

Bulletin 19-50

HELOC Program Updates

Homebridge is updating our HELOC program to add additional credit score and CLTV options with lower margins than currently available. Additionally, the maximum back-end DTI is being lowered for borrowers with a credit score less than 720 **and** there have been multiple credit inquiries in the previous 6 months.

Updates/additions are highlighted on the matrices below.

1-2 Unit Primary Residence ^{1,2}			
First Lien Purchase, Rate/Term or Cash-Out Refinance Transactions			
CLTV ^{1, 2, 4}	Maximum Combined Loan Amount (First and HELOC)	Minimum Credit Score	Current Prime Rate ³ Plus Below Margin
85.01% - 89.99% ¹	\$2,000,000	760	.74%
85.01% - 89.99% ¹	\$2,000,000	730	1.24%
85.01% - 89.99% ¹	\$1,250,000	700	1.49%
80.01% - 85% ²	\$2,000,000	760	.74%
80.01% - 85% ²	\$2,000,000	730	.99%
80.01% - 85% ²	\$1,250,000	700	1.24%
80.01% - 85% ²	\$1,250,000	680	1.99%
70.01% - 80% ²	\$2,000,000	760	.49%
70.01% - 80% ²	\$2,000,000	730	.74%
70.01% - 80% ²	\$1,250,000	700	.99%
70.01% - 80% ²	\$1,250,000	680	1.49%
60.01%-70% ²	\$2,000,000	800	.00%
60.01%-70% ²	\$2,000,000	760	.24%
60.01%-70% ²	\$2,000,000	730	.49%
60.01%-70% ²	\$1,250,000	700	.49%
60.01%-70% ²	\$1,250,000	680	.99%
≤ 60% ²	\$2,000,000	800	-.51%
≤ 60% ²	\$2,000,000	760	.00%
≤ 60% ²	\$2,000,000	730	.24%
≤ 60% ²	\$1,250,000	700	.49%
≤ 60% ²	\$1,250,000	680	.99%

1-Unit Second Home ¹			
First Lien Purchase, Rate/Term or Cash-Out Refinance Transactions			
CLTV ³	Maximum Combined Loan Amount (First and HELOC)	Minimum Credit Score	Current Prime Rate ² Plus Below Margin ²
80.01% - 85%	\$1,275,000	760	.74%
80.01% - 85%	\$1,275,000	730	.99%
70.01% - 80%	\$1,275,000	760	.49%
70.01% - 80%	\$1,275,000	730	.74%
60.01% - 70%	\$1,275,000	800	.00%
60.01% - 70%	\$1,275,000	760	.24%
60.01% - 70%	\$1,275,000	730	.49%
≤ 60%	\$1,275,000	800	-.51%
≤ 60%	\$1,275,000	760	.00%
≤ 60%	\$1,275,000	730	.24%

DTI Update

The maximum back-end DTI is 38% when the borrower has a credit score of < 720 **and** the credit report indicates 5 or more credit inquiries in the previous 6 months (currently the back-end DTI is 45% with no restrictions)

General HELOC Reminders

- HELOCs are available with a Fannie Mae or Freddie Mac first lien only; this is not a stand-alone HELOC product
- The maximum HELOC amount for 1-2 unit primary residence transactions is determined by the CLTV:
 - **85.01% to 89.99% CLTV:** Maximum HELOC amount is \$350,000
 - **85% CLTV and below:** Maximum HELOC amount is \$500,000
- The maximum HELOC amount for a 1-unit second home transaction is \$250,000

The HELOC program guidelines have been updated and posted on the Homebridge website at www.hombriidgewholesale.com

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

If you have any questions, please contact your Account Executive