

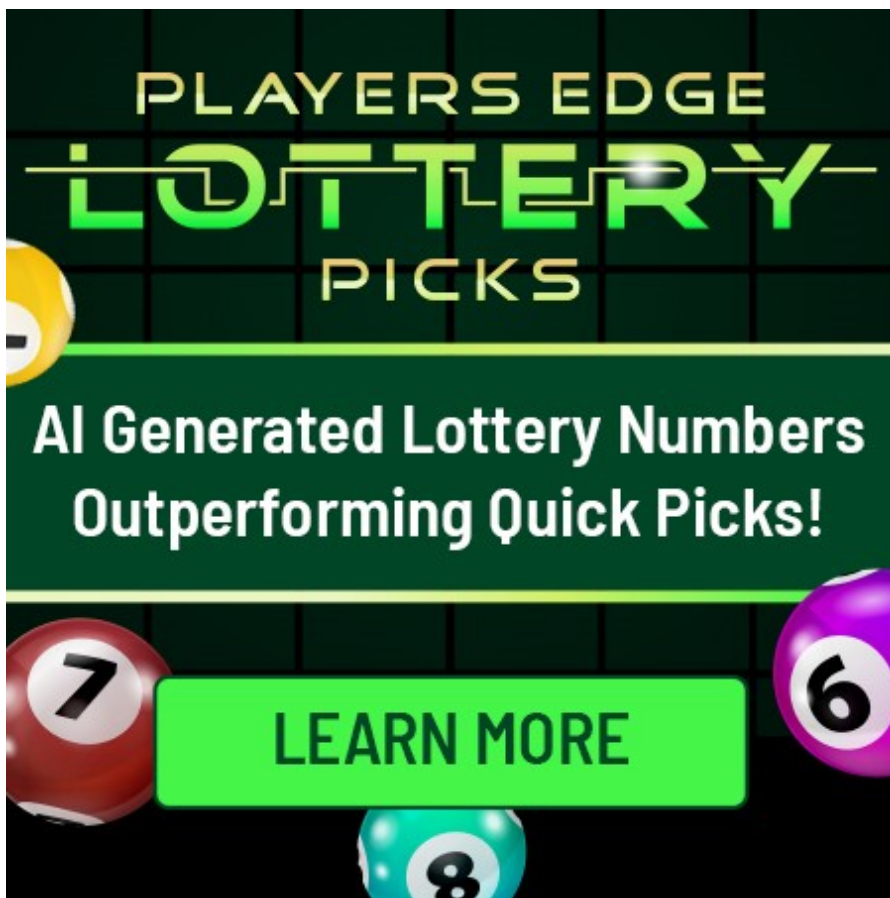
# What is a HomePath Property?

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HomePath is a program from Fannie Mae that helps make the process of selling a foreclosed home faster and more efficient. This is part of Fannie Mae's mission of helping prevent foreclosures overall by working with organizations like housing counselors. If someone does experience a foreclosure, the goal of HomePath is to help them sell the property as fast as is possible, reducing the impact on the homeowner who defaults.



## How Does HomePath Work?

HomePath properties describe anything that Fannie Mae owns because of a foreclosure.

The program is online, and you can buy properties that are owned by Fannie Mae and are going to be foreclosed on. Fannie Mae acquires the properties through what's called a deed-in-lieu. Homeowners voluntarily turn over the homeownership to the mortgage company with a deed-in-lieu.

When a home is listed on the HomePath website, if you're a potential buyer, you can work with an agent who will set up a tour of the property. Then, you can make an offer.

If you want to buy a home listed through HomePath, you can only make an offer through an approved listing agent. However, a local agent can help you go through the process of submitting an offer to the listing agent.

Fannie Mae wants to ultimately sell the properties, and the competitive prices reflect that.

## Understanding HomePath Properties

A HomePath property Fannie Mae owns can include a condo, a single-family home, or a multifamily property. When a homeowner gives up control of their property willingly, which is often the case with HomePath, the properties tend to be in better condition than properties seized involuntarily.

There are still situations where a HomePath property is more like a traditional foreclosure in that the homeowner defaults on their payments. Then, the property may be in poor condition because the owner didn't have any motivation to keep it in good condition, knowing it's going to be taken.

Fannie Mae might spend some money upgrading a home's interior, but other times they sell it as-is.

## How Can You Buy a HomePath Property?

You can use a conventional mortgage to buy one of these homes, but you can also use a VA or USDA loan. You don't have to be a first-time home buyer, but you can't have owned a home in the past three years to be qualified as a first-time buyer. If you are eligible as a first-time buyer, you may qualify for closing assistance.

You have to use a HomePath property as your primary residence. If you purchase a qualifying property, you also need to move in within 60 days of closing.

If you're interested in a HomePath property, you'll need to find a Fannie-approved listing agent. Your agent will submit an offer online and work for you on your behalf. You'll figure out a budget, and then you should get preapproved, as you would buying any other property.

There is an online database that lists HomePath properties, and again, Fannie sells them as-is, so you have to consider any needed updates or repairs.

If you find a home, you have to complete a buyer education course if you want to qualify as a first-time buyer and get closing cost assistance.

The HomePath Ready Buyer program is available online and covers homeownership and mortgage topics. After completing the course, your agent can submit an offer. Your representative will include a closing cost assistance request with your initial offer.

Often HomePath properties are well-suited to younger buyers who want a starter home. They tend to be smaller properties but are also more affordable if you have a smaller budget.

If you're looking for your dream home, you may not find it in a HomePath property.

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