

FREDDIE MAC HOME POSSIBLE®

PROGRAM SPECIFICATIONS	
Description	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.
Channels	• Broker • Correspondent ◦ Non-Delegated UW ◦ Delegated UW
FICO	• 620 minimum qualifying credit score for all qualifying Borrowers.
UW Method	• Loan Prospector Advisor (LPA)
AUS Recommendation	• All loans must be submitted through Loan Product Advisor and receive an Accept Risk Class
Eligible Terms	• 15Yr., 20Yr., 25Yr., and 30Yr. Fully Amortizing Fixed • ARMs not permitted
Eligible Transaction Types	• Purchase • No Cash-Out Refinance Note: 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).
Eligible Property Types	• 1 – 4 Unit Primary Residence • Condominiums ◦ Ineligible review: Properties that require PCS (Project Certified Submissions) ◦ Condominium Project review and general Condominium Project eligibility requirements • Multi-width Manufactured Housing • CHOICEHome Note: 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.
Maximum LTV/TLTV/HTLTV	• 1 Unit: 97% LTV, 97%* TLTV • 2-4 Unit: 95% LTV, 95%* TLTV, 95% HTLTV • Manufactured Homes: 95% LTV, See Chapter 5703 Reminder: *A TLTV ratio up to 105% is permitted when secondary financing is an Affordable Second. The Affordable Second cannot be a HELOC.
Maximum DTI	• Monthly Housing Ratio: No Maximum • Payment to Income Ratio: Determined by LP
Income Limits	• 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. https://sf.freddiemac.com/working-with-us/affordable-lending/home-possible-eligibility-map • 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.
Very Low-Income Purchase (VLIP) – Broker only	Eligibility: • Purchase • At least one borrower must be a First Time Homebuyer • Borrower(s) annual qualifying income must not exceed 50% of the AMI for the location of the mortgaged premises. • LPA will determine the income used to qualify. Homeownership Education: • CreditSmart HomebuyerU, or • Acceptable programs listed in 5103.6. Closing cost credit: • \$2500 Grant on URLA part 4.
Special Feature	• Rental income eligible ◦ 1- Unit primary residence, See Chapter 4501.9

	○ 2 – 4 Unit primary residence, See Chapter 5306																
Mortgage Insurance	Standard MI coverage, See Chapter 4701.1																
Minimum Borrower Contribution	<table><tr><th>Property Type</th><th><=80%</th><th>>80% <=95%</th><th>>95%</th></tr><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></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
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														
Occupancy	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																
Ownership of Other Property	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.																
Homebuyer and Landlord Education	• If all occupying borrowers are first-time homebuyers, at least one occupying borrower must receive counseling. • Landlord education (2 – 4 unit primary residences) ○ See Chapter 4501.12 • Successful completion of the CreditSmart® Homebuyer U also satisfies homeownership education requirements.																
Reserves	1 Unit: As defined by LPA 2 - 4 Units: As defined by LPA																
Geographic Restrictions	• Hawaii ○ 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. • AFR requires the use of AFR's Texas counsel on all Texas transactions with the exception of Correspondent Delegated loans. AFR utilizes this 3rd party for document preparation and require 48 hours for both title review and to generate a closing package.																
Guidelines	http://www.freddiemac.com/singlefamily/guide/																
Forms	Click Here																
OVERLAYS																	
Follow all overlays outlined in the Freddie Mac Fully Amortizing Fixed Program Matrix																	