

FHLMC Super Conforming Fixed Rate



WHOLESALE

See full Product Guide for complete information.

Revised 8-16-21

Given the current situation associated with COVID-19, refer to Credit Policy 20-07 for temporary guidance related to certain credit, income and collateral requirements.

Property Type	Max LTV / TLTV / HTLV
Purchase and No Cash Out Refi - Primary and Second Home	
1 Unit Primary Residence	95%
2 Unit Primary Residence	85%
3-4 Unit Primary Residence	80%
Second Home	90%
Purchase / No Cash Out Refi - Investment	
1 Unit Investment Property	85%
2-4 Unit Investment Property	75%
Cash Out Refinance	
1 Unit Primary Residence	80%
2-4 Unit Primary Residence	75%
Second Home	75%
1 Unit Investment Property	75%
2-4 Unit Investment Property	70%
<ul style="list-style-type: none"> Refer to the Agency Loan Limit matrix in the full product guidelines for maximum loan amounts Subordinate financing is not permitted for co-op transactions 	
Amortization	<ul style="list-style-type: none"> 15, 20, 30 Year (30 Year only for ARM transactions) Odd terms down to 8 Years
Secondary Financing	<ul style="list-style-type: none"> Secondary financing on loans over 80% LTV must meet MI Provider guidelines For any refinance, any eligible subordinate financing may remain in place; however, it must be re-subordinated to the first mortgage and meet any TLTV/HTLTV limits. The second lien must have regular monthly payments sufficient to meet the interest due so that negative amortization does not occur
Eligible Property Types	<ul style="list-style-type: none"> 1-4 Units Warrantable Condo, PUD, Townhouse Leaseholds/Ground Leases (5704.1) Co-Op (See full product guide for complete details) Land Contracts/Contract for Deed (4404.1 and 5601.3) Properties in Lava Zones 1&2 - Proper insurance must be obtained
Ineligible Property Types	<ul style="list-style-type: none"> Manufactured Housing Non-warrantable Condo Timeshare Mixed Use Mobile Home Condo/PUD Hotel Working Farms Properties with Resale Deed Restrictions (Age restricted properties may be eligible) Commercial Property Land Trust and Community Land Trust (including Illinois Land Trusts) Life Estates (Credit Policy Announcement 15-28)
Occupancy	<p>Primary Residence, Second Home, Investment Property</p> <ul style="list-style-type: none"> 1-4 Unit FMC has a maximum of four FMC financed properties for one individual <p>Primary Residence</p> <ul style="list-style-type: none"> Must be Owner Occupied or follow FHLMC section 5103.8 <p>Secondary/Vacation Home</p> <ul style="list-style-type: none"> A 2-unit property used as a second home is considered an investment property A second home must be secured by a 1-unit property owned by an individual who is also the borrower, occupied by the borrower for some portion of the year (see full product guidelines for details). <p>Investment Property</p> <ul style="list-style-type: none"> See full product guidelines for special underwriting requirements regarding investment properties For any loan that secures an investment property, the seller contribution is limited to 2.0% Transactions that include non-arm's length and/or identity of interest characteristics are not eligible for new construction

<p>Refinance Transactions</p>	<p>Rate Term Refinance</p> <ul style="list-style-type: none"> • Pay off of the First Mortgage, regardless of its age, used to acquire the property. • Pay off of the First Mortgage, originated as a refinance transaction, with a Note Date no less than 30 days prior to the Note Date of the no cash out refinance Mortgage, as documented in the Mortgage file on the credit report or the title commitment. • For no cash-out refinance to include the payoff of a HELOC or subordinate mortgage, the HELOC or subordinate mortgage must have been used in whole to acquire the subject property. • A No Cash Out may receive up to the greater of 1% of the loan amount or \$2,000 in cash back at closing. • For properties located in Texas, the first mortgage being refinanced cannot be a 50(a)(6), a/k/a Texas home equity loan. <p>Cash-Out Refinance</p> <ul style="list-style-type: none"> • At least one Borrower must have been on the title to the subject property for at least six months prior to the Note Date except as specified in Freddie Mac Section 4301.5 . • See full product guide for details regarding Borrowers seeking delayed financing for properties acquired without a mortgage and none of the Borrowers have been on title for the most recent six (6) months. • The cash-out refinance Mortgage must comply with the applicable LTV/TLTV/HTLTV ratio limits and all other Freddie Mac requirements • Cash out transactions are not eligible for primary residences located in the state of Texas. 												
<p>Underwriting</p>	<ul style="list-style-type: none"> • All loans are required to be submitted to Loan Product Advisor (LPA). Manual underwriting is not permitted for primary residence. - NOTE: Freddie Mac does not permit Manual Underwriting for Investment Properties or Second Homes. • Eligible Loan Product Advisor recommendation: Loan Product Advisor Accept <p>Ratios</p> <ul style="list-style-type: none"> • According to LPA Feedback, however, must follow the more restrictive of LPA or 50.49%. • LPA must reflect all payments, regardless of the number of months remaining, except for installment loans with less than 10 months. <p>Credit Profile</p> <ul style="list-style-type: none"> • Minimum risk score of 620 unless a higher score is required for Loan Product Advisor Accept recommendation (i.e. 720 for borrowers with 7-10 financed properties when subject is a second home or investment property). <p>Income</p> <ul style="list-style-type: none"> • First-time homebuyers that are purchasing an investment property as their first real-estate owned must qualify without the use of the rental income from the subject property. The full PITI on the subject property must be counted against the borrower's qualifying debt-to-income ratio. Rental income from the subject property may not be included as qualifying income or as an offset to the PITI regardless of documentation received. 												
<p>Appraisal Requirements</p>	<ul style="list-style-type: none"> • Loan Product Advisor Feedback will indicate if an appraisal is required. • The Feedback Certificate may indicate an option to accept an appraisal waiver and allow a loan to be originated without an appraisal (Property Inspection Alternative). 												
<p>MI Coverage Requirements</p>	<ul style="list-style-type: none"> • MI is required for all loans with an LTV > 80% - FMC must submit full loan file to MI provider for underwriting and certification - Must meet all MI Provider eligibility and declining/distressed market guidelines <table border="1" data-bbox="297 1352 1560 1528"> <thead> <tr> <th>Transaction Type</th> <th>80.01-85.00%</th> <th>85.01-90.00%</th> <th>90.01-95.00%</th> </tr> </thead> <tbody> <tr> <td>Standard Coverage, Fixed Rate term ≤ 20 Years</td> <td>6%</td> <td>12%</td> <td>25%</td> </tr> <tr> <td>Standard Coverage, Fixed Rate and ARM, term > 20 Years</td> <td>12%</td> <td>25%</td> <td>30%</td> </tr> </tbody> </table>	Transaction Type	80.01-85.00%	85.01-90.00%	90.01-95.00%	Standard Coverage, Fixed Rate term ≤ 20 Years	6%	12%	25%	Standard Coverage, Fixed Rate and ARM, term > 20 Years	12%	25%	30%
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