



Freddie Mac Home Possible and Home Possible Advantage

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The Guidelines below are in addition to the conventional matrix

Eligibility	Home Possible Advantage 97% LTV	Home Possible 95% LTV																					
Loan Purpose	Purchase and No Cash out Refinances	Purchase and No Cash out Refinances																					
Eligible Property Types	1-unit primary residence, including eligible condos and PUDs	1-4 unit primary residence, including eligible condos and PUDS																					
Manufactured Housing	Not Eligible	Not Eligible																					
Borrower Income Limits	<p><u>Home Possible Income & Property Eligibility</u></p> <ul style="list-style-type: none"> No Income limits in underserved census tracts 100% of area median income (AMI) for all other properties <p>Note: Borrowers with income above the AMI may be eligible in high-cost areas</p>																						
Eligibility																							
Maximum LTV/TLTV/HTLTV Ratios	<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 15%;">Property Type</th> <th style="width: 15%;">LTV</th> <th style="width: 15%;">TLTV</th> <th style="width: 15%;">HTLTV</th> </tr> </thead> <tbody> <tr style="background-color: #cccccc;"> <td colspan="4" style="text-align: center;">Home Possible</td> </tr> <tr> <td style="text-align: center;">1-4 Unit</td> <td style="text-align: center;">95%</td> <td style="text-align: center;">95%</td> <td style="text-align: center;">95%</td> </tr> <tr style="background-color: #cccccc;"> <td colspan="4" style="text-align: center;">Home Possible Advantage</td> </tr> <tr> <td style="text-align: center;">1-Unit</td> <td style="text-align: center;">97%</td> <td style="text-align: center;">105%</td> <td style="text-align: center;">N/A</td> </tr> </tbody> </table>			Property Type	LTV	TLTV	HTLTV	Home Possible				1-4 Unit	95%	95%	95%	Home Possible Advantage				1-Unit	97%	105%	N/A
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Minimum Borrower Contribution, and Reserves	Minimum Contribution from Borrower Personal Funds (Purchase transactions only)			
	Property Type	Home Possible LTV/TLTV/HTLTV ratios ≤ 80%	Home Possible LTV/TLTV/HTLTV ratios ≥ 80% ≤ 95%	Home Possible Advantage Mortgage
	1 unit	None	None	None
	2 to 4 unit	None	3%	N/A
	Minimum Reserves			
	Property Type	Home Possible		Home Possible Advantage
	1 – Unit	None Required		None Required
	2-4 Unit	Two Months		N/A – 2-4 units not allowed
Permitted Source of Funds	<ul style="list-style-type: none"> Borrower personal funds or funds from family, employer assistance programs and secondary financing 			
Secondary Financing	<ul style="list-style-type: none"> For Home Possible any secondary financing that meets Freddie Mac requirements is allowed For Home Possible Advantage any secondary financing must be an Affordable Second 			
Credit Score	<ul style="list-style-type: none"> Per AUS findings when loan receives a risk class of "Accept" Minimum of 620 			
Manual Underwriting	<ul style="list-style-type: none"> Not permitted 			
Ownership in other property	<ul style="list-style-type: none"> The borrower MAY NOT, as of the effective date of the note, have ownership interest in any other residential properties. 			



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Sweat Equity	<ul style="list-style-type: none"> • Not permitted
Rental Income	<ul style="list-style-type: none"> • Rental income from a 1-unit primary residence that meets the requirements of Guide Section 4501.9(a) may be considered as stable monthly income • Rental income from a 2-4 unit primary residence that meets Guide chapter 5306 may be used as qualifying income
Mortgage Insurance (MI) Coverage and Financed MI	<ul style="list-style-type: none"> • 25% MI Coverage for LTV's 90.01-97% • Standard MI coverage for LTVs 90% or less • Minimum FICO 700 if DTI exceeds 45%
Homeownership Education	<ul style="list-style-type: none"> • At least one borrower must participate in a homeownership education program on a PURCHASE transactions when all borrowers are First-Time Homebuyers • Landlord education (2-4 unit primary residence) <ul style="list-style-type: none"> ◦ At least one qualifying borrower must participate in a landlord education program ◦ Refinance transactions do not require the landlord education • Homeownership education documentation must be retained in the mortgage file <p>Acceptable types of homeownership education:</p> <ul style="list-style-type: none"> • Programs developed by HUD-approved counseling agencies • Programs developed by mortgage insurance companies • Programs that meet the standards of the National Industry Standards for Homeownership Education and counseling Homeownership standards • FHLMC's FREE "Credit Smart" Credit Smart Homeownership

Product Codes		Helpful Links
30 Year Fixed	CF30 HomePossible	Home Possible home page
20 Year Fixed	CF20 HomePossible	Home Possible Fact Sheet
15 Year Fixed	CF15 HomePossible	Home Possible Advantage Fact Sheet
		Freddie Mac Selling Guide via ALLREGS