

See full Product Guide for complete information.

Revised 08-16-21

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 ³
Purchase and No Cash Out Refi - Primary and Second Home	
1 Unit Primary Residence	97% ^{1,2}
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% ¹
2-4 Unit Primary Residence	75%
Second Home	75%
1 Unit Investment Property	75%
2-4 Unit Investment Property	70%

¹ Refer to the Agency Loan Limit matrix in the full product guidelines for maximum loan amounts
² HomeOne: LTV >95% is available for a conforming fixed rate amortization and secured by a one-unit principal residence in which ALL borrowers must occupy the mortgage premises as a primary residence. Purchase: At least one of the borrowers must be a first-time home buyer. Rate/Term Refinance: Must be an existing Freddie Mac loan. Maximum 95% LTV/CLTV/HCLTV for conforming fixed rate transactions when no borrower has traditional credit.
³ Maximum 105% TLTV with an eligible Affordable Second
⁴ Subordinate financing is not permitted for co-op transactions.

Amortization	<ul style="list-style-type: none"> • 10, 15, 20, 25, 30 Year • Odd terms down to 8 Years 	<ul style="list-style-type: none"> • Manufactured Homes Cash-Out transactions ≤ 20 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/HTLV limits. • Follow the Freddie Mac FRM TX 50(a)(6) program guidelines for properties located in Texas when the first mortgage was originated as a TX 50(a)(6). 	
Eligible Property Types	<ul style="list-style-type: none"> • 1-4 Units • Warrantable Condo, PUD, Townhouse • Co-Op (See full product guide for complete details) • Leaseholds/Ground Leases (5704.1) 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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, Second Home, & Investment Property:</p> <ul style="list-style-type: none"> • If subordinate financing exists refer to Secondary Financing Section above • FMC has a maximum of four FMC financed properties for one individual <p>Primary Residence:</p> <ul style="list-style-type: none"> • 1-4 Unit • Must be Owner Occupied or follow FHLMC section 5103.8 • There are no limitations on the number of properties that the borrower has financed when the subject loan is secured by the borrower's primary residence 	

Occupancy	<p>Secondary/Vacation Home</p> <ul style="list-style-type: none"> • 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 <p>Investment Property</p> <ul style="list-style-type: none"> • 1-4 Unit • For any loan that secures an investment property, the seller contribution is limited to 2.0% • Each borrower individually and all borrowers collectively must not be obligated on more than 1- to 4-unit financed properties, including the subject property. Ownership of commercial or multifamily (five or more units) real estate is not included in this limitation. 															
Refinance Transactions	<p><i>Follow the Freddie Mac FRM TX 50(a)(6) program guidelines for properties located in Texas when the first mortgage was originated as a TX 50(a)(6).</i></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. <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 • Follow the Freddie Mac FRM TX 50(a)(6) program guidelines for properties located in Texas when the first mortgage was originated as a TX 50(a)(6). 															
Underwriting	<p>Automated Underwriting (Loan Product Advisor)</p> <ul style="list-style-type: none"> • All loans are required to be submitted to Loan Product Advisor. 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: <ul style="list-style-type: none"> - Loan Product Advisor Accept <p>Ratios</p> <ul style="list-style-type: none"> • According to Loan Product Advisor Feedback, however, must follow the more restrictive of Loan Product Advisor or 50.49%. • Loan Product Advisor 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). • Minimum risk score of 740 is required for conforming 1-unit Primary Residence FRM cash-out transactions greater than 80.00% LTV. • When no Borrower(s) on the mortgage has a Credit Score, the mortgage may be considered. 															
Homeownership Education	<ul style="list-style-type: none"> • When all occupying borrowers are First-Time Homebuyers for a purchase HomeOne transaction, at least one qualifying borrower must participate in a homeownership education program before the note date or the effective date of permanent financing. • The homeownership education must not be provided by an interested party to the transaction, a party involved in the sale or financing of the property or by the seller. Refer to the full product guidelines for acceptable providers. 															
MI Coverage Requirements	<table border="1"> <thead> <tr> <th>Transaction Type</th> <th>80.01-85.00%</th> <th>85.01-90.00%</th> <th>90.01-95.00%</th> <th>95.01 - 97.00%</th> </tr> </thead> <tbody> <tr> <td>Standard Coverage, Term ≤ 20 Years</td> <td>6%</td> <td>12%</td> <td>25%</td> <td>35%</td> </tr> <tr> <td>Standard Coverage, Term > 20 Years, and manufactured homes</td> <td>12%</td> <td>25%</td> <td>30%</td> <td>35%</td> </tr> </tbody> </table>	Transaction Type	80.01-85.00%	85.01-90.00%	90.01-95.00%	95.01 - 97.00%	Standard Coverage, Term ≤ 20 Years	6%	12%	25%	35%	Standard Coverage, Term > 20 Years, and manufactured homes	12%	25%	30%	35%
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