



Bulletin 15-01

Fannie Mae 97% LTV

With the release of DU Version 9.2 during the weekend of December 13, 2014 Fannie Mae re-introduced 97% LTV subject to the following.

97% LTV First Time Homebuyer

The maximum LTV for first time home buyers is being expanded to 97% for purchase transactions subject to the following:

- Property is a 1-unit primary residence
- At least one borrower is a first time home buyer who will occupy the subject property (defined as a borrower who has not had an ownership interest, sole or joint, in a residential property in the previous 3 years)
- Fixed rate only (15, 20, and 30 year terms)
- DU "Approve/Eligible" is received
- Conforming loan amounts only
- Maximum 97% LTV/CLTV/HCLTV. CLTV may only exceed 97% if the second lien is a Community Seconds (maximum 105% CLTV)
- Standard minimum borrower contribution requirements apply
- 35% mortgage insurance coverage
- Loan meets all other HomeBridge requirements

HomeBridge will offer the **non-MCM** (MyCommunityMortgage) option **only**.

97% LTV Limited Cash-out (Rate/Term)

The maximum LTV is being expanded to 97% for limited cash-out (rate/term) transactions when the loan being refinanced is currently owned by Fannie Mae subject to the following:

- Documentation must be provided that the loan being refinanced is owned (securitized) by Fannie Mae. Documentation may be provided by:
 - Screen shot from Fannie Mae's [KnowYourOptions](#) website
 - The loan's current servicer

97% LTV Limited Cash-out (Rate/Term) (cont.)

- Property is a 1- unit primary residence
- Maximum 97% LTV/CLTV/HCLTV. CLTV may only exceed 97% if the second lien is a Community Seconds (maximum 105% CLTV)
- Fixed rate only (15, 20, and 30 year terms)
- Conforming loan amount only
- DU “Approve/Eligible” received
- 35% mortgage insurance
- Loan meets all other HomeBridge limited cash-out requirements

Loans submitted to HomeBridge on or after Wednesday, January 7, 2015 are eligible for the expanded 97% LTV.

As a reminder, the loan must have an “Approve/Eligible” Finding from DU Version 9.2 to be eligible for 97% LTV.

The Fannie Mae Agency Conforming matrix and the Submission Form have been updated with this information and posted on the HomeBridge Wholesale website at www.homebridgewholesale.com

If you have any questions, please contact your Account Executive.