



Seller Guide Update



VLIP Update: Fannie Mae HFA Preferred™ and Freddie Mac HFA Advantage® February 4, 2026

☑ Housing Finance Agencies (HFA)

Background

[Fannie Mae](#) and [Freddie Mac](#) recently announced an extension to the temporary enhancement to HomeReady and Home Possible loans **effective for Mortgages with Settlement Dates on or after March 1, 2026, and on or before February 28, 2027.**

Please communicate this information to your respective financial/hedge providers.

Reminder of current policy:

For eligible Fannie Mae HFA Preferred™ and Freddie Mac HFA Advantage® loans effective for Mortgages with Settlement Dates on or after March 1, 2026, and on or before February 28, 2027.

- HFAs receive a credit equaling the **greater** of \$2,500 **or** 1% of the first mortgage unpaid principal balance (UPB) if the loan meets Fannie Mae and/or Freddie Mac's VLIP guidelines ($\leq 50\%$ AMI).

Important Notes:

- HFAs will continue to manage the use of the VLIP credit as they do today to benefit the borrower.
- U.S. Bank will reconcile and pass through the VLIP credit to HFAs as we do today.
- There are no changes to existing credit rebates on (LIP) low-income borrower credit rebates $> 50\%$ and $< 80\%$ AMI.
- Fannie Mae and Freddie Mac have provided additional delivery requirements for loans delivered with the VLIP credit (refer to the additional resources section).

Additional Agency Resources

Fannie Mae:

- [Lender Letter \(LL-2026-01\) – January 28, 2026](#)

Freddie Mac:

- [Bulletin 2026-A – January 28, 2026](#)

Questions



HFA: Please reach out to your Client Sales Executive with questions.

