



FREDDIE MAC RELIEF REFINANCE MORTGAGESM –OPEN ACCESS

PROGRAM SPECIFICATIONS	
Description	Relief Refinance Mortgage SM -Open Access is a Freddie Mac no cash out refinance program. LP (Loan Prospector) determines eligibility. The program is available to existing borrowers who have a conventional mortgage by Freddie Mac with a note date on or before May 31, 2009 that are seasoned for at least 3 months. The offering is designed to assist borrowers who are making timely payments, but have been unable to refinance due to declining property values. With no maximum LTV ratios, relief from standard mortgage insurance, simplified appraisal requirements, and the ability to submit through Loan Prospector®, borrowers can refinance into mortgages that improve their financial position and provide better opportunities for long-term homeownership success.
Freddie Mac Loan Lookup	https://ww3.freddiemac.com/loanlookup/
Channels	<ul style="list-style-type: none"> • Broker • Correspondent <ul style="list-style-type: none"> ○ Table Funded ○ Non-Delegated UW ○ Delegated UW
FICO	<ul style="list-style-type: none"> • 580 minimum qualifying credit score for all qualifying borrowers <ul style="list-style-type: none"> ○ The borrower(s) must obtain at least two credit scores. When two credit scores are obtained, choose the lower score. When three credit scores are obtained, choose the middle score. When there are multiple borrowers select the lowest applicable score from the group. <p>Reminder: 620 minimum qualifying credit score required for any Open Access loan that is a Higher Priced Covered Transaction (HPCT) or Higher Priced Mortgage Loan (HPML).</p>
UW Method	<ul style="list-style-type: none"> • Loan Prospector (LP)
AUS Recommendation	<ul style="list-style-type: none"> • Accept Risk Class • All loans must at meet the Income and Asset Documentation Requirements outlined in the Freddie Mac Single Family Seller/Service Guide
Eligible Terms	<ul style="list-style-type: none"> • 15Yr., 20Yr., 25Yr., 30Yr. Fixed Rate
Eligible Property Types	<ul style="list-style-type: none"> • 1-4 Unit Primary Residences • 1 Unit Second Homes • 1-4 Unit Investment Properties • Condominiums • PUDs • Multi-Width Manufactured Housing
Maximum LTV/TLTV/HTLTV	No maximum LTV/TLTV/HTLTV
Eligible Borrowers	<p>The Borrower(s) obligated on the Note on the Mortgage must be the same as the Borrower(s) obligated on the Note on the Mortgage being refinance, except that:</p> <ul style="list-style-type: none"> • A Borrower obligated on the Note of the Mortgage being refinanced may be omitted from the Note of the Relief Refinance Mortgage – Open Access • A Borrower(s) may be added to the Note of the Relief Refinance Mortgage – Open Access, except that a non-occupying Borrower may not be added to a Mortgage secured by a Primary Residence <p>In all cases, at least one borrower(s) from the mortgage being refinanced must be retained.</p>
Borrower Benefit	<p>The Relief Refinance Mortgage-Open Access must be originated for one of the following purposes:</p> <ul style="list-style-type: none"> • A reduction in the interest rate of the First Lien Mortgage • To replace and ARM, Initial Interest Mortgage or any Mortgage with an interest-only period, or a Balloon/Reset Mortgage with a fixed-rate, fully amortizing Mortgage • A reduction in the amortization term of the First Lien Mortgage • A reduction in the monthly principal and interest payment of the First Lien Mortgage
Mortgage Insurance	<p>Follow LP</p> <p>For each Relief Refinance Mortgage – Open Access with an LTV ratio greater than 80%:</p> <ul style="list-style-type: none"> • If the Mortgage being refinanced has mortgage insurance coverage, then the same percentage of mortgage insurance coverage must be maintained for the new refinance Mortgage on the entire unpaid principal balance • If the Mortgage being refinanced does not have mortgage insurance coverage, then no mortgage insurance coverage is required for the new refinance Mortgage





MI Companies	<ul style="list-style-type: none"> • Arch • MGIC (Refi-to-Mod Request) • Genworth • Republic Mortgage Insurance Company (RMIC) • Triad Guaranty, Inc. • Radian
Qualifying Ratios	<p>Follow LP findings</p> <p>Reminder: Open Access loans that are Higher Priced Covered Transactions (HPCT) or Higher Priced Mortgage Loans (HPML) must have a DTI not greater than 45%.</p>
Verification of Payment History	<ul style="list-style-type: none"> • LP has determined the creditworthiness of the borrower is acceptable if all mortgage payment histories for each qualifying borrower are verified on the LP credit reports.
Mortgage Proceeds	<p>The proceeds of the Relief Refinance Mortgage-Open Access must be used only to:</p> <ul style="list-style-type: none"> • Pay off the first Mortgage (amount including only the unpaid principal balance and interest accrued through the date the Mortgage being refinanced is paid off) • Pay related closing costs, Financing Costs and Prepays/Escrows not to exceed \$5,000 • Disburse cash to the Borrower not to exceed \$250 • In the event there are remaining proceeds from the Mortgage after the proceeds are applied as described above: • The Mortgage amount must be reduced, or • The excess amount must be applied as a principal curtailment to the Mortgage at closing and must be clearly reflected on the Settlement/Closing Disclosure Statement. <p>Under no circumstances may cash be disbursed to the Borrower (or any other payee) exceed \$250.</p> <p>The proceeds may not be used to pay off or pay down any junior liens.</p>
Geographic Restrictions	<ul style="list-style-type: none"> • Hawaii <ul style="list-style-type: none"> ○ 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.
Notes	AFR requires at least 48 hours from the time the loan is CTC to when a FMOA file can be scheduled to close.
Guidelines	http://www.freddiemac.com/singlefamily/guide/
Forms	See FORMS Section in the Resource Center
OVERLAYS	
<p>Follow all overlays outlined in the Freddie Mac Fully Amortizing Fixed Program Matrix and:</p> <ul style="list-style-type: none"> • Escrow Credits are not permitted • Lender incentives and contributions not permitted 	

