

FIRST-TIME

# HOME BUYERS GUIDE



## Miguel Piña

Mortgage Loan Officer

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# Meet Your **CMG** Loan Officer

Welcome! I'm Miguel, a dedicated mortgage lender with a passion for helping individuals and families find their perfect homes. My approach is all about building a strong community and providing a supportive journey for every client, whether you're a first-time buyer or looking for a luxurious property.



**Reliability and Competitive Rates:** With years of experience, I offer not only reliable service but also competitive rates that help make homeownership accessible and affordable. My goal is to provide you with the best possible options that fit your financial needs.



**Communication:** I believe that a well-informed buyer is a satisfied client. That's why I prioritize clear, consistent communication and thorough education about the home buying process. You'll always know what to expect next and understand all your options.

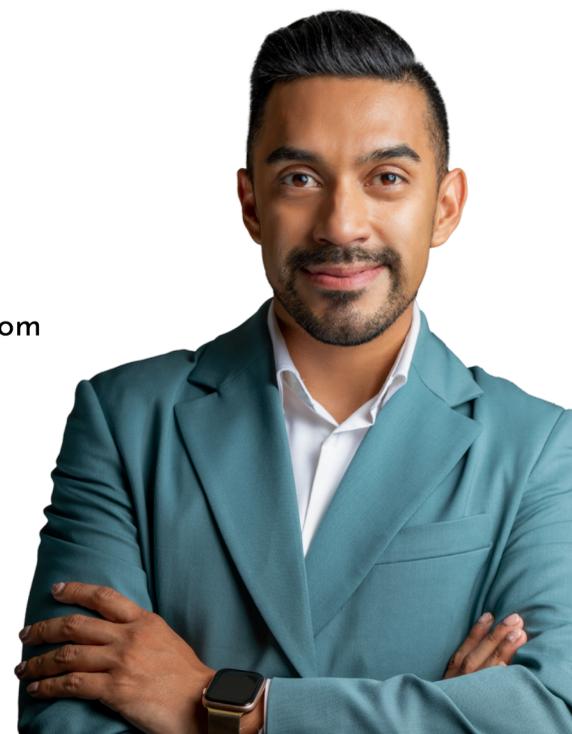


**Timely Closures:** I understand how important it is to meet deadlines in the home buying process. My commitment to efficiency ensures that we close on time, every time, helping you move into your new home as planned without any surprises.



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# Getting Preapproved at CMG Home Loans

Getting preapproved can have many advantages for home buyers and can even expedite the buying process.

## Some of the benefits include:



Most importantly, you can improve seller negotiations. The seller may be more inclined to accept your purchase offer when they know you are qualified to buy their home.

## What you need for Preapproval:

- ✓ Income and Employment History
- ✓ Monthly Debts and Credit Score
- ✓ Source and Amount of Down Payment and Closing Costs
- ✓ Completed Loan Application

- ▶ **DON'T** change jobs, quit your job, or start a new business
- ▶ **DON'T** make any large purchases (the new car & new furniture can wait!)
- ▶ **DON'T** be late on any credit payments
- ▶ **DON'T** open new lines of credit
- ▶ **DON'T** change bank accounts
- ▶ **DON'T** cosign on any loans
- ▶ **DON'T** make large deposits without sufficient explanation
- ▶ **DO** reach out with any questions!

# Know Your Mortgages!

You're going to start hearing some of these words a lot! It's important to get familiar with these common types of mortgages and mortgage terms before you begin the home buying process.

## Conventional

- **Down Payment:** First-time homebuyers usually pay 3% down, while repeat buyers pay 5% to 20%.
- **Minimum Credit Score: 620**
- **Mortgage Insurance:** Required if down payment is less than 20%.
- **Seller Credits:** Capped at 3% of the purchase price for down payments less than 10%; 6% for down payments between 10% and 25%; and 9% for down payments of 25% or more.

## FHA

- **Down Payment:** As low as 3.5% of the home's price.
- **Minimum Credit Score:** 620 (580 Limited)
- **Max Loan in Travis County:** Up to \$571,550 for a single-family home.
- **Funding Fee:** Upfront fee of 1.75% of the loan amount, plus annual fee.
- **Mortgage Insurance:** Required, both upfront and annually.
- **Seller Credits:** Up to 6% of the home's price.

## VA

- **Down Payment:** No down payment required for eligible veterans.
- **Minimum Credit Score:** 620 (580 Limited)
- **Max Loan Limit:** NO limit- based on VA Entitlement
- **Funding Fee:** Varies based on factors like military status and down payment.
- **Mortgage Insurance:** Not required.
- **Seller Credits:** Up to 4% of the home's price.

## USDA

- **Down Payment:** No down payment required.
- **Minimum Credit Score:** 620 (580 Limited)
- **Max Loan in Travis County:** Depends on income limits and property eligibility.
- **Funding Fee:** Upfront fee of 1% of the loan amount, plus annual fee .35%.
- **Income Limits:** Based on the median household income for the area
- **Seller Credits:** Up to 6% of the home's price.

# Mortgage Terms

## My Mortgage Payment

Your monthly mortgage payment is made up of several components. This housing expense is commonly referred to as P.I.T.I. or Principal, Interest, Taxes and Insurance. Mortgage Insurance, Flood Insurance, and Homeowners Association (HOA) fees may also be a portion of your total payment.

**Principal** – The portion of your payment that is applied to pay down your mortgage.

**Interest** – A charge for the use, or loan, of money. The interest is calculated on unpaid principal balance.

**Taxes** – The county assessor charges property tax based on the valuation of your home. For example, in California, there are two tax installments due each year; one in November, the second in April.

**Homeowners Insurance** – This pays for losses from certain hazards, including fire. This standard insurance pays for replacement costs based on actual cash value.

**HOA Dues** – Fees paid by homeowners within a community of homes, condos, townhouses, or planned unit developments (P.U.D.). HOA dues are collected to cover the cost and maintenance of communal areas to the property.

**Mortgage Insurance (MI)** – Depending on your loan program or the amount of your down payment, you may be required to have MI. Anything less than 20% down — a higher note of default — requires MI. Because loans with small down payments involve substantially more risk for the lender, they require insurance as a hedge against borrower default. The cost of MI varies according to your loan type, down payment, and credit score. FHA Loans charge a fee for life-of-loan mortgage insurance, called Mortgage Insurance Premium (MIP). VA Loans charge an upfront Guaranty Fee in lieu of a monthly mortgage insurance fee.

## Closing Costs

Below is an overview of the types of closing costs you may incur. When you apply for your loan, you will receive a Loan Estimate and a booklet that will explain these costs in detail. At loan closing, you will receive a Closing Disclosure summarizing your actual loan costs and fees.

**Appraisal Fee** – Conducted by an independent appraisal company, this pays for a statement of property value for the lender. You will receive your own copy.

**Credit Report Fee** – This covers the cost of the credit report that is run by an independent credit-reporting agency and is used to prequalify you for a loan and to underwrite your completed loan application.

**Escrow Account** – If you choose to have an escrow account, have a government-funded FHA or VA Loan, or if your down payment is less than 20%, the lender may require you to establish an account held in trust for you by the lender to pay the costs of your property taxes and insurance. Your monthly payment will include the loan Principal, Interest, Taxes, and Insurance (collectively, P.I.T.I.).

**Loan Discount** – Often called discount points, a loan discount is a one-time charge used to buy down your specific transaction's interest rate. One point is equal to 1% of the loan amount.

**Loan Origination** – This fee covers the lender's costs for originating your loan.

**Title Charges and Document Preparation** – The title company may charge one-time fees for a title search and examination, document preparation, notary fees, recording fees, courier fees, and a settlement or closing fee. There are two title policies with a one-time fee: a lender's title policy, which protects the lender against losses due to defects on title, and a buyer's title policy, which protects the borrower against defects on the title.

**Prepaid Interest** – Amount accrued on a daily basis from the date of loan closing to the due date of your first loan payment.

**Taxes and Hazard Insurance** – You will be expected to pay for property taxes upfront, including the entire year's hazard insurance premium. In addition, you may be required to allocate property taxes and property insurance (may include homeowners, flood) into a reserve account, called an impound account, held by the lender.



# Mortgage Loan Application Checklist

## What Will Assist for a Smooth Preapproval Process:

- ▶ Complete your loan application
- ▶ Last two years W2s
- ▶ Last two years federal income tax return
- ▶ 1 month most current pay stubs
- ▶ 2 months most current bank statements
- ▶ Most recent quarterly statement for retirement account(s)
- ▶ Social security and/or disability income award letter
- ▶ Alimony and/or child support court documentation
- ▶ **For all properties owned:**
  - ▶ Most recent mortgage statement(s)
  - ▶ Evidence of insurance reflecting annual premium
  - ▶ County property tax bill
  - ▶ HOA monthly payment coupon
  - ▶ Copy of driver's license
  - ▶ Visa/residency documentation (*\*if not U.S. citizen*)
  - ▶ Social security card for government loan
  - ▶ Sign borrower's credit authorization form

## Once You've Gathered the Documentation Listed Above

- ▶ You may scan & email it to me.



# CMG Community ONE MORTGAGE PROGRAM

AS LOW AS  
**1%\* DOWN PAYMENT**



## Make Your Homeownership Dreams a Reality!

Secure your dream home with just a 1%\* down payment. With the Community ONE Grant, CMG will pay up to 2% or \$6,000 towards your down payment.

### Why Choose CMG Community ONE Grant?

» **Drastically Reduced Out-of-Pocket Costs:**

Say goodbye to overwhelming upfront expenses and hello to an affordable path to homeownership.

» **Affordable Solution:**

Combat rising rent values with a cost-effective alternative through CMG Community ONE.

» **Establish Home Equity:**

Begin building equity in your home from day one, creating a valuable investment for your future.

» **Generational Wealth:**

Lay the foundation for your family's financial future through the power of homeownership.

## Contact us today!



Investopedia

This program is available to borrowers meeting income requirements in select census tracts within CA, IL, MA, MS, NY, TN and TX.

\*Rate available as of 4/25/2024. Stated rate may change or may not be available at time of rate lock. If you bought a \$320,000 home with a 30 year loan at a fixed rate of 7.25% (7.332% Annual Percentage Rate), with a down payment of 3%, for a loan amount of \$310,400 you would make 360 monthly payments of \$2,117.00. Payment stated does not include mortgage insurance, taxes and homeowners insurance, which will result in a higher payment.

# Buy More. Pay Less.



Rate increases have many people thinking they can't afford to buy a home today, leaving them waiting on the sidelines for the next rate drop. If you find yourself doing the same, then we may have the solution with a temporary buydown!

A temporary buydown is a great home buying option designed to lower your monthly payment for a set number of years, allowing you to now buy a home at a higher price point, all the while spending less on your mortgage for a set amount of time.

**Consider these four types of temporary buydowns to help lower your monthly payment:**

## 3-2-1 BUYDOWN

Bases your monthly payment off an interest rate that is 3% lower in year 1, 2% lower in year 2, and 1% lower in year 3.

## 1-1-1 BUYDOWN

Bases your monthly payment off an interest rate that is 1% lower for the first three years.

## 2-1 BUYDOWN

Bases your monthly payment off an interest rate that is 2% lower in year 1, and 1% lower in year 2.

## 1-0 BUYDOWN

Bases your monthly payment off an interest rate that is 1% lower in year 1.

**CONTACT US TO FIND OUT IF A TEMPORARY BUYDOWN  
IS RIGHT FOR YOUR SITUATION!**

# Rate Rebound by CMG HOME LOANS

Buyers secure their **DREAM HOME NOW!**

Then, they rest easy knowing they can take advantage of lower interest rates in the future with **NO LENDER FEES\***.



If the market rate drops within 5 years, refinance to a lower rate.



Some save you a little, we save buyers a lot.



Appraisal, credit report, tax cert covered & get a \$1,000 credit for other costs.

\*CMG Home Loans will cover all customary lender fees which are processing fee, administrative fee, tax service fee, appraisal fee and credit report fee. In addition CMG Home Loans will also credit the borrower up to \$1,000 towards additional third-party fees. This offer does not cover discount points. Credit cannot exceed total fees. Rate Rebound is only valid on future conventional conforming, government, and jumbo loans in our retail channel (future Construction Loans, All in One, HELOCs, Bond or HFA loans are excluded). There may be additional restrictions based on investor. Offer may not be redeemed for cash or credit and is nontransferable. Offer cannot be retroactively applied to any loans. Offer may not be used with any other discounts, promotions or interest-only/buy-down and second lien products. This offer is subject to changes or cancellation at any time at the sole discretion of CMG Home Loans. Additional restrictions/conditions may apply. This is not a commitment to lend and is contingent on qualification per full underwriting guidelines. Program will be available on loans disclosed on or after 11/1/22. Program is applicable for refinances 6 months after closing up to 5 years from original note date and with a net tangible benefit which includes a rate reduction of 0.5%, going from an ARM to fixed rate, reducing loan term, movement to a more stable product, or a lower principal and interest payment. By refinancing the existing loan, the total finance charges may be higher over the life of the loan.

## **DON'T WAIT! WE'LL WAIVE ALL LENDER FEES!**

Buy your home now, and if rates drop by 0.50% or more, we will waive refinance lender fees.

*The program is eligible for refinances that occur after 6 payments and up to 5 years.*

## Rate Rebound by CMG HOME LOANS

**Buy Now, If Rates Fall, We've Got You**

High mortgage rates have many hesitant home buyers clinging to the sidelines. Most think, "I'll save more if I wait for rates to fall."

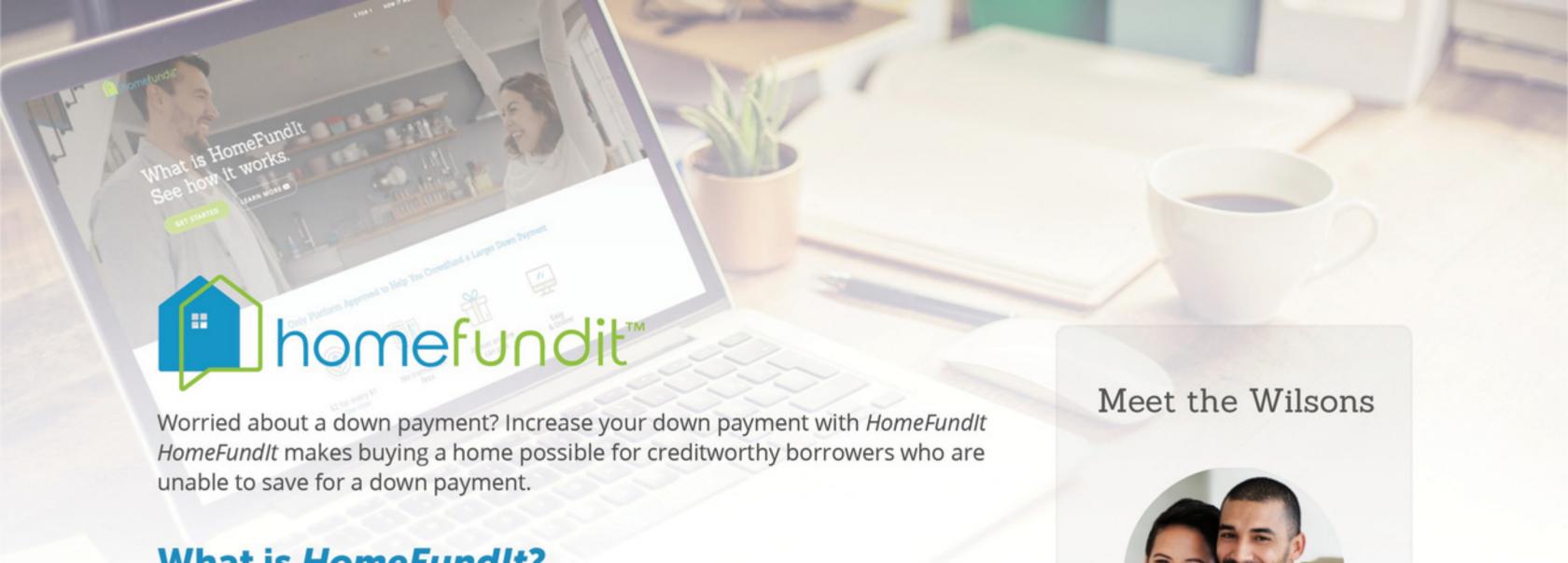
But you don't need to wait to save.

Rate Rebound by CMG Home Loans lets you buy now and if the market rate drops within the next five years, you can refinance to a lower rate with NO LENDER FEES\*.

Other lenders might offer similar programs, but CMG Home Loans gives you an edge.

	REFI FEES W/ TYPICAL LENDERS	THE FEW LENDERS W/ REFI RATE DROP PROGRAMS	RATE REBOUND BY CMG HOME LOANS
"PURCHASE BY" DATE			
"REFINANCE BY" PERIOD		3 yrs	5 yrs
FEES COVERED		SOME	ALL LENDER & SOME THIRD PARTY
THIRD PARTY APPRAISAL FEE	\$723	MAYBE	WAIVED
PROCESSING FEE	\$552	MAYBE	WAIVED
ADMINISTRATION / UNDERWRITING FEE	\$898	MAYBE	WAIVED
FLOOD AND TAX CERT	\$70	WAIVED	WAIVED
CREDIT REPORT FEE	\$75	WAIVED	WAIVED
ORIGINATION FEE <i>(*CMG doesn't have this fee on standard conventional loans)</i>	\$3,000	MAYBE	WAIVED
3RD PARTY TITLE & SETTLEMENT <i>(credit to any unknown 3rd party cost)</i>	\$1,000 to \$3,000	NEVER	\$1,000 CREDIT
<b>TOTAL TYPICAL LENDER COST</b>	\$6,318 to \$8,318	SOME SAVE YOU A LITTLE	ALMOST EVERYTHING COVERED

Don't miss out on your dream home. Feel confident about jumping in the game with Rate Rebound.



Worried about a down payment? Increase your down payment with *HomeFundIt*. *HomeFundIt* makes buying a home possible for creditworthy borrowers who are unable to save for a down payment.

### What is HomeFundIt?

A first of its kind online gifting platform that makes it easy for prospective home buyers to accept gifts and apply toward their down payments.

#### It works like any other social network:

- ▶ Connects directly with your social media accounts, like Facebook and Twitter, to allow users to share their campaigns with their network.
- ▶ Family, friends, and anyone else can contribute to your campaign through the shared link.

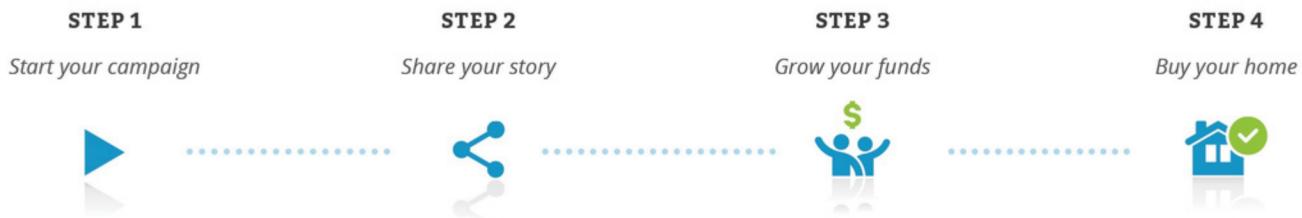
### Why use HomeFundIt?

Saving for a down payment is one of the biggest challenges future home buyers face. Whether you need to increase your current down payment savings or you're starting from scratch, *HomeFundIt* can be the down payment solution you've been looking for.

#### Qualifying home buyers have a chance to have closing costs covered.

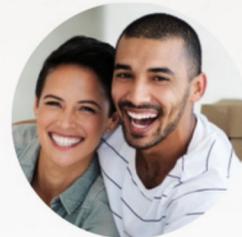
- ▶ Exclusive Closing Costs Covered program available for first-time home buyers (as defined by Fannie Mae) who have completed home buyer education or pre-purchase counseling.
- ▶ CMG Home Loans (or its joint venture partners) will give \$2 for every \$1 collected (pledged funds do not apply) up to \$2,000 or 1% of the purchase price, whichever is less.
- ▶ Grant funds will be applied to non-recurring closing costs.

### Here's how it works:



[WWW.HOMEFUNDIT.COM](http://WWW.HOMEFUNDIT.COM)

### Meet the Wilsons



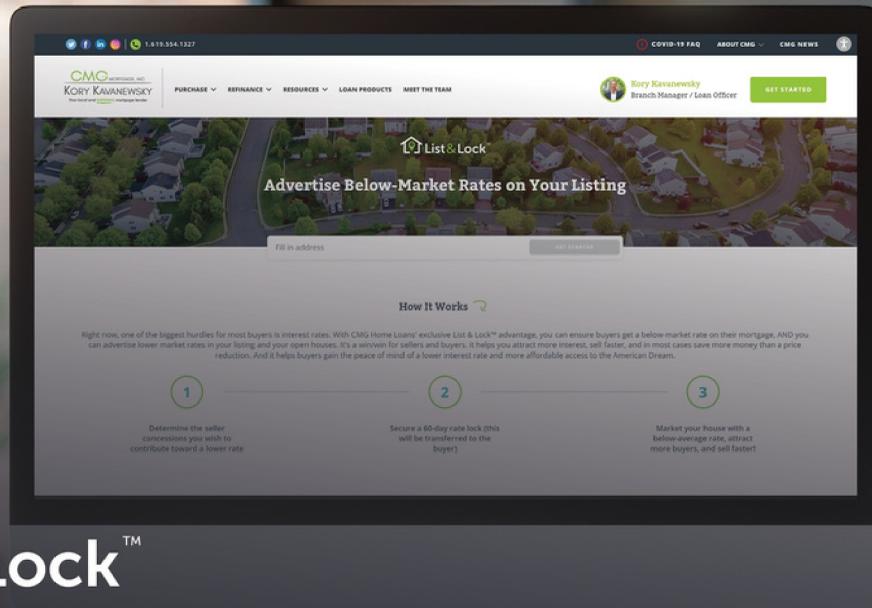
**\$4,000**  
already saved

**\$4,500**  
gifted on  
*HomeFundIt* +

**\$8,500**  
new down payment



\*Grant is a \$2-to-\$1 match on regular down payment gifts received on HomeFundIt™, up to the lesser of \$2,000 or 1% of purchase price for first time buyers, as defined by Fannie Mae, who complete homebuyer education prior to signing a purchase contract. Talk to your loan officer or visit your HomeFundIt dashboard for next steps, or you can also find a housing counselor near you by visiting <https://www.hud.gov/counseling>. Grant funds are applied to nonrecurring closing costs. If closing costs are fully paid by seller or interested party, grant funds can be used to buy down the rate. Grant funds cannot be used towards a down payment. Visit <https://www.homefundit.com/Grant> for complete terms and conditions.



Interest rates are one of the most common concerns for first-time home buyers. The higher the rate, the harder it can be to qualify for a home. Are you tired of endlessly browsing listing sites? Are you losing hope on finding the right home at the right price? Look for the *List & Lock* logo!

### What is *List & Lock*?

*List & Lock* is a unique home buying advantage offered only through CMG Home Loans. With the *List & Lock* advantage, home sellers can give you the affordability boost you need to purchase the perfect home at a discounted rate. Through *List & Lock* home sellers can advertise a discounted interest rate on their listings. Upon purchasing the home, the buyer receives this rate on their loan!

Reach out to your loan officer to learn more!

### Lock Certificate

**Lock Certificate**

**Open House Flyer with rate options**

**Listing image with discounted rate**

**5.25% 6.25% APR\***  
See your rate and get more info!

**Rate Advertiser: 5.325% (APR 5.453%)\***  
The seller at 138 Village Oak Drive, Austin, TX 78737 has participated in CMG Home Loans List & Lock Program\*

Rate	620	640	660	680	700	720	740	760	780
3%	5.750 %	5.750 %	5.750 %	5.750 %	5.750 %	5.750 %	5.750 %	5.750 %	5.750 %
5%	5.875 %	5.750 %	5.750 %	5.750 %	5.625 %	5.625 %	5.500 %	5.375 %	5.375 %
10%	5.900 %	5.750 %	5.750 %	5.750 %	5.625 %	5.625 %	5.500 %	5.375 %	5.375 %
20%	5.875 %	5.750 %	5.750 %	5.750 %	5.625 %	5.625 %	5.500 %	5.375 %	5.250 %



# Conventional Loans

Conventional Loans are the most popular type of mortgage loan. They come in a range of terms, including common 15-year & 30-year terms, and not backed by the U.S. federal government.

## Buyer Benefits

- ▶ Down payments as low as 3%\*
- ▶ Cancellable mortgage insurance
- ▶ Anyone can apply (first-time buyers, repeat buyers, investors, etc.)
- ▶ Can be used to finance many types of properties (primary residence, second homes, rental properties, & investment properties)

## Max Seller Assistance Allowed

- ▶ **Primary Residence & Second Homes**
  - ▶ 3% max if less than 10% down
  - ▶ 6% max if 10-25% down
  - ▶ 9% max if greater than 25% down
- ▶ **Investment Properties**
  - ▶ 2% max regardless of down payment

## Fast Facts

- ▶ No income limits unless program specific
- ▶ Property condition flexible – just needs to be livable
- ▶ Foreclosures 7 years, unless included in BK, Short Sale 4 years, 4 years for BKs, typically
- ▶ Premium Mortgage Insurance (PMI) comes off at 78% LTV or 80% LTV if you notify the servicer
- ▶ Minimum credit score required: 620
- ▶ Student loan payment on a credit or documented payment – if zero, then income-based payment plan, zero to confirm or 1% of the balance for Fannie Mae & 0.5% for Freddie Mac

## How to Apply: Documents Needed

- ▶ Proof of income & employment (pay stubs, tax returns, W-2 statements, etc.)
- ▶ Documentation of financial assets (bank statements, etc.)
- ▶ Residential history (previous two years)
- ▶ Credit history
- ▶ Identity information such as driver's license and Social Security card



# FHA Loans

An FHA (Federal Housing Administration) Loan is a government-backed loan that's oftentimes a great option for first-time buyers & low-to-moderate income buyers due to its reasonable rates, low credit score options, & low down payment.



## Buyer Benefits

- ▶ Down payments as low as 3.5%\*
- ▶ Credit scores as low as 580
- ▶ DACA recipients can apply

## Max Seller Assistance Allowed

- ▶ Seller can contribute up to 6% max toward closing costs & pre-paid items

## Fast Facts

- ▶ Mortgage Insurance Premium (MIP) (~1.75% of home purchase price upfront & recurring annual cost of 0.45% to 1.05%)
- ▶ Can only finance primary residences
- ▶ Single-family home, multifamily home (two or four units), condo, or a certain manufactured homes only
- ▶ Loan must fall within FHA Loan limits (updated annually)

## How to Apply: Documents Needed

- ▶ Proof of income & employment (pay stubs, tax returns, W-2 statements etc.)
- ▶ Documentation of financial assets (bank statements, etc.)
- ▶ Credit history
- ▶ Identity information such as driver's license, Social Security card, & date of birth, in order to apply



# VA Loans

The VA Loan is a 0% down, government-sponsored mortgage backed by the U.S. Department of Veteran Affairs (VA) & offered through VA-approved lenders. It is available to active-duty military, Veterans, reservists, National Guard, & surviving military spouses.



## Buyer Benefits

- ▶ No down payment needed
- ▶ No mortgage insurance payment
- ▶ Flexible underwriting requirements
- ▶ Streamlined refinancing
- ▶ Oftentimes discounted rates

## Max Seller Assistance Allowed

- ▶ **NO** limits on closing costs & reasonable discount points
- ▶ 4% max toward prepaid items

## Fast Facts

- ▶ A VA Loan includes a small, one-time funding fee of 0.5% to 3.3% of loan amount
- ▶ Funding fees for purchase, construction, & cash-out refinance loans are reduced for loans closed on or after April 7, 2023, & prior to November 14, 2031
- ▶ **CAN** be used with a temporary buydown

## How to Apply: Documents Needed

- ▶ Certificate of Eligibility (COE) – To apply for a COE, they can submit an application online at [va.gov](http://va.gov) or contact us
- ▶ Proof of income & employment (pay stubs, tax returns, W-2 statements, etc.)
- ▶ Documentation of financial assets (bank statements, etc.)
- ▶ Residential history (previous two years)
- ▶ Credit history
- ▶ Identity information such as driver's license, Social Security card, & date of birth, in order to apply



# USDA Loans

A USDA Loan is a government-backed mortgage that offers significant benefits for eligible home buyers & owners purchasing or refinancing a home in a qualifying rural area.

**BUSINESS  
INSIDER**

2022 Best  
USDA Lender

## Buyer Benefits

- ▶ 0% down
- ▶ Low interest rates
- ▶ No costly mortgage insurance  
*(But it does include USDA loan guarantee fee)*

## Max Seller Assistance Allowed

- ▶ 6% max toward closing costs & prepaid items

## Fast Facts

- ▶ Can be used for purchase or refinance
- ▶ No acreage limits
- ▶ Financing for full purchase, construction, rehabilitation, or home improvements
- ▶ Can cover costs for essential household equipment, such as wall-to-wall carpeting, ovens, ranges, fridges, washers, dryers, and heating & cooling equipment, if the equipment is conveyed with the dwelling
- ▶ Can cover site preparation costs, including grading, foundation plantings, seeding or sod installation, trees, walks, fences, & driveways

## How to Apply

- ▶ Income no higher than 115% Area Median Income (AMI)
- ▶ No credit requirement (but applicants need to demonstrate good debt management)
- ▶ 30-year fixed-rate mortgages only
- ▶ Primary residences only
- ▶ Applicants need to be a U.S. citizen, U.S. non-citizen national, or qualified alien
- ▶ Must be in a USDA-approved area



# Jumbo Loans

A Jumbo Loan is a type of non-conforming mortgage loan that is not backed by the federal government & exceeds the conventional conforming loan limits set by the Federal Housing Finance Agency (FHFA). If your client is looking to finance a more expensive property or if they live in a high-cost area, they may need a Jumbo Loan.

## Types of Jumbo Loans

We offer several different Jumbo Loan options with slightly different requirements:

- ▶ **Classic Jumbo:** Loan amounts up to \$3 million. Cash reserves of 6-30 months. Available for 1- to 4-unit properties
- ▶ **Elite Jumbo:** Loan amounts up to \$2 million. Cash reserves of 6-18 months. Available for 1- to 4-unit properties
- ▶ **Flex Jumbo:** Loan amounts up to \$3 million. Cash reserves of 9-36 months. Available for 1- to 4-unit properties
- ▶ **Premier Jumbo:** Loan amounts up to \$2.5 million. Cash reserves of 6-24 months (QM) or 12-48 months (Non-QM). Available for 1- to 2-unit primary residences & 1- to 4-unit investment properties
- ▶ **Expanded Jumbo:** Loan amounts up to \$2 million. Cash reserves of 6-18 months (QM) or 6-24 months (Non-QM). Available for 1- to 4-unit properties

## How to Apply: Eligibility

- ▶ Proof of employment history & verifiable income
- ▶ A loan that exceeds the conforming loan limits in your area
- ▶ A credit score around 680 or above
- ▶ LTV of 89.99% or lower
- ▶ A debt-to-income ratio of 43% or below



# Renovation Loans

Do you have a client considering a home in need of improvement? They love the house or neighborhood, but maybe not the leaky pipes, or the small kitchen, or the dated siding? For the house they love, that just needs a little TLC, we have renovation financing with CMG.

## Types of Renovation Loans

An FHA 203(k) combines the costs of a home purchase (or refinance) with the costs of home renovations.

There are two main types of FHA 203(k) Loans:

- ▶ **The Limited FHA 203(k) Loan** is commonly used for renovations up to \$35,000. To be eligible for this loan, your home must be habitable while undergoing renovations. No structural changes are allowed during these renovations. In other words, a Limited FHA 203(k) can be a good option for cosmetic changes
- ▶ **The Standard FHA 203(k) Loan** is the better option for larger renovations that include structural changes. With the Standard FHA 203(k), there is no repair price limit, & the home can be uninhabitable during renovations

## Fannie Mae HomeStyle® Renovation or Freddie Mac CHOICERenovation®

The **Fannie Mae HomeStyle® Renovation & Freddie Mac CHOICERenovation®** also combine the costs of a home purchase (or refinance) with the costs of home renovations. These loans offer low down payments for primary residence homes. They are available for second homes & investment properties. Unlike other types of renovation loans, these can include swimming pools or outdoor living areas.

## CMG Energy Plus

- ▶ Can be used to pay off an existing energy debt including PACE (Property Assessed Clean Energy Program)
- ▶ Can be combined with a HomeStyle Renovation Loan as well
- ▶ Eligible improvements include: HVAC, windows and doors, water-saving devices, weatherization and insulation, solar panels, and other renewable sources of energy

## Specs (for CMG Energy Plus)

- ▶ Any Energy-Star-certified product is eligible
- ▶ Max financing is 15% "as-completed" property value
- ▶ 97% LTV



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