
Lender Update 2021-04

June 3, 2021

In this Update:

- **Changes to the Advantage Conventional HomeStyle® Renovation guidelines**
- **Updated required training for the Advantage Conventional HomeStyle® Renovation program**
- **Revised Home Improvement Loan Program (HILP) coming July 1, 2021 - Become an approved HILP lender now!**

Changes to the Advantage Conventional HomeStyle® Renovation guidelines

Effective with all new HomeStyle® Renovation (HSR) loans registered on or after July 1, 2021, the following new program guidelines will be apply:

- HSR loans are no longer eligible for Correspondent Channel delivery.
 - Broker and Mini-Correspondent Delivery Channels continue to be acceptable.
- A HUD Consultant will be required on all HSR loans.
 - A list of acceptable HUD Consultants can be found [here](#) or at the following address: <https://entp.hud.gov/idapp/html/f17cnsldata.cfm>
- A Title Company must be used to close all HSR loans and coordinate the renovation draw process.
 - Specifically, the Title Company will
 - Perform all renovation progress inspections in collaboration with the HUD Consultant;
 - Collect lien waivers;
 - Provide a title update (Letter report) following completion of the renovations;
 - Submit necessary documentation to WHEDA for final approval of each draw request; and
 - Disburse funds.
 - Please insure the fees for all of the above activities are fully described and disclosed based on the scope of work.
- The Contingency Reserve is increasing to 15%.
- WHEDA will provide Renovation Loan Closing Instructions, once the loan is "Clear to Close" per WHEDA Underwriting.
 - The Lender will be required to give the Renovation Loan Closing instructions, to the Title Company for them to follow and confirm all aspects are met.
 - The Renovation Loan Closing Instructions must be signed by the Title Company, and Borrower(s) at closing.

All updated links and resources will be updated on the Lender Toolkit by July 1, 2021

Updated required training for the Advantage Conventional HomeStyle® Renovation program

As previously required, all Originators who would like to offer the Advantage Conventional HomeStyle® Renovation loan will need to attend a 30 minute training. You can access the training schedule and register for a session [here](#) or on our [Lender Toolkit](#) under "Scheduled

Revised Home Improvement Loan Program (HILP) coming July 1, 2021 - Become an approved HILP lender now!

The newly revised Home Improvement Loan Program (HILP) will be available July 1, 2021. The program basics are:

- Minimum loan amount of \$10,000 to a maximum of the lesser of \$50,000 or 125% CLTV
- 620 Minimum credit score
- 0X30 on mortgage in last 12 months
- Current mortgage does not have to be a WHEDA mortgage
- Can be in 1st or 2nd lien position (3rd lien position is acceptable if 1st and 2nd lien are WHEDA loans)
- A HUD Consultant will be required to determine the scope of work on all HILP loans.
- A Title Company must be used to close all HILP loans and coordinate the renovation draw process.

Interested in adding this program to your WHEDA products? Please email Sales@wheda.com to get more information and set up training!

Resources - Staff Roster & Important Numbers

Need assistance from a Single Family staff member? Use our [Staff Roster](#) to connect with the people who can best serve you.

Underwriting	underwriting@wheda.com	800-334-6873
Lock Desk	lockdesk@wheda.com	
Post-Closing	postclosing@wheda.com	
Sales	sales@wheda.com	
Servicing ⁽¹⁾	servicing@wheda.com	800-562-5546

Receiving calls from existing WHEDA Borrowers with questions on how to make their payments, or payment options? Have them contact our Servicing Department for assistance.

Servicing	servicing@wheda.com	800-562-5546
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[Lender Update Archive](#)

