

**7<sup>th</sup> Annual Regional & Community Bankers' Conference**  
FHA Related Initiatives

Federal Reserve Bank of Boston

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# FHA / Subprime

- Utility
- Hosted FHA Outreach Event
- Business Criteria



# Product Niche

- Low Down Payment
- Limited Underwriting Exceptions
- *Hope For Homeowners*



# Household Income

City & State	Trulia Median Sales Price	FHA Mortgage Maximum	2008 Estimated Median Family Income (EMFI)	FHA Maximum Loan \$ for 2008 EMFI	FHA Maximum Loan \$ Amount for EMFI as a % of Median Sales Price
Manchester, CT	\$248,000	\$440,000	\$81,000	\$249,139	101%
Milford, CT	\$307,000	\$387,500	\$74,900	\$230,377	75%
Brockton, MA	\$179,676	\$523,750	\$79,500	\$244,526	124%
Danvers, MA	\$312,000	\$523,750	\$78,800	\$242,373	78%
Hooksett, NH	\$219,000	\$302,500	\$66,200	\$203,618	67%
Salem, NH	\$265,500	\$523,750	\$82,300	\$225,138	85%
Warwick, RI	\$175,400	\$475,000	\$68,300	\$210,077	120%
Woonsocket, RI	\$162,000	\$475,000	\$68,300	\$210,077	130%

- Trulia Median Sales Prices as of August 27, 2008 (Trulia.com)
- FHA Mortgage Maximum (HUD.gov)
- EMFI = 2008 HUD Estimated Median Family Income (HUD data)
- FHA Maximum calculated with GNMA online qualification tool (Ginniemae.gov)
- FHA Maximum Loan for EMFI calculated by dividing FHA Maximum Loan by Trulia Median Sales Price.

# State Programs

- Varied Depending Upon State
- Income Restrictions
- Underwriting Relief

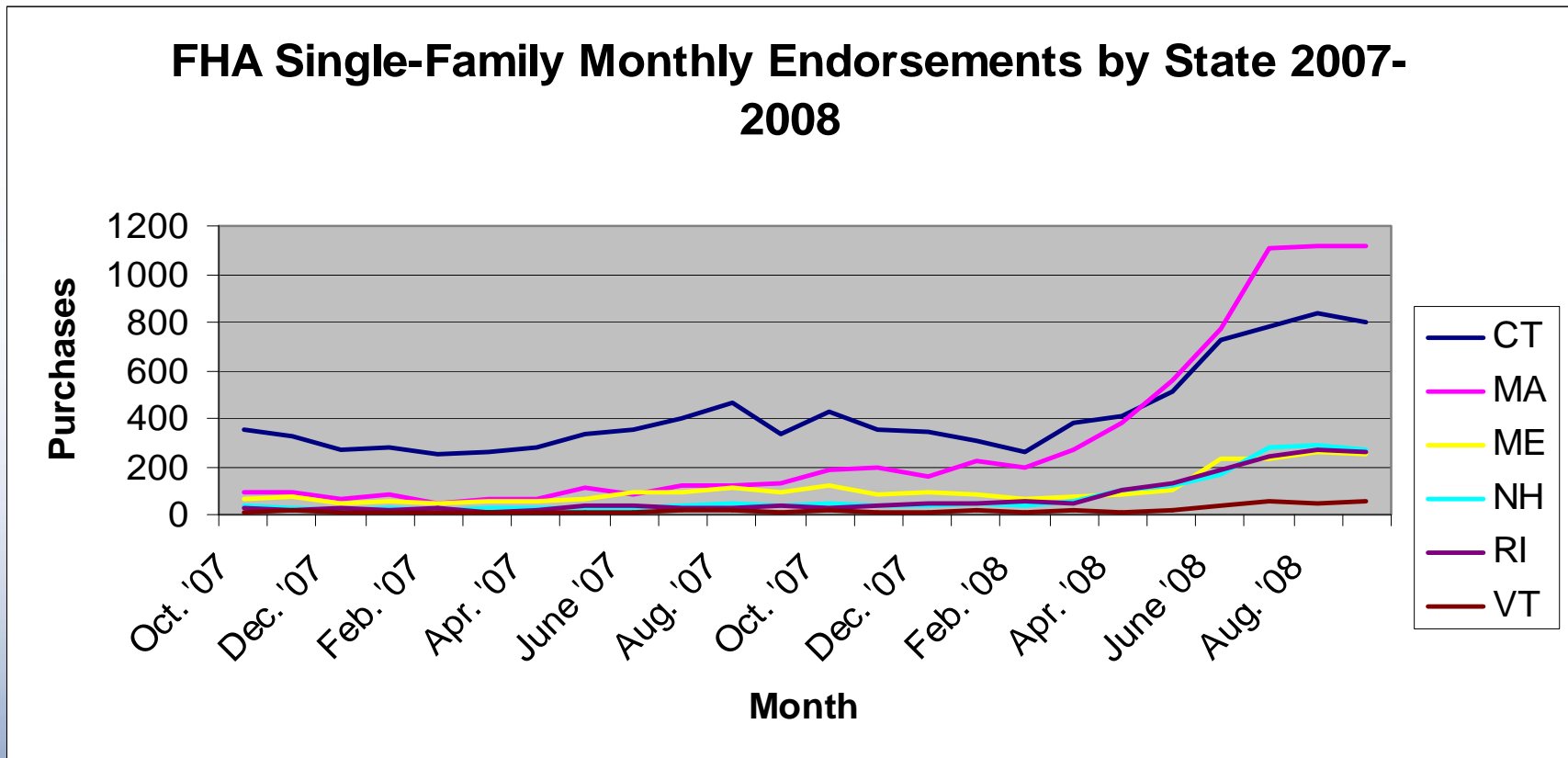


# FHA Overview

- Four players
- Revenue
- Costs



# Current Volumes



Source: HUD Website: <http://www.hud.gov/offices/hsg/comp/rpts/sfend/sfend.xls>

# *Hope For Homeowners*

- 31% or more of household income
- Write down to 90% of AV
- Equity Sharing
- 2nd's and 3rd's





# Conclusion

- Welcome Feedback
- Public Posting of Document

