



Bulletin 15-14

Fannie Mae and Freddie Mac Program Updates

Fannie Mae Conforming and High Balance Program Updates

HomeBridge has updated the Fannie Mae Conforming and High Balance program guidelines with the recent changes implemented by Fannie Mae as detailed below.

Student Loans

Deferred student loan payments must be included in the DTI ratio. Many student loan repayment structures now use an income-based approach in calculating changes in the payment due over the repayment period. As a result, Fannie Mae modified the monthly payment calculation from 2% to 1% of the outstanding balance. When calculating the student loan payment (regardless of the payment status) the following applies:

The payment amount included in the DTI ratio is the **greater of**:

- The current actual payment (as identified on the credit report or borrower's repayment letter/forbearance agreement), **OR**
- 1% of the outstanding loan balance.

NOTE: If the existing actual payment is fully amortizing over the term of the loan and has no payment adjustment option, as documented on the repayment letter/forbearance agreement, then the current payment can be used and the 1% calculation is not required.

CPA Letter for Business Funds

HomeBridge will no longer accept a CPA letter to document whether or not the withdrawal of business funds for down payment, closing costs and/or reserves will have a negative impact on the business.

A cash flow analysis, based on 3 months business bank statements, will be completed by HomeBridge to determine impact on the business.

Solar Panels

Properties with solar panels are eligible subject to Fannie Mae guidelines.

- Properties with solar panels that are owned by the borrower are eligible without additional requirements.
- Properties with solar panels not owned by the borrower (leased from or owned by a third party) are eligible subject to HomeBridge management approval and to specific Fannie Mae requirements detailed in the HomeBridge Fannie Mae Conforming and High balance guidelines at [Products and Guidelines](#) on the HomeBridge website.

Financed Property Calculations for Second Home and Investment Property Transactions

HomeBridge has updated the Financed Properties topic to include the complete list of properties that are included and are not included when calculating the number of properties a borrower has financed.

Freddie Mac Conforming and Super Conforming Program Updates

HomeBridge has updated the Freddie Mac Conforming and Super Conforming program guidelines as detailed below.

Financed Property Calculations for Second Home and Investment Property Transactions

The Financed Properties topic has been updated to include the complete list of properties that are included and are not included when calculating the number of properties a borrower has financed. As a reminder, Freddie Mac limits the maximum number of financed properties the borrower may have on second home and investment transactions to four.

CPA Letter for Business Funds

HomeBridge will no longer accept a CPA letter to document whether or not the withdrawal of business funds for down payment, closing costs and/or reserves will have a negative impact on the business.

A cash flow analysis, based on 3 months business bank statements, will be completed by HomeBridge to determine impact on the business.

These updates apply to new submissions and loans currently in the pipeline.

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