

Bulletin 22-17

Fannie Mae Virtual Currency Eligibility

[Fannie Mae Announcement 2022-04](#) provided requirements for virtual currency aka digital or cryptocurrency (e.g. Bitcoin, Ethereum, etc.). Homebridge is updating its Fannie Mae program guidelines to include Fannie Mae policy.

Virtual currencies (digital/cryptocurrency) are subject to the following requirements:

Down Payment, Closing Costs, Reserves

Virtual currency that has been exchanged into U.S. dollars **is eligible** for down payment, closing costs, and reserves subject to the following:

- Documentation provided of the exchange into U.S. dollars and the funds have been deposited into a U.S. or state regulated financial institution, **and**
- The funds are verified in U.S. dollars prior to loan closing

Large Deposits

A large deposit (defined as deposits >50% of the qualifying income) from virtual currency exchanged into U.S. dollars must have sufficient documentation that the funds originated from the borrower's virtual currency account

Purchase Transactions - Earnest Money Deposit

Virtual currency **cannot** be used for the for the deposit on the sales contract (earnest money deposit)

Income

Income paid in the form of virtual currency **cannot** be used when qualifying a borrower

Employment-Related Assets

Assets used to establish continuance for certain income types **cannot** be in the form of virtual currency

Rental Income

When rental income is used for qualifying the borrower, the rental payment provided on the lease, **must be in U.S. dollars** (cannot be in virtual currency)

DTI

Payment on any installment debt secured by virtual currency **must be** included in the DTI

- Additionally, any debt secured by virtual currency, must also be included in the DTI

This update is effective immediately and may be applied to new submissions and loans currently in the pipeline.

The Homebridge Fannie Mae guidelines have been updated and posted on the Homebridge website at www.HomebridgeWholesale.com on the Products and Guidelines page.

If you have any questions, please contact your Account Executive