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**Delaware Governor Ruth Ann Minner, Sen. Tom Carper, the Delaware Department of Transportation, Citizens Bank and Fannie Mae Announce Statewide Smart Commute™ Initiative to Encourage Homeownership Near Public Transportation**

WILMINGTON, DE – Delaware home buyers now have an important financial incentive to purchase a home near public transportation. The Smart Commute™ Initiative gives prospective home buyers throughout the state of Delaware the opportunity to qualify for a mortgage with the help of savings realized from utilizing public transportation. Governor Ruth Ann Minner and Sen. Tom Carper (D-DE) today joined representatives from the Delaware Department of Transportation (DelDOT), Citizens Bank, and Fannie Mae (FNM/NYSE), the nation’s largest source of financing for home mortgages, to announce this new Initiative. Citizens Bank will originate mortgage loans under this Initiative and Fannie Mae will purchase the eligible mortgage loans.

Additionally, DelDOT’s transit provider, DART First State, will provide home buyers who purchase a home under the Smart Commute Initiative with free transit passes for six weeks as an added incentive. Delaware state employees who utilize the state’s van pool service also are eligible to apply for mortgages under this Initiative.

“I encourage Delawareans, including our state employees who use our van pool, to consider buying a home near public transit,” said Gov. Minner. “By taking advantage of the Smart Commute Initiative, home buyers are not only making ownership of their home more affordable, they are supporting Livable Delaware and doing their part to ease traffic congestion and sprawl.”

“Although we already have a high homeownership rate in Delaware, creative programs like Smart Commute are critical to further expand homeownership opportunities,” said Sen. Tom Carper (D-DE). “By encouraging people to live near public transit we’ll make housing more affordable for more people. The Fannie Mae partnership office only opened a year ago, and it has already made a number of meaningful contributions to the community.”

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**Delaware Smart Commute Initiative**  
**Page Two**

Transportation costs are the second largest expense for most households, after rent or mortgage expenses, and for many low-income families, car payments, maintenance and fuel costs total almost one-third of household expenses. The Smart Commute Initiative provides incentives for families to reduce transportation costs and apply their savings toward the purchase of a home. Families benefit from lower commuting costs, less traffic congestion, and the chance to increase their long-term wealth through homeownership.

“Citizens Bank is pleased to work with Fannie Mae and the State of Delaware on this innovative Initiative that can help make the dream of owning a home a reality,” said Patrick J. Ward, chairman and president of Citizens Bank in Delaware. “Citizens Bank has an extensive array of mortgage products and services. We are pleased to further enhance our strong offerings for home buyers in Delaware.”

Under the Smart Commute Initiative, eligible home buyers who purchase a home in Delaware within three-quarters of a mile of a rail station or bus stop may qualify for a mortgage. Qualified borrowers may be able to have their qualifying income expanded up to \$250 a month (\$3,000 a year) in two wage-earner households, or \$200 a month (\$2,400 a year) for single wage-earner households. This expanded amount represents a portion of the savings the borrower should realize from using public transportation, and will be considered by Citizens Bank as additional qualifying income when home buyers apply for a mortgage. Borrowers may be required to complete home-buyer education classes both before and after the purchase of the home.

“DelDOT and DART are pleased to be a partner in this positive new effort that will encourage mass transit usage and increase homeownership,” said Delaware Secretary of Transportation, Nathan Hayward III. “We are always excited to be a part of programs that can help reduce congestion and improve quality of life for Delaware residents.”

“Smart Commute provides public transit riders with an enhanced opportunity to qualify for a mortgage loan,” said Susan Frank, director of Fannie Mae’s Delaware Partnership Office. “The Smart Commute Initiative will help individuals and families benefit from the stability and pride associated with homeownership. Smart Commute gives prospective home buyers a powerful incentive to purchase a home near public transportation.”

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## **Delaware Smart Commute Initiative**

### **Page Three**

The Smart Commute Initiative is part of Fannie Mae’s \$2 trillion American Dream Commitment<sup>®</sup> to help increase homeownership rates nationwide and serve 18 million targeted American families by the end of the decade.

For more information on the Delaware Smart Commute Initiative, prospective home buyers may contact a Citizens Bank Mortgage representative at 1-888-801-4651. For information on Fannie Mae’s affordable mortgage products, consumers may call Fannie Mae’s Consumer Resource Center at 1-800-7FANNIE (1-800-732-6643), Monday through Friday, 9:00 a.m. to 5:00 p.m. EDT.

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*Citizens Bank (Delaware) is an \$859 million bank with 19 branches and 40 ATMs. It has more than 160 employees. It is a subsidiary of Citizens Financial Group, Inc., a \$64 billion commercial bank holding company headquartered in Providence, R.I. It has more than 850 offices and approximately 1,700 ATMs. Citizens operates as Citizens Bank in Connecticut, Delaware, Massachusetts, New Hampshire, New Jersey, Pennsylvania and Rhode Island. Citizens is one of the 20 largest commercial banks in the United States. It is owned by The Royal Bank of Scotland Group plc. Citizens' website is at [www.citizensbank.com](http://www.citizensbank.com).*

*Fannie Mae is a New York Stock Exchange company and the largest non-bank financial services company in the world. It operates pursuant to a federal charter and is the nation’s largest source of financing for home mortgages. Fannie Mae is working to shrink the nation’s “homeownership gaps” through a \$2 trillion “American Dream Commitment” to increase homeownership rates and serve 18 million targeted American families by the end of the decade. Since 1968, Fannie Mae has provided \$4.5 trillion of mortgage financing for more than 49 million families. More information about Fannie Mae can be found on the Internet at <http://www.fanniemae.com>.*

*Smart Commute is a trademark and the American Dream Commitment is a registered mark of Fannie Mae. Unauthorized use of these marks is prohibited.*

*Style Usage: Fannie Mae’s Board of Directors has authorized the company to operate as “Fannie Mae,” and the company’s stock is now listed on the NYSE as “FNM.” In order to facilitate clarity and avoid confusion, news organizations are asked to refer to the company exclusively as “Fannie Mae.”*