

FHA INFO #19-39
August 1, 2019

FHA Single Family Housing



NEWS

TO: All FHA-Approved Mortgagees
All Other Interested Stakeholders in FHA Transactions

NEWS AND UPDATES

FHA Issues Policy Guidance Reducing the Maximum Loan-To-Value and Combined Loan-To-Value Percentages on Cash-Out Refinance Mortgages

Today, the Federal Housing Administration (FHA) published [Mortgagee Letter \(ML\) 2019-11](#), “*Maximum Loan-to-Value and Combined Loan-to-Value Percentages for Cash-out Refinance Mortgages*,” which announces the reduction of its current maximum loan-to-value (LTV) and combined loan-to-value (CLTV) percentages for cash-out refinance mortgages from 85 percent to 80 percent. The cash-out refinance guidance in today’s ML is effective for mortgages with case numbers assigned on or after September 1, 2019.

The new guidance puts FHA in alignment with Government Sponsored Enterprises’ policy regarding maximum LTV/CLTV percentages on cash-out refinances.

This policy guidance coincides with other policy changes issued today by Ginnie Mae. Read today’s [Press Release](#) from the Department of Housing and Urban Development (HUD) that addresses the changes at both FHA and Ginnie Mae.

Quick Links

- View Mortgagee Letter 2019-11 and all other archived Mortgagee Letters at: https://www.hud.gov/program_offices/administration/hudclips/letters/mortgagee
- View today’s joint FHA/Ginnie Mae Press Release and other archived Press Releases at: <https://www.hud.gov/press>

Resources

Contact the FHA Resource Center:

- Visit our online knowledge base to obtain answers to frequently asked questions 24/7 at: www.hud.gov/answers.
- E-mail the FHA Resource Center at: answers@hud.gov. Emails and phone messages will be responded to during normal hours of operation, 8:00 AM to 8:00 PM (Eastern), Monday through Friday on all non-Federal holidays.
- Call 1-800-CALLFHA (1-800-225-5342). Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339.

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Resource Links:	<p>FHA Archived Webinars Career Opportunities Contracting Opportunities Events & Training FHA Forms FHA Homeownership Centers FHA Mortgage Letters</p>	<p>Foreclosure Assistance Grant Opportunities HUD Homes - Property Listings HUD.gov Making Home Affordable Presidentially-Declared Major Disaster Areas Visit our Single Family Home Page</p>



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