



HomeStyle Renovation Loan

The HomeStyle Renovation Loan provides a convenient and economical way for borrowers considering moderate home improvements to make repairs and renovations with a single-close first mortgage. Versus a home equity line of credit or other more costly ways of financing.

The HomeStyle Renovation is a single-close loan that enables borrowers to purchase a home that needs repairs or refinance the mortgage on their existing home and include the necessary funds for renovation in the loan balance. The loan is based on the "as completed" value of the home after repairs and renovations.

Benefits to Borrowers:

- ✓ Ability to explore more home choices for purchase
- ✓ Can immediately add equity to the home
- ✓ Advantageous for the First Time Home Buyer, no need to save up for the home repairs, needs and wants.
- ✓ Avoiding high interest rate credit cards for home repairs
- ✓ Borrowers can purchase the appliances they may not own
- ✓ Have the ability to personalize home improvements
- ✓ Get your borrowers in their desired school district or neighborhood
- ✓ Have more house than they thought they could afford
- ✓ Get the kitchen, bathroom, or office they wanted or needed
- ✓ Enabling borrowers to remodel a home to fit their needs
- ✓ Monthly mortgage insurance will be based on the estimate value of the home after renovation.

Product Overview

- ✓ Fixed Rate – 15 and 30 year term – purchase or refinance, and high balance
- ✓ Can be coupled with: An energy improvement (EI) feature
- ✓ Attached/Detached SFRs and PUDs
- ✓ 2-4 Units primary residence
- ✓ Low-rise/high-rise condos
- ✓ Non-occupant co-borrowers are allowed

Eligible Properties

- ✓ Attached/detached SFRs
- ✓ Attached/detached PUDs
- ✓ Low-rise/high-rise condos
- ✓ 2-4 unit's primary residence
- ✓ SFR with single ADU (Additional Detached Unit)

Breakdown of maximum loan to value and minimum credit score requirement

CONFORMING and HIGH BALANCE FIXED RATE HOMESTYLE				
Primary Residence				
Purchase and Rate/Term Refinance				
Property Type	LTV	CLTV	Min Credit Score	Max DTI
1 Unit	95%	95% ¹	620 or Per MI	Per DU & MI
2 Units	85%	85%	620 or Per MI	Per DU & MI
3-4 Units	75%	75%	620	Per DU
Second Home				
Purchase and Rate/Term Refinance				
1 Unit	90%	90%	620 or Per MI	Per DU & MI
Investment Property				
Purchase				
1 Unit	85%	85%	620 Per MI	Per DU & MI
Investment Property				
Rate/Term Refinance				
1 Unit	75%	75%	620	Per DU

Eligible Improvements

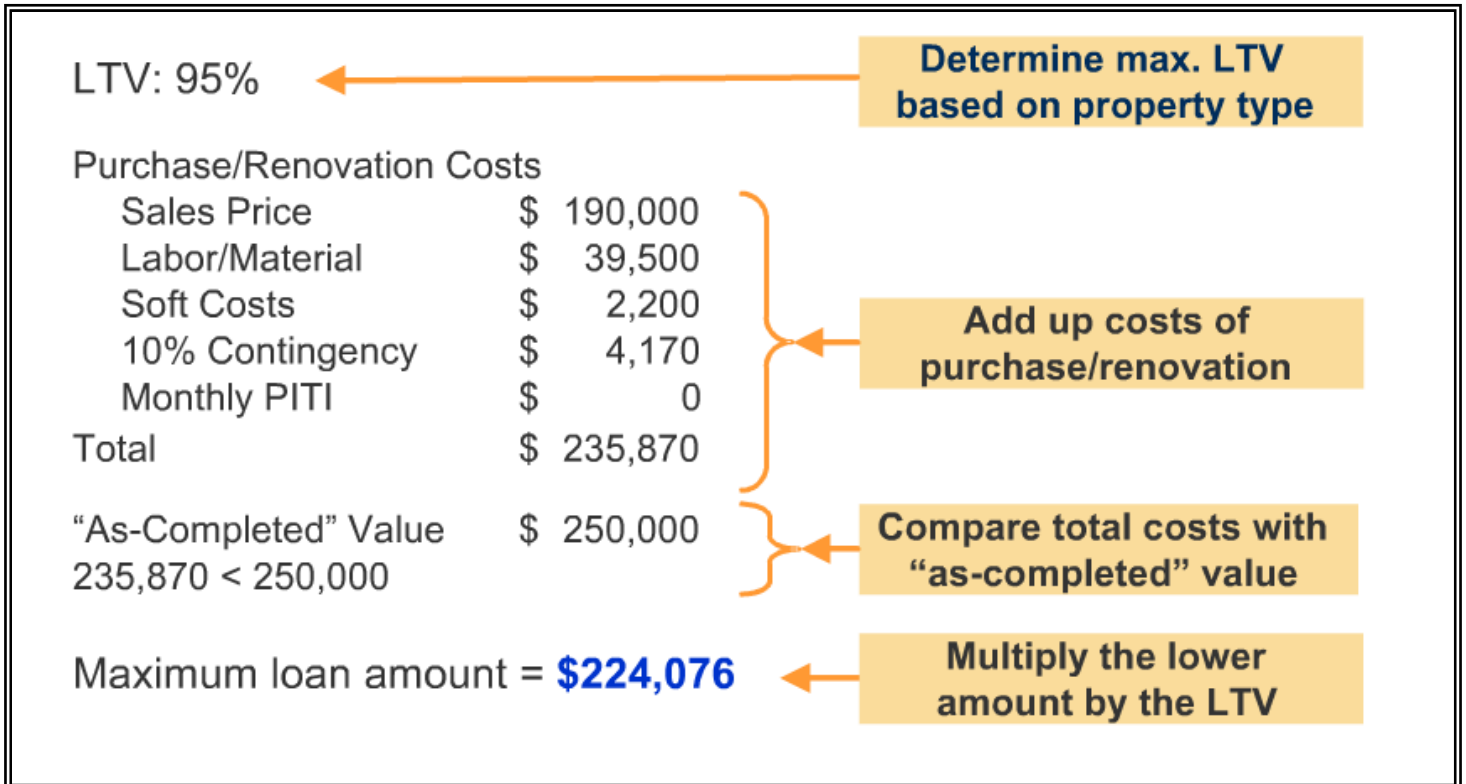
- Repairs must add value to the property up to 50% in repairs allowed based on the "as completed value".
- As long as the repairs are attached/permanently affixed to real property and add value, they are acceptable on HomeStyle.
- Structural improvements are allowed.
- There are no required improvements.
- Detached garages are allowed if no other garage is on the property.
- Appliances are only allowed with complete kitchen remodel.
- There are very few restrictions on the types of repairs allowed.
- No minimum dollar amount for repairs.
- Built-in outdoor BBQs and kitchens, in ground swimming pools.

Renovations must be completed within a six-month period from the note / closing date.

Renovation Work must be completed by a "Licensed, Bonded, Insured and Experience Contractor. Self Help / Sweat Equity Not Allowed

Purchase Example

The loan amount (LTV) will be based on the lesser of: "As-Completed" appraised value or Purchase Price + Renovation Cost



As you see in this example the Purchase Price + Renovation Costs is the lesser of the 2. So the loan amount will be based on \$235,870. 95% Loan to Value creates a maximum loan amount of \$224,076.

Refinance Example

LTV: 95% ← **Determine the maximum LTV based on the property type**

As-Completed Value = \$ 250,000

Renovation costs cannot exceed 50% of as-completed value (\$125,000)

Maximum loan = **\$237,500 (95% of \$250K)**

The refinance loan amount will be based on \$250,000. 95% Loan to Value creates a maximum loan amount of \$237,500.

A HomeStyle Loan is a great way build equity in your home.

Contact me and we can start moving forward with the financing on your new or current home.

Cindy Seely



MBA

MEMBER

* Interest rates and APR shown are for comparison purposes and do not necessarily reflect the lenders ability to provide those specific interest rates/APR at the time of application.

**Is an estimate of projected costs of homeowners insurance and real estate taxes for your new home.

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