



Freddie Mac



Home Possible[®] HomeOneSM HFA Advantage[®]

A black and white photograph showing three people in professional attire. On the left, a man in a suit is seen in profile, looking towards the center. In the center, a man with glasses and a beard, wearing a suit and tie, is smiling and looking towards the right. On the right, a woman in a business suit is seen in profile, looking towards the center man. The background is a bright, out-of-focus office interior.

Home Possible[®] Mortgage

Grow Your Business and Build Your Community

- Designed for borrowers with very low to low incomes looking for options like LOW down payments and FLEXIBLE sources of funds
- Home Possible helps you grow your business with features that expand access to credit to more creditworthy borrowers
 - Certainty and simplicity with Freddie Mac's Loan AdvisorSM
 - Guidelines that support sustainable homeownership for borrowers with very low to low incomes
 - Product features designed to align with the changing demographics of today's borrowers and anticipated needs of tomorrow's homebuyer

Home Possible[®] Mortgage Overview

<p>LTV Ratios by loan type (Manufactured Homes, refer to Seller/Service Guide)</p>	<p>Fixed Rate Mortgages 1-unit property: 97% LTV / 105% TLTV (with Affordable Second[®]) / 97% HTLTV 2- to 4-unit property: 85% LTV / 95% TLTV / 95% HTLTV</p> <hr/> <p>5/1 or 5/5 7/1 or 10/1 Adjustable-Rate Mortgages 1-unit property: 95% LTV / TLVT / HTLTV 2-unit property: 85% LTV / 95% TLTV / 95% HTLTV 3- to 4-unit property: 75% LTV / TLTV / HTLTV</p>
<p>Transaction Type</p>	<p>Purchase/no cash-out refinance</p>
<p>Property Types</p>	<p>1- to 4-unit detached/attached properties, planned unit developments, condominiums</p>
<p>Occupancy</p>	<p>Owner occupied, primary residences only Non-occupying co-borrower permitted</p>
<p>Mortgage Insurance</p>	<p>Lender Paid Single Premium MI and Financed Single Premium MI allowed</p>
<p>Other Property Ownership</p>	<p>Occupying Borrower can own one other property in addition to the subject property</p>

Offering Low Down Payment Options

- **Home Possible®**

- First-time buyers and other buyers who qualify based on area median income in the home's location
- Down payment as low as 3%
- Flexible down payment and closing cost funding options
- Co-borrower who is not part of the household allowed
- Private mortgage insurance stops at 80% LTV

- **HomeOneSM**

- First-time buyers – no income restriction
- All borrowers must occupy
- Fixed-rate terms only

- **HFA Advantage®**

- Based on Home Possible underwriting requirements
- 1-unit primary residence; all borrowers must occupy
- State/Local HFA's down payment assistance and guidelines
- Minimum MI coverage required



Why Choose Home Possible[®] Over FHA?

Home Possible Mortgage

- ✓ MI for 1-units ends when LTV < 80%
- ✓ Conventional MI: monthly premium
- ✓ MI only required if the LTV is 80% or higher
- ✓ No upfront MIP

FHA

- ✗ MI stays for the life of the loan
- ✗ FHA: Upfront AND monthly premiums
- ✗ MI required regardless of the LTV
- ✗ Upfront MIP added to principal AND amortized

WHAT THIS MEANS:

With more funds applied toward the principal up front, a Home Possible mortgage with PMI lets the borrower build equity faster

Mortgage Insurance (MI)

The HomeOneSM Mortgage

This conventional mortgage offers qualified first-time homebuyers



3%
down payment
option



NO
geographic or
income limitations

Qualify more first-time homebuyers by easing the challenges related to available savings for down payment and closing costs.

- Product offering provides a solution to capture growing borrower segment
- More flexibility for maximum financing
- Simple and seamless with Freddie Mac's Loan Advisor[®]
- Addresses a portion of borrower situations that may not be served by the Home Possible[®] affordable product

HFA Advantage[®] Mortgage

- One-unit primary residence
- Purchase and no cash-out refinancing
- Maximum 97% LTV and 105% TLTV ratios
- Flexible funding options for down payment and closing costs
- No reserves required

High loan-to-value (LTV) conventional offering that's **an excellent alternative to FHA** lending requirements and mortgage premiums.

Adopts the requirements of Home Possible[®] but with **added flexibilities for HFAs.**

- HFA-established income limits
- Available to first-time homebuyers, repeat buyers, and borrowers seeking no cash-out refinances
- Loan Product Advisor[®], manual UW, or alternative UW system subject to prior approval
- Flexible MI options available