



A division of Homebridge Financial Services, Inc.

Bulletin 21-18

Enhancements and Updates to the Fannie Mae HomeStyle Program

Homebridge is updating the HomeStyle program. These updates include enhancements and additional changes.

- The minimum credit score has been lowered to 620 (previously 680)
- Primary residence and second home purchase transactions: Maximum 90% LTV/CLTV (previously 97%)
- Rate and term refinance transactions are **eligible** (previously not allowed):
 - Primary residence and second home transactions: Maximum 90% LTV/CLTV
 - Investment property: Maximum 75% LTV/CLTV
- The maximum repair costs are:
 - Purchase Transactions: The **lesser of \$200,000 or 50%** of the sales price (previously maximum \$150,000)
 - Rate/Term Transactions: The **lesser of \$200,000 or 25%** of the after-improved value (previously rate/term ineligible)
- The option to finance up to 6 months PITI payments when the property is uninhabitable during the renovation process is no longer available
- The following transactions are ineligible:
 - Properties requiring a zoning change or variance (clarification)
 - Properties with a historic designation that require a local authority to approve the scope of work (previously allowed)
 - A 1-unit property being converted to a 2-4 unit property (previously allowed)

The enhancements are effective immediately and may be applied to new submissions and loans currently in the pipeline.

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

If you have any questions, please contact your Account Executive