



## FREDDIE MAC HOME POSSIBLE®

PROGRAM SPECIFICATIONS																	
<b>Description</b>	Freddie Mac Home Possible mortgages offer outstanding flexibility and options to meet a variety of borrowers' needs. With Home Possible, you'll capitalize on opportunities to meet the home financing needs of low and moderate-income borrowers looking for low down payment and flexible sources of funds.																
<b>Channels</b>	<ul style="list-style-type: none"> <li>• Broker</li> <li>• Correspondent               <ul style="list-style-type: none"> <li>○ Table Funded</li> <li>○ Non-Delegated UW</li> <li>○ Delegated UW</li> </ul> </li> </ul>																
<b>FICO</b>	<ul style="list-style-type: none"> <li>• 620 minimum qualifying credit score for all qualifying Borrowers.</li> </ul>																
<b>UW Method</b>	<ul style="list-style-type: none"> <li>• Loan Prospector Advisor (LPA)</li> </ul>																
<b>AUS Recommendation</b>	<ul style="list-style-type: none"> <li>• All loans must be submitted through Loan Product Advisor and receive an Accept Risk Class</li> </ul>																
<b>Eligible Terms</b>	<ul style="list-style-type: none"> <li>• 15Yr., 20Yr., 25Yr., and 30Yr. Fully Amortizing Fixed</li> <li>• ARMs not permitted</li> </ul>																
<b>Eligible Transaction Types</b>	<ul style="list-style-type: none"> <li>• Purchase</li> <li>• No Cash-Out Refinance</li> </ul> <p><b>Note:</b> Super Conforming Mortgages are Permitted. Loan must be submitted through Loan Product Advisor and receive an Accept Risk Class and have an LTV/TLTV/HTLTV ratio less than or equal to 95%. (A TLTV ratio of less than or equal to 105% is permitted for Mortgages with an Affordable Second).</p>																
<b>Eligible Property Types</b>	<ul style="list-style-type: none"> <li>• 1 – 4 Unit Primary Residence</li> <li>• Freddie Mac Approved Condos</li> <li>• PUDs</li> <li>• Multi-width Manufactured Housing</li> <li>• CHOICEHome</li> </ul> <p><b>Note:</b> Single-width Manufactured Homes on a Lot (outside of a PUD or Condo project) where PMI is required must use Enact or National MI. AFR must order the MI and be the lender.</p>																
<b>Maximum LTV/TLTV/HTLTV</b>	<ul style="list-style-type: none"> <li>• 1 Unit: 97% LTV, 97%* TLTV</li> <li>• 2-4 Unit: 95% LTV, 95%* TLTV, 95% HTLTV</li> <li>• Manufactured Homes: 95% LTV, See Chapter <a href="#">5703</a></li> </ul> <p><b>Reminder:</b> *A TLTV ratio up to 105% is permitted when secondary financing is an <a href="#">Affordable Second</a>. The Affordable Second cannot be a HELOC.</p>																
<b>Maximum DTI</b>	<ul style="list-style-type: none"> <li>• Monthly Housing Ratio: No Maximum</li> <li>• Payment to Income Ratio: Determined by LP</li> </ul>																
<b>Income Limits</b>	<ul style="list-style-type: none"> <li>• LPA will determine the income eligibility. To be eligible as a Home Possible mortgage, the Borrower's qualifying income, converted to an annual basis, must not exceed 80% of the AMI for the location of the Mortgaged Premises, including properties in low-income census tracts. <a href="https://sf.freddiemac.com/working-with-us/affordable-lending/home-possible-eligibility-map">https://sf.freddiemac.com/working-with-us/affordable-lending/home-possible-eligibility-map</a></li> <li>• Rental income from a 1-unit Primary Residence must be provided by a person who is not obligated on the Mortgage and does not have ownership interest in the Mortgaged Premises and may not be the Borrower's spouse or domestic partner.</li> </ul>																
<b>Special Feature</b>	<ul style="list-style-type: none"> <li>• Rental income eligible               <ul style="list-style-type: none"> <li>○ 1- Unit primary residence, See Chapter <a href="#">4501.9</a></li> <li>○ 2 – 4 Unit primary residence, See Chapter <a href="#">5306</a></li> </ul> </li> </ul>																
<b>Mortgage Insurance</b>	Standard MI coverage, See Chapter 4701.1																
<b>Minimum Borrower Contribution</b>	<table border="1"> <thead> <tr> <th>Property Type</th> <th>&lt;=80%</th> <th>&gt;80% &lt;=95%</th> <th>&gt;95%</th> </tr> </thead> <tbody> <tr> <td>1 Unit</td> <td>None</td> <td>None</td> <td>None</td> </tr> <tr> <td>2 – 4 Unit</td> <td>None</td> <td>3% of value</td> <td>3% of value</td> </tr> <tr> <td>Manufactured</td> <td>None</td> <td>None</td> <td>N/A</td> </tr> </tbody> </table>	Property Type	<=80%	>80% <=95%	>95%	1 Unit	None	None	None	2 – 4 Unit	None	3% of value	3% of value	Manufactured	None	None	N/A
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<b>Occupancy</b>	At least one borrower must occupy the mortgage premises as a primary residence. Non-occupant borrowers are permitted on mortgages secured by 1-unit properties and a 95% LTV. See Chapter 4501.7																
<b>Ownership of Other Property</b>	Occupying Borrower(s) must not have an ownership interest in more than two financed residential properties, including the subject property, as of the Note Date.																
<b>Homebuyer and Landlord Education</b>	<ul style="list-style-type: none"> <li>• If all occupying borrowers are first-time homebuyers, at least one occupying borrower</li> </ul>																





	<ul style="list-style-type: none"> <li>• must receive counseling.</li> <li>• Landlord education (2 – 4 unit primary residences)             <ul style="list-style-type: none"> <li>○ See Chapter 4501.12</li> </ul> </li> <li>• Successful completion of the <a href="#">CreditSmart® Homebuyer U</a> also satisfies homeownership education requirements.</li> </ul>
<b>Reserves</b>	1 Unit: As defined by LPA 2 - 4 Units: As defined by LPA
<b>Geographic Restrictions</b>	<ul style="list-style-type: none"> <li>• Hawaii             <ul style="list-style-type: none"> <li>○ AFR does not operate in the state of Hawaii and does not permit loans with a subject property in Hawaii for all programs in all channels with the exception of Correspondent Delegated UW transactions.</li> </ul> </li> <li>• AFR requires the use of AFR's Texas counsel on all Texas transactions with the exception of Correspondent Delegated loans. AFR utilizes this 3<sup>rd</sup> party for document preparation and require 48 hours for both title review and to generate a closing package.</li> </ul>
<b>Guidelines</b>	<a href="http://www.freddiemac.com/singlefamily/guide/">http://www.freddiemac.com/singlefamily/guide/</a>
<b>Forms</b>	<a href="#">Click Here</a>
<b>OVERLAYS</b>	
Follow all overlays outlined in the Freddie Mac Fully Amortizing Fixed Program Matrix	

