

CHOICERenovation Conforming & Super Conforming



The CHOICERenovation loan enables borrowers to finance the purchase or refinance of a home and the cost of its rehabilitation through a single mortgage.

Plaza Home Mortgage® also offers Home Possible combined with CHOICERenovation for qualifying credit worthy low-to-moderate-income borrowers. When combined with Home Possible, borrowers may benefit from expanded eligibility, reduced mortgage insurance coverage and lower loan level price adjustments.

Please visit our website at plazahomemortgage.com to view full Program Guidelines. The information contained in this matrix may not highlight all requirements of these programs and does not reduce or eliminate any requirements set forth in our Guidelines. Guidelines are subject to change without notice.

CHOICERenovation Conforming					
Primary Residence					
Purchase and Rate/Term Refinance					
Property Type	LTV	CLTV	Max Loan Amount	Min Credit Score	Max DTI
1 Unit	97%	97%	Per County Limit	Per LPA & MI	Per LPA & MI

Additional requirements for loans with LTV > 95%:

- Super Conforming loan amounts are not eligible.
- Must receive a LPA Accept/Eligible finding.
- Purchase: At least one borrower must be a first-time homebuyer or the loan must be a Home Possible loan.
- When all borrowers are first-time homebuyers, a least one borrower must participate in homeownership education.
- Rate/Term Refinance: Existing mortgage must be a Freddie Mac loan.
- All borrowers must occupy the property.

CHOICERenovation Conforming and Super Conforming					
Primary Residence					
Purchase and Rate/Term Refinance					
Property Type	LTV	CLTV	Max Loan Amount	Min Credit Score	Max DTI
1 Unit	95%	95% ¹	Per County Limit	Per LPA & MI	Per LPA & MI
2 Units	85%	85%	Per County Limit	Per LPA & MI	Per LPA & MI
3-4 Units	80%	80%	Per County Limit	Per LPA	Per LPA
Second Home ²					
Purchase and Rate/Term Refinance					
1 Unit	90%	90%	Per County Limit	Per LPA & MI	Per LPA & MI
Investment Property ²					
Purchase and Rate/Term Refinance					
1 Unit	85%	85%	Per County Limit	Per LPA & MI	Per LPA & MI

¹. Max CLTV for a conforming balance loan with a Community Second is 105%. Max CLTV for a Super Conforming loan with a Community Second is 95%.

². Home Possible loans are not eligible for second homes or investment properties.

Product Parameters	
Appraisal	<ul style="list-style-type: none"> • One full appraisal is required. A Property Inspection Waiver (PIW) is not allowed. • Transferred appraisals are not allowed.
Underwriting Method	LPA Accept/Eligible.
Eligible Borrowers	U.S. citizens, permanent resident aliens, non-permanent resident aliens, non-occupant borrowers, first-time homebuyers or Inter Vivos Revocable Trusts – Refer to Plaza’s Living Trust Policy
Eligible Property Types	<ul style="list-style-type: none"> • Attached/detached SFRs • Attached/detached PUDs • Low-rise/high-rise condos • 2-4 units Primary Residence
Income Documentation	Income must be documented per the LPA Findings Report and Plaza’s Credit Policy.
Loan Limits	Standard Conforming and Super Conforming loan amounts are eligible. Max loan amount up to \$766,550 (\$1,149,825 for HI/AK) allowed for baseline conforming loan limit.
Max Financed Properties	Primary Residence: No restrictions Second Home or Investment Property: <ul style="list-style-type: none"> • 1 - 6 financed properties: no additional restrictions. • 7 - 10 financed properties: LPA Accept/Eligible required, minimum 720 Credit Score required. • > 10 financed properties is not allowed
Mortgage History	Per LPA

Properties Listed for Sale	Eligible if the listing agreement is cancelled at least 1 day prior to the date of the initial application.
Eligible Improvements Standard Program	<ul style="list-style-type: none"> • All repairs must be permanently affixed to the property(dwelling or land). • All appraiser notated deficiencies and required repairs must be completed. • There is no minimum dollar amount for the repairs.
Eligible Improvements: CHOICERenovation Limited and Pool Program	<p>CHOICERenovation Limited: For smaller projects that meet the following requirements, reduced documentation is allowed:</p> <ul style="list-style-type: none"> • Total project cost, including contingency and construction related fees not to exceed \$25,000. • Project must be completed using a final single draw at completion of construction. • Materials draws at closing are not allowable. • The appraiser will perform the single final inspection. • Fee: 2 x \$150 for cost of inspections. • HUD Consultant is not required. <p>CHOICERenovation Pool Program: Projects consisting of only a pool installation may follow the reduced requirements below:</p> <ul style="list-style-type: none"> • This reduced documentation is only applicable when the project consists only of a pool, pool decking, and/or any fencing or netting immediately surrounding the pool. • The lesser of \$15,000 or 25% of the total project cost may be advanced at closing for material costs for items ordered and not yet paid for. • While all work to be performed must be fully described, bids are not required to separate labor and material costs. • While permits must still be obtained and referenced, an itemized listing of all permits and their costs is not required. • Plaza will fund each draw in its entirety and not withhold 10% of the draw.
Cost of Improvements and Fees	<p>Renovation Costs: Renovation costs consist of improvements plus the costs of associated fees. Renovation costs are limited to 75% of the “as completed” appraised value of the home.</p> <p>Improvement Costs and Eligible Fees:</p> <ul style="list-style-type: none"> • Labor and materials • Property inspection fees • Permits and licenses • Mortgage Payment Reserves • Contingency Reserve • Title update fee (\$200) • Draw Inspection Fee: HUD Consultant will set the fee amount per draw inspection (e.g. 5 draws x HUD Consultant fee of \$200 per draw = \$1000 total) • HUD Consultant Work Write Up fee • Architectural and engineering fees • Independent consultant fees • Other project related fees (e.g. home energy rating report, landscaping designer, geological study, mold inspection).
Home Possible Loans	<p>For qualifying credit worthy low-to-moderate-income borrowers, Home Possible expanded eligibility may be combined with CHOICERenovation. If a transaction includes a combination of CHOICERenovation and Home Possible, the more restrictive eligibility requirements of each of those transactions apply. LPA will recognize these combinations and apply the applicable eligibility requirements. A summary of Home Possible differences are listed here; however, refer to Freddie Mac’s Selling Guide for complete guidelines.</p> <ul style="list-style-type: none"> • The applicable CHOICERenovation Home Possible product code must be used to identify the loan. • Primary residences only. • Borrower income may not exceed 80% of Area Median Income (AMI) for the property’s location (this includes properties in low-income census tracts). Refer to Freddie Mac’s Home Possible Income and Property Eligibility Tool. • Borrowers may not have an ownership interest in more than two financed residential properties, including the subject property, as of the Note Date. • LPA must specify the loan is eligible to be delivered as a Home Possible loan in addition to CHOICERenovation eligibility. • Homeownership education is required: <ul style="list-style-type: none"> ○ Prior to the date of the Note, a minimum of 1 borrower on the loan must complete an approved homebuyer education program if all borrowers are first-time homebuyers. ○ For all other scenarios, participation is recommended but not required. ○ 2-4 Units: <ul style="list-style-type: none"> ➢ Purchase Transactions: At least one qualifying borrower must participate in a landlord education program before the Note Date. A copy of a certificate evidencing successful completion of the landlord education program must be retained in the loan file.

	<ul style="list-style-type: none"> ➤ Refinance Transactions: Landlord education is not required but is recommended for borrowers who have not previously attended a program. ○ All pre-purchase homebuyer education and counseling must meet the standards defined by the National Industry Standards for Homeownership Education and Counseling. Counseling and education sessions that adhere to these standards are deemed acceptable. All pre-purchase homebuyer education and counseling must be provided by a third party that is independent of the lender. Face-to-face group education and counseling is encouraged; however, telephone and online counseling is also permitted from eligible providers. ○ Programs using Freddie Mac's CreditSmart® financial education curriculum, provided modules 1, 2, 7, 11 & 12 are included, or access the Credit Smart-Steps to Homeownership Tutorial. ○ Documentation must be provided to demonstrate borrower(s) have complied with this requirement. Such documentation may be a certificate or letter from the provider. <p>\$2,500 VLIP Credit: Borrowers with total qualifying income less than or equal to 50% of the area median income qualify for a \$2,500 credit on purchase transactions.</p> <ul style="list-style-type: none"> • The credit may be applied to down payment and closing costs, including escrows and mortgage insurance premiums. • The credit may be used to satisfy the 3% minimum contribution for all one-unit properties or for two- to four-unit properties with LTV less than or equal to 80%. • For two- to four-unit properties with LTV greater than 80%, the credit may be applied to down payment after the 5% minimum contribution is met. • LPA: The \$2,500 credit should be reflected as a Grant asset on the application and in LPA. • Plaza will apply the credit through a lender credit at closing. • Special Feature Code K10 must be selected in BREEZE.
Temporary Buydowns	<p>Temporary Buydowns are eligible subject to the following:</p> <ul style="list-style-type: none"> • 2-1 and 1-0 buydowns are offered • Purchase transactions only • Primary Residence or Second Home • Qualify at the note rate • Manufactured homes are ineligible • Funds may come from the seller or other eligible interested party <ul style="list-style-type: none"> ○ Interested Party Contribution (IPC) limits apply ○ Seller paid buydowns should be disclosed in the purchase contract and must be provided to the appraiser with all appropriate financing data and IPCs for the subject property ○ The amount and source of all IPCs must be submitted to LPA as applicable • Buydown Agreement required and will print with Plaza loan docs • Plaza's Buydown Calculator can be used to estimate the buydown payment and total contribution amount

Product Name	Product Code	Available Term in Months
CHOICERenovation Conforming 15 Yr Fixed	CF150CA	121-180
CHOICERenovation Conforming 30 Yr Fixed	CF300CA	181-360
CHOICERenovation Super Conforming 15 Yr Fixed	CF150CASC	121-180
CHOICERenovation Super Conforming 30 Yr Fixed	CF300CASC	181-360
CHOICERenovation Home Possible Conforming 15 Yr Fixed	CF150CAP	121-180
CHOICERenovation Home Possible Conforming 30 Yr Fixed	CF300CAP	181-360
CHOICERenovation Home Possible Super Conforming 15 Yr Fixed	CF150CAPSC	121-180
CHOICERenovation Home Possible Super Conforming 30 Yr Fixed	CF300CAPSC	181-360
CHOICERenovation Conforming 30 Yr Fixed w/2-1 Buydown	CF300CABD21	360
CHOICERenovation Conforming 30 Yr Fixed w/1-0 Buydown	CF300CABD10	360
CHOICERenovation Super Conforming 30 Yr Fixed w/2-1 Buydown	CF300CASCBD21	360
CHOICERenovation Super Conforming 30 Yr Fixed w/1-0 Buydown	CF300CASCBD10	360

The information contained in this flyer may not highlight all requirements; refer to Plaza's program guidelines. Plaza's programs neither originate from nor are expressly endorsed by any government agency.

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