall-throughs occurred (on different days), there is no repeat of the First Look Marketing Period if the status changes.

Exceptions

There are only two exceptions where a property can be excluded from going through the First Look Marketing Period:

- The property has been selected for disposition through the Public Entity REO Sales channel
  - Property is selected as part of a pool sale to a public entity or designated partner
  - Buyer is purchasing property as part of a larger neighborhood stabilization strategy and thus, may get consideration over other interested parties
- The property is purchased by the tenant who currently occupies, has a lease in place, and intends to occupy as their primary residence

Check the HomePath® Clock!



Owner Occupant Considerations

Questions that your Sales Representative or Asset Manager may ask you to find out in order to determine an Owner Occupant buyer's motivation for purchase:

- What additional properties does the buyer own? What is the proximity and value to the subject property?
- Is this a move up or move down (empty nester)?
- Does the buyer currently own or rent their current home?
- Does the buyer's pre-qual indicate the buyer is receiving owner occupant terms? A pre-qual is not required for submission but may be required for further negotiation.

In a co-purchaser situation, as long as one buyer is occupying, then the sale is eligible as an owner occupant sale. The occupying buyer must be a "natural" person and excludes corporations, trusts, LLC's, etc. The occupying buyer must sign the Owner Occupant Certification form and all buyers must be on the contract, mortgage (if applicable) and deed. The non-occupying buyer may be an individual or a company.

Note: Owning another property does not automatically make a buyer an investor

Reminders

- Ineligible buyers are not permitted to participate in the Multiple Offer Process with an eligible buyer during First Look. **Do not issue the Multiple Offer Acknowledgment form to ineligible buyers.** Submit those offers and do not flag as multiple offers. Your Sales Representative or Asset Manager will reject any ineligible offers. Remaining eligible offers may start the multiple offer process or a sole offer should be submitted for negotiation. The PE Sales Team reviews all MOP offers where one or more of the buyers is using public funds or is a non-profit prior to negotiations.

- Offer comments should include: First Look clock status, buyer type details (licensed real estate agent owner occupant, Multi-purchase owner occupant, or Vendor owner occupant, if applicable), reflect the receipt of the Owner Occupant Certification, source of public funds (if applicable) and details about other properties owned and buyer's motivation for purchase- failure to include may delay a response by the Sales Representative or Asset Manager.

- Do not hold offers for submission after expiration of First Look. If ineligible, your Sales Representative or Asset Manager will reject and you may invite resubmission upon expiration of First Look

If there are additional questions about the First Look status or buyer eligibility, contact your Fannie Mae Sales Representative or Asset Manager immediately.

If you have questions about offers using public funds, you may contact reo_publicentity_offers@fanniemae.com and copy your Sales Representative or Asset Manager.

Check the HomePath® Clock!

FirstLook™ This property has 12 days left in First Look

FirstLook™ Buyer Eligibility Chart

Buyer Type	Definition	Example	Required Certification
Owner (Buyer type for LREA, Multi-purchaser or Vendor Owner Occupants should not be entered as Owner- explain occupancy intent in offer comments)	Buyer who intends to occupy a property as a primary residence. This includes **licensed real estate agents, vendors and multi-purchasers** if they will be using the home as their primary residence. Buyers purchasing for use as a second (vacation/partial use) home would be classified as an investor and therefore would be ineligible during First Look.	John Smith, Jane Doe	Buyer/selling agent will be required to execute the Owner Occupant Certification form maintaining that buyer will occupy the property within 60 days as a primary residence for at least 12 months. The Certification is required for all owner occupant buyers, **regardless of First Look status**, prior to offer presentation and must be confirmed prior to negotiation. The listing agent will also be required to sign a disclosure indicating that they have the duty to report any knowledge of misrepresentation.
Tenant	Buyer who is a tenant with a lease in place with a Fannie Mae property management company and intends to occupy the property as their primary residence. The tenant must be the actual purchaser. Anyone purchasing on behalf of the tenant is or buyers purchasing for use as a second (vacation/ partial use) home would be classified as an investor and therefore would be ineligible during First Look.	John Smith, Jane Doe	Same required Certification as Owner.
Public Entity (Buyer type- investor or multi-purchaser)	A local, municipal or state government agency	City of Chicago, Miami Housing Authority, Massachusetts Housing Finance Agency, Fulton County Land Bank	Letter on government letterhead, maintaining that person is an employee of the respective entity and is purchasing properties as an agent thereof.
Non-Profit (Buyer type-investor or multi-purchaser)	A recognized 501(c)(3) organization - charitable trust, community development corporations (CDCs), volunteer organizations, etc.	Habitat for Humanity, Tampa Bay Community Development Corporation, Trinity Church	Document showing 501(c)(3) status. Public Entity REO Sales Team reviews all offers from non-profit buyers to confirm eligibility. Although, not all non-profits use public funds, the public funds usage section of the offer should be flagged as “other entity using public funds” to ensure review by the PE Team. If the PE Team determines the non-profit is not an eligible non-profit, they will change the usage to “buyer not using public funds” and reject. The offer may be resubmitted upon expiration of First Look.
For-Profit using public funds (Buyer type- investor or multi-purchaser)	A for-profit developer working as a recipient or administrator of public funds, which includes funds from a government agency, foundation funds, leveraged private financial institution and/or consortium funds	Housing Investments, LLC; Habitat Construction	Letter from public funding agency, authorizing the entity to purchase properties on its behalf