



Bulletin 17-02

FHA/FHA Streamline and VA/VA IRRRL Program Enhancements

HomeBridge is pleased to announce enhancements to our FHA/FHA Streamline and VA/VA IRRRL programs. These enhancements are effective immediately and may be applied to new submissions and loans currently in the pipeline.

FHA Streamline and VA IRRRL Enhancements – Credit and Non-Credit Qualifying

The following enhancements have been made to the Streamline and IRRRL programs:

- 1-4 units now eligible at all FICO levels (previously < 620 limited to 1-unit for credit qualifying and non-credit qualifying was limited to 1-unit regardless of FICO)

NOTE: Investment transactions with an LTV > 100% continue to require minimum 680 FICO

- High balance loan amounts now eligible for 1-4 units (previously high balance eligible with 1-unit only)
- Mortgage/housing history now **only applies to subject property** at all FICO levels; the requirement that any other properties owned by the borrower meet the same mortgage/housing as subject **has been removed**.

NOTE: FHA Credit Qualifying Streamlines where the borrower owns additional property, must continue to meet HUDs requirement that there can be no more than 1x30 mortgage/housing lates in the 6 months prior to case number assignment.

FHA Program

The following enhancements apply to the FHA program:

- Mortgage/housing history now **only applies to subject property** at all FICO levels; the requirement that any other properties owned by the borrower meet the same mortgage/housing as subject **has been removed**. AUS Findings will determine documentation and payment history for subject property
- FICOs 620-639 maximum combined DTI is now 50% for all borrowers (previously capped at 45% for occupant borrower). Excludes transactions with state restrictions – see below.
- FICOs 620-639 with state restrictions the following applies:
 - Maximum DTI for occupant borrower is 45% for occupant borrower (no change)
 - The housing history is now per DU/TOTAL Scorecard and borrowers are eligible up to the maximum LTV (previously 0x30 in 12 months required and borrowers without 12 months housing history were capped at 90% LTV)
- FICOs ≥ 640 the maximum DTI is now per DU/TOTAL Scorecard (previously 640-659 capped at 50% unless an exception was granted)

VA Program

The following enhancements apply to the VA program:

- Mortgage/housing history now **only applies to subject property** at all FICO levels; the requirement that any other properties owned by the borrower meet the same mortgage/housing as subject **has been removed**. AUS Findings will determine documentation and payment history for subject property
- FICOs 620-639 maximum combined DTI is now 50% for all borrowers. DTI > 50% may be considered on exception basis (previously capped at 45% and > 45% required exception). Excludes transactions with state restrictions – see below.
- FICOs 620-639 with state restrictions the following applies:
 - Maximum DTI is 45% (no change)
 - The housing history is now per DU and borrowers are eligible up to the maximum LTV (previously 0x30 in 12 months required and borrowers without 12 months housing history were capped at 90% LTV)

The FHA/FHA Streamline and VA/VA IRRRL guidelines will be updated with this information and posted on the HomeBridge website at www.HomeBridgeWholesale.com in the near future.

If you have any questions, please contact your Account Executive