



HomeStyle® Renovation Mortgage

The HomeStyle® Renovation mortgage permits borrowers to include financing for home improvements in a purchase or re-finance transaction of an existing home. HomeStyle Renovation provides a convenient way for borrowers to make renovations, repairs, or improvements totaling up to 50 percent of the as-completed appraised value of the property with a first mortgage, rather than a second mortgage, home equity line of credit, or other, more costly financing method. Eligible borrowers include individual home buyers, investors, nonprofit organizations, and local government agencies.

NOTE: Lender approval is required to deliver HomeStyle Renovation loans to Fannie Mae. You must have two years of direct experience originating and servicing renovation mortgages within the past five years, and meet certain financial capacity and operational requirements. See Selling Guide [B5-3.2-01: HomeStyle Renovation Mortgage: Lender Eligibility](#) for details, and contact your Fannie Mae customer account team for assistance.

Lender Benefits

- Capture additional market share for renovation of 1- to 4-unit primary residences and 1-unit second homes or investor properties
- Build a long-term client base by providing a value-added niche product
- Save deals that have repair contingencies
- Eliminate warehouse costs by selling loans at closing

Borrower Benefits

- Cost-effective way to renovate or improve a home
- Single mortgage means lower closing costs and typically a lower interest rate on a first mortgage
- Borrowers can qualify for CLTV of up to 105% with eligible Community Seconds® subordinate financing
- Loan amount based on “as-completed” value of the home or the cost basis (purchase moneyloans), whichever is less

Lender Resources

- [HomeStyle Renovation Product Matrix](#)
- [HomeStyle Renovation Recorded Tutorial](#)
- [HomeStyle Renovation Mortgage Special Lender Approval Form 1000A](#)
- [HomeStyle Energy and HomeStyle Renovation Mortgage Comparison](#)

Learn more | For more information on HomeStyle Renovation mortgage, refer to the Fannie Mae *Selling Guide* or contact your Fannie Mae customer account manager.