



A division of Homebridge Financial Services, Inc.

Bulletin 20-38

Introduction of a New Jumbo Program

Homebridge is pleased to announce the introduction of a Jumbo program. The Jumbo program will be available for new submissions effective July 13, 2020.

Highlights of the Jumbo program include:

- Loan amounts up to \$3,000,000 on primary residence purchase and rate/term transactions
- Loan amounts up to \$2,500,000 on primary residence cash-out
- Purchase and rate/term investment property maximum 70% LTV/CLTV with loan amounts up to \$2,000,000

NOTE: There are **no exceptions** to loan amounts **and** any loan amount > \$1,500,000 requires Homebridge management approval

- The minimum loan amount is \$501,401 for 1-unit and \$1 more than the applicable conforming limit for the number of units. Refer to the [FHFA](#) website for loan limits by county
- Minimum credit score 700, no exceptions
- Maximum LTV/CLTV 80%
- Purchase, rate/term and cash-out refinance transactions; cash-out **ineligible** on investment transactions
- 1-4 unit primary residence and investment properties, and 1-unit second home
- SFR, PUDs, condos (attached/detached) that are Fannie Mae warrantable, 2-4 units, and modular/prefabricated eligible
- 2-4 units require a 5% reduction to the maximum LTV/CLTV
- Maximum DTI (no exceptions):
 - 43% purchase and rate/term transactions
 - 38% cash-out transactions
- Cash-out up to \$250,000 with 50% LTV; up to \$500,000 with ≤ 50% LTV
- First time home buyers and non-permanent resident aliens eligible. First time home buyer subject to specific requirements if **any** of the borrowers on the transaction are FTHBs.
- Reserve requirements vary between 6 to 18 months (determined by transaction type, occupancy, and loan amount). Specific requirements for a portion of the required reserve funds to be from **non-retirement** accounts apply:
 - Primary residence: 3 months PITIA (e.g. if 9 months reserves required, 6 months may be in retirement accounts and 3 months must be in non-retirement accounts)
 - Second home and investment: 6 months PITIA
- Business funds are **ineligible** to satisfy reserve requirements

- All derogatory credit events (BK/foreclosure/short sale/deed-in-lieu) require 7 year seasoning, no exceptions
- 0x30 in previous 24 months mortgage/rental history required, no exceptions
- Borrowers with a prior mortgage forbearance are eligible 6 months after the end of the forbearance period subject to specific criteria
- Appraisal requirements are determined by loan amount and transaction type:

Purchase Transactions	
First Lien Loan Amount	Appraisal Requirement
≤ \$2,000,000	One (1) full appraisal
> \$2,000,000	Two (2) full appraisals
Refinance Transactions	
First Lien Loan Amount	Appraisal Requirement
≤ \$1,500,000	One (1) full appraisal
> \$1,500,000	Two (2) full appraisals

- A Collateral Desktop Analysis (CDA) must be obtained for **each** appraisal required (including when 2 appraisals required). The cost of the CDA is \$150 **per CDA**
- Brokers are required to submit a check, payable to Homebridge, for \$150 or 300, as applicable, to the attention of your Account Manager. Mail checks to:

Homebridge Wholesale
5 Park Plaza, 10th Floor
Irvine, CA 92614
Attn: Account Manager Name

- Additional requirements for CDAs:
 - **CDA for One Appraisal Transaction:** If the value is “Indeterminate” or the tolerance is > 10% a field review or second appraisal will be required; the lower value will be used
 - **CDA for Two Appraisal Transaction:** If the value is “Indeterminate” or the tolerance is > 10% a field review or an additional full appraisal will be required; the lower value will be used

- 30 year fully amortizing fixed rate
- There are **no exceptions** to credit and loan amount requirements detailed in the Jumbo program guidelines
- The commitment fee buyout option is **ineligible**
- The Jumbo program is **not available** for non-delegated correspondents

Jumbo program pricing will be reflected on the Homebridge Wholesale rate sheet as of July 13, 2020.

The Jumbo guidelines have been posted on the Products and Guidelines page and the Jumbo Submission form is posted on the Forms page of the Homebridge website at www.HomebridgeWholesale.com.

Additionally, a Jumbo QRG has been created and posted on the Working with Us page of the website

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