



# Freddie Mac Home Possible

## PRODUCT MATRIX

### Freddie Mac Selling Guide

<http://www.freddiemac.com/singlefamily/guide/>

Loan Limits	# of Units	Conforming Loan Limits		Super Conforming Loan Limits
	1	\$766,550		\$1,149,825
	2	\$981,500		\$1,472,250
	3	\$1,186,350		\$1,779,525
	4	\$1,474,400		\$2,211,600
Primary Residence, Purchase and Rate & Term Refinance Only				
# of Units	Maximum LTV/CLTV <sup>1</sup>			Minimum Credit Score
	Conforming Balance		Super Conforming Balance	
1	97% / 105% <sup>1</sup>		95% / 105% <sup>1</sup>	620
2	95%		85%	
3-4	95%		80%	
<sup>1</sup> CLTV up to 105% with eligible community seconds. (Refer to Freddie Mac guidance for details).				
AUS	<ul style="list-style-type: none"> <li>Loan Product Advisor (LPA) must receive an "Accept/Approve" decision.</li> <li>Manual underwrite is not permitted</li> <li>LPA Feedback Cert. must properly identify loan was reviewed as "Home Possible"</li> </ul>			
Terms	<ul style="list-style-type: none"> <li>Fixed Rate. (30,25,20,15 and 10 Year Terms)</li> </ul>			
Temporary Interest Rate Buydowns	<ul style="list-style-type: none"> <li>Maximum allowable interest rate reduction is 2%. <ul style="list-style-type: none"> <li>Available as 2/1 or 1/0</li> </ul> </li> <li>30 Year Fixed only</li> <li>Owner occupied &amp; Second Homes</li> <li>Purchase Only.</li> <li>Qualify at Note rate (not the bought down rate)</li> </ul>			
Ratios	<ul style="list-style-type: none"> <li>Determined by AUS</li> </ul>			
Reserves	<ul style="list-style-type: none"> <li>Determined by AUS</li> </ul>			
Borrower Income Limits	<ul style="list-style-type: none"> <li>80% Of Area median income (AMI)</li> </ul>			
Down Payment/Closing Cost Assistance	<ul style="list-style-type: none"> <li>Borrowers with a qualifying income of less than or equal to 50% of the applicable area median income (AMI) of the subject property's location are eligible for a \$2,500 lender credit on purchases. <ul style="list-style-type: none"> <li>the credit must be provided directly to the borrower, such as being applied to down payment and closing costs, including escrows and mortgage insurance premiums.</li> </ul> </li> </ul>			
	<b>Freddie Mac BorrowSmart Assistance:</b> <ul style="list-style-type: none"> <li>Borrowers with a qualifying income greater than 50% and less than or equal to 80% of the county area median income (AMI) of the subject property's location are eligible for a \$1,250 lender credit on purchases. <ul style="list-style-type: none"> <li>the credit must be provided directly to the borrower, such as being applied to down payment and closing costs, including escrows and mortgage insurance premiums.</li> </ul> </li> </ul>			
Minimum Borrower Contribution	1 Unit: None			
	2-4 Units: 3% for LTV > 80%			
Multiple Financed Properties	<ul style="list-style-type: none"> <li>Occupant borrower(s) may own one other financed residential property (in addition to the subject property) at the time of closing.</li> </ul>			
Non-Occupant Borrowers	<ul style="list-style-type: none"> <li>Non-occupant borrowers permitted to maximum 95% LTV in LPA; Income considered as part of qualifying income and subject to income limits. No limitation on ownership of other property for non-occupant borrower.</li> </ul>			
Mortgage Insurance (MI)	Term	> 80% & ≤ 85%	> 85% & ≤ 90%	> 90% & ≤ 97%
	≤ 20 Years	6%	12%	25%
	> 20 Years	12%	25%	25%

<b>Minimum Borrower Contribution</b>	<ul style="list-style-type: none"> <li>No minimum contribution is required on a purchase for a 1-unit property.</li> <li>Eligible sources of funds for down payment and closing costs include gifts, grants, cash-on-hand, Affordable Seconds®, proceeds from an unsecured loan, sweat equity and Employee Assisted Housing (EAH). For additional detail, refer to Guide Section 4501.10(c).</li> <li>Eligible Affordable Seconds can provide 100% of the borrower's down payment and could be used for both down payment and closing costs</li> <li>TLTV allowed up to 105% with eligible Affordable Seconds when the first lien is a fixed-rate mortgage.</li> </ul>
<b>Rental Income</b>	<p><b>1 Unit:</b></p> <ul style="list-style-type: none"> <li>Rental income from a 1-unit primary residence can account for up to 30% of qualifying income.</li> <li>The person providing the rental income must have resided with the borrower for at least one year and will continue residing with them in the new property.</li> <li>Rental income from a 1-unit primary residence must be provided by a person who <ul style="list-style-type: none"> <li>Is not obligated on the mortgage and does not have an ownership interest in the mortgaged premises.</li> <li>Is not the borrower's spouse or domestic partner.</li> </ul> </li> </ul> <p><b>2-4 Units:</b></p> <ul style="list-style-type: none"> <li>Rental income from a 2- to 4-unit primary residence that meets requirements in Guide Chapter 5306 may be used as qualifying income.</li> </ul>
<b>Landlord Education</b>	<ul style="list-style-type: none"> <li>Required on 2-4 unit purchase transactions.</li> </ul>
<b>Homeownership Education</b>	<ul style="list-style-type: none"> <li>For a purchase transaction, if all occupying borrowers are first-time homebuyers, at least one occupying borrower must receive homeownership education.</li> <li>Homeownership education must be completed prior to the note date.</li> <li>Homeownership education must not be provided by an interested party to the transaction, the originating lender or the mortgage seller.</li> <li>Eligible homeownership education must meet the National Industry Standards for Homeownership Education and Counseling or be provided by an eligible source, such as a HUD-approved counseling agency, mortgage insurer, housing finance agency (HFA) or Community Development Financial Institutions (CDFIs)</li> </ul>
<b>Homeownership Counseling</b>	<p><b>Freddie Mac BorrowSmart requirement:</b></p> <ul style="list-style-type: none"> <li>Borrowers with AMI &gt; 50% and less than 80% AMI receiving the \$1,250 BorrowerSmart assistance must complete pre-purchase counseling with housing counseling agency under the HPF network. <ul style="list-style-type: none"> <li>The Borrower and the Lender must obtain a Freddie Mac Pre-Purchase Counseling Certificate from HPF verifying the Borrower's participation in the pre-purchase counseling</li> </ul> </li> </ul> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>To schedule an HPF eligibility review and/or counseling session, contact HPF directly at the following telephone number: (866) 296-4978</li> <li>Upon completion of counseling session, an AMI Eligibility and Pre-purchase counseling certificate is provided to the borrower and lender.</li> <li>Any changes to the borrowers' qualifying income must be resubmitted to HPF for an eligibility review.</li> <li>The income on the final LPA Feedback Certificate must match the income reflected on the BorrowSmart Eligibility Certificate.</li> </ul>
<b>Property Types</b>	<ul style="list-style-type: none"> <li>1-4 units, Condo's and Puds.</li> <li>Manufactured Housing permitted in accordance with agency guidelines.</li> <li>Co-ops are not permitted</li> </ul>



# Freddie Mac BorrowSmart® Program

The Freddie Mac BorrowSmart® program provides assistance for income qualifying Low-Income Purchase (LIP) borrowers who complete housing counseling through a HUD-approved counseling provider affiliated with the Homeownership Preservation Foundation (HPF) network.

<b>Product</b>	<ul style="list-style-type: none"> <li>Freddie Mac Home Possible</li> </ul>
<b>AUS</b>	<ul style="list-style-type: none"> <li>Loan Product Advisor (LPA) must receive an "Accept/Approve" decision.</li> <li>Manual underwrite is not permitted</li> <li><b>LPA Feedback Cert. must properly identify loan was reviewed as "Home Possible"</b></li> </ul>
<b>AMI Requirement</b>	<ul style="list-style-type: none"> <li>Borrowers with a qualifying income greater than 50% and less than or equal to 80% of the county area median income (AMI) of the subject property's location are eligible for a \$1,250 lender credit on purchase transactions.</li> </ul>
<b>Assistance Amount</b>	<ul style="list-style-type: none"> <li>\$1,250</li> </ul>
<b>Max LTV</b>	<ul style="list-style-type: none"> <li>97%</li> </ul>
<b>Transaction Type</b>	<ul style="list-style-type: none"> <li>Primary Home; Purchase only</li> </ul>
<b>Borrower Eligibility</b>	<ul style="list-style-type: none"> <li>First-time homebuyer requirements determined per Home Possible requirements.</li> <li>Non-occupant co-borrower requirements determined per Home Possible requirements.</li> </ul>
<b>Temporary Interest Rate Buydowns</b>	<ul style="list-style-type: none"> <li>Not permitted.</li> </ul>

### Homebuyer Eligibility Review and Counseling Requirements

<b>Homeownership Counseling</b>	<ul style="list-style-type: none"> <li>Prior to the note date, at least one occupant borrower must complete the pre-purchase counseling with HPF.</li> <li>A copy of the Counseling Completion Certificate from HPF, verifying at least one occupant borrower participated in the pre-purchase counseling, must be retained in the loan file.</li> <li>Determine borrower(s) eligibility through your standard loan application or pre-approval process</li> <li><b>To schedule an HPF eligibility review and/or counseling session, contact HPF directly at the following telephone number: (866) 296-4978</b></li> <li>Upon completion of counseling session, an AMI Eligibility and Pre-purchase counseling certificate is provided to the borrower and lender.</li> </ul>
<b>Homebuyer Eligibility Review</b>	<ul style="list-style-type: none"> <li>The borrower(s) must be referred to the Homeownership Preservation Foundation (HPF) for a program eligibility assessment prior to final loan approval.</li> <li>Eligibility screening must be completed by 3/31/2025</li> <li>Any changes to the borrowers' qualifying income must be resubmitted to HPF for an eligibility review.</li> <li>The income on the final LPA Feedback Certificate must match the income reflected on the BorrowSmart Eligibility Certificate.</li> </ul>

