



Announcement

Announcement # 21-68

Date: September 7, 2021

Topic: September Product Highlight | FNMA HomeStyle and FHA 203(K)

The Fannie Mae HomeStyle, FHA 203(k) Standard, and 203(k) Limited are a few of the most popular renovation loan products available through PennyMac for delegated correspondents. These products provide both prospective homebuyers and existing homeowners the ability to finance home improvement costs together with their home loan through a purchase or refinance. Key benefits include:

- **Simplicity** – Borrowers can obtain financing for a home purchase and improvement in one loan, simplifying the loan process.
- **Lower cost** – Renovation loans may be obtained at a lower interest rate than interim home loans (e.g. HELOCs) or even personal loans.
- **Equity** – Homeowners may tap into their equity to upgrade and modernize their existing home (such as adding an Accessory Dwelling Unit) instead of needing to relocate
- **Opportunity** – The ability to complete home improvements can expand homeownership opportunities to include both fixer-uppers and turnkey houses. This can be especially beneficial when housing inventory in an otherwise desirable area is limited or aging.

For more information on PennyMac's renovation product offerings, please see:

- [FNMA HomeStyle Product Profile](#)
- [FHA 203\(k\) Product Profile](#)
- [FNMA HomeStyle vs FHA 203\(k\) Matrix](#)

Please contact your Sales Representative with any questions or to get started with the approval process to deliver these products to PennyMac.