



FREDDIEMAC HOME POSSIBLE

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**Conforming Fixed – Home Possible – LPA Accept**

Program Codes: CF30HP

(Min: \$35,000)

Fully Amortizing Fixed Rate				
Property Type	Transaction Type	Max Loan	Max LTV/TLTV	Min FICO Score
<b>Primary</b>				
SFR/PUD/Condo	Purchase Rate/Term Refi	\$484,350	97%/105% <sup>1,2</sup>	Per LPA Min 620
2-4 Units			95%/95% <sup>2</sup>	
Manufactured			95%/95% <sup>1,2</sup>	

<sup>1</sup> TLTV is greater than 97%, secondary financing must be an Affordable Second.

<sup>2</sup> LTVs > 85%: be sure to check MI overlays.



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### Super Conforming Fixed – LPA Accept

Program Codes: CF30JHP

(Min: \$1 over Conforming Limit)

Fully Amortizing Fixed Rate				
Property Type	Transaction Type	Max Loan	Max LTV/TLTV	Min FICO Score
<b>Primary</b>				
SFR/PUD/Condo	Purchase Rate/Term Refi	<a href="#">See Maximum Loan Amount</a>	95%/105% <sup>1,2</sup>	Per LPA Min 620
2-4 Units			95%/95% <sup>2</sup>	
Manufactured			95%/95% <sup>1,2</sup>	

<sup>1</sup> TLTV is greater than 95%, secondary financing must be an Affordable Second.

<sup>2</sup> LTVs > 85%: be sure to check MI overlays.



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<b>HOMEOWNERSHIP EDUCATION</b>	<ul style="list-style-type: none"> <li>• Required for Purchase Transactions if ALL Borrowers are First-Time Homebuyers.</li> <li>• At least one qualifying Borrower must participate in a homeownership education program before the Note Date.</li> <li>• Homeownership education must <b>not</b> be provided by an interested party to the transaction, the originating lender or by the Seller.</li> <li>• Programs developed by HUD-approved counseling agencies, Housing Finance Agencies (HFAs) or Community Development Financial Institutions (CDFIs) are eligible.</li> <li>• Programs developed by mortgage insurance companies or other providers' programs that meet the standards of the National Industry Standards for Homeownership Education and Counseling are eligible.</li> <li>• As an alternative to the programs listed above, Freddie Mac's FREE financial literacy curriculum, <a href="#">Credit Smart®</a>, meets the homeownership education requirements, provided:</li> </ul>
<b>LANDLORD EDUCATION (2-4 UNITS)</b>	<ul style="list-style-type: none"> <li>• Purchase Transactions — At least one qualifying Borrower must participate in a landlord education program before the Note Date, or the Effective Date of Permanent Financing for Construction Conversion and Renovation Mortgages. Landlord education must not be provided by an interested party to the transaction, the originating lender or the Seller.</li> <li>• A copy of a certificate evidencing successful completion of the landlord education program must be retained in the Mortgage file.</li> <li>• Refinance Transactions — Landlord education is not required but is recommended for Borrowers who have not previously attended a program.</li> <li>• May not be provided by an interested party to the transaction, the originating lender or by the Seller. May be provided by a Housing Finance Agency (HFA), HUD Approved Counseling Agency, a Community Development Financial Institution (CDFI) or by a mortgage insurance company. For example, the mortgage insurer MGIC has a free training program called Readynest: <a href="https://www.readynest.com/homebuyer-resources/landlord-test">https://www.readynest.com/homebuyer-resources/landlord-test</a>.</li> </ul>
<b>PRODUCT ELIGIBILITY</b>	<ul style="list-style-type: none"> <li>• Purchase</li> <li>• Rate/Term Refinance</li> </ul>
<b>ELIGIBLE PROPERTY TYPES</b>	<ul style="list-style-type: none"> <li>• 1 Unit SFR</li> <li>• PUD</li> <li>• Condos</li> <li>• Manufactured</li> <li>• 2-4 Units</li> </ul>



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<b>MANUFACTURED HOMES</b>	<ul style="list-style-type: none"> <li>• Must be a minimum of 12 feet wide and 600 square feet</li> <li>• Refer to standard Freddie Mac conventional guidelines</li> </ul>
<b>ELIGIBLE STATES</b>	<a href="#">Eligible States Matrix</a>
<b>NON OCCUPANT CO-BORROWER</b>	Permitted when: <ul style="list-style-type: none"> <li>• LTV/TLTV*/ Home Equity Line of Credit (HELOC) TLTV (HTLTV) ratio is less than or equal to 95%.</li> <li>• *A TLTV ratio of less than or equal to 105% is permitted for Mortgages with Affordable Seconds.</li> </ul>
<b>TEMPORARY BUYDOWNS</b>	Not Allowed
<b>AFFORDABLE 2<sup>ND</sup> MORTGAGE</b>	Affordable Second TDs must comply with Freddie requirements and be provided by an Agency under an established, ongoing, documented secondary financing or financial assistance program. <ul style="list-style-type: none"> <li>• The source must not be the property seller or another interested party to the transaction.</li> <li>• The terms must not require a balloon payment due before the maturity or payment in full of the First Lien Mortgage.</li> <li>• The interest rate must not be more than 2% higher than the interest rate of the First Lien.</li> <li>• Interest accruals, which are added to principal, may not increase the total loan-to-value (TLTV) ratio beyond the maximum TLTV ratio allowed for the First Lien Mortgage at any time.</li> </ul>
<b>AFFORDABLE 2<sup>ND</sup> MORTGAGE – SYSTEM INPUT</b>	When submitting a Mortgage with an Affordable Second to Loan Product Advisor, enter the amount of the Affordable Second in the "Total Gift Fund" field of Loan Product Advisor instead of entering it into the "Subordinate Amount" field, provided that: <ul style="list-style-type: none"> <li>• The Affordable Second does not require a payment before the Due Date of the 61st monthly payment, and</li> <li>• It meets all the other requirements for an Affordable Second stated in Section 4204.2</li> <li>• Except for entering the Affordable Second amount into Loan Product Advisor as a gift, include the Affordable Second as secondary financing in all circumstances</li> </ul>



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<b>INCOME LIMITS</b>	<ul style="list-style-type: none"> <li>The income used to qualify the Borrower converted to an annual basis must not exceed 100% of the Area Median income in the designated high-cost areas.</li> <li>There is no income limit if the Mortgaged Premises is located in in low-income census tracts (80% AMI or below).</li> <li>Loan Product Advisor will determine the income eligibility of the Mortgage; the Home Possible Income &amp; Property Eligibility tool can be found here: <a href="http://www.freddiemac.com/homepossible/eligibility.html">http://www.freddiemac.com/homepossible/eligibility.html</a></li> </ul>
<b>RENTAL INCOME</b>	
<b>1 Unit</b>	Rental income may be included if: <ul style="list-style-type: none"> <li>There is a connection with borrower</li> <li>Evidence of receipt of regular payments of rental income for at least nine of the past 12 months, is required</li> <li>The income must be averaged over 12 months when fewer than 12 months of payments are documented</li> <li>Does not exceed 30% of total income used to qualify for the Mortgage</li> <li>The Mortgage file must contain a written statement from the Borrower affirming the source and residency</li> </ul>
<b>2-4 Units</b>	If rental income from the subject 2- to 4-unit Primary Residence is being used to qualify the Borrower, the following requirements apply: <ul style="list-style-type: none"> <li>Must Use Form 998 unless the subject property has been owned for at least one year and is reported on Schedule E of the Borrower's prior year federal individual income tax return</li> <li>The Form 998 is not required if rental income from the subject property is not considered in qualifying the Borrower</li> <li>Regardless of whether rental income is used in qualifying the Borrower, the ULDD Data Point Property Dwelling Unit Eligible Rent Amount for each non-owner occupied unit in a 2- to 4-unit Primary Residence must be included</li> </ul>
<b>SWEAT EQUITY</b>	Not Allowed
<b>AUS</b>	All Home Possible Mortgages must be submitted to Loan Product Advisor.



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<b>MANUAL UNDERWRITING</b>	Not Allowed		
<b>RATIOS</b>	Determined by LPA		
<b>ASSETS/RESERVES</b>	Determined by LPA		
<b>ACCEPTABLE SOURCES OF FUNDS</b>	<ul style="list-style-type: none"> <li>• Borrower Personal Funds including Cash on hand</li> <li>• Gifts or grants</li> <li>• MWF approved affordable seconds</li> </ul>		
<b>MINIMUM BORROWER CONTRIBUTION (OWN FUNDS)</b>	<b><u>Number of Units</u></b>	<b><u>Min Borrower Contribution</u></b>	
	1 2-4 Units	None LTV/TLTV >80% <= 95%: 3% of Value	
<b>GIFT FUNDS</b>	Are Allowed See Gift Section of the Conventional Underwriting Manual.		
<b>INTERESTED PARTY CONTRIBUTIONS</b>	<b><u>Residency</u></b> Primary Residence	<b><u>LTV</u></b>	<b><u>Maximum Contribution</u></b>
		> 90%	3%
		> 75 ≤ 90%	6%
		≤ 75%	9%



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<b>MORTGAGE INSURANCE</b>	25% maximum mortgage insurance/custom mortgage insurance available Borrower Paid, Lender Paid and Split Premium MI are Available										
	<ul style="list-style-type: none"> <li>• Required for all loans exceeding 80% LTV.</li> <li>• If mortgage insurance is required, use the lesser of the sales price or appraised value to determine the appropriate coverage.</li> <li>• Currently MWF does <u>not</u> offer Financed Split Premium Coverage.</li> </ul>										
	<table border="1"> <thead> <tr> <th><b>LTV</b></th> <th><b>Coverage for &gt; 20 Years</b></th> </tr> </thead> <tbody> <tr> <td>80.01% - 85.00%</td> <td>12%</td> </tr> <tr> <td>85.01% - 90.00%</td> <td>25%</td> </tr> <tr> <td>90.01% - 95.00%</td> <td>25%</td> </tr> <tr> <td>95.01% - 97.00%</td> <td>25%</td> </tr> </tbody> </table>	<b>LTV</b>	<b>Coverage for &gt; 20 Years</b>	80.01% - 85.00%	12%	85.01% - 90.00%	25%	90.01% - 95.00%	25%	95.01% - 97.00%	25%
	<b>LTV</b>	<b>Coverage for &gt; 20 Years</b>									
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95.01% - 97.00%	25%										
<b>Acceptable MI Companies</b>	<ul style="list-style-type: none"> <li>• <a href="#">Radian</a></li> <li>• <a href="#">MGIC</a></li> <li>• <a href="#">Genworth</a></li> </ul>										