



We make home possible®



Home Possible®
Mortgages

Freddie Mac's Home Possible® Mortgages

Capitalize on opportunities to meet the home financing needs of your borrowers looking for low down payments and flexible sources of funds, including first-time homebuyers, move-up borrowers, retirees, families in Underserved Areas, and new immigrants.

With Freddie Mac's Home Possible Mortgages, you can do just that by offering your borrowers:

- Low downpayments and flexible sources of funds
- Flexible credit terms, including expanded ratios
- Options for less-than-perfect credit and/or non-traditional credit

What's more, you have even greater flexibilities to serve borrowers who work in your community—like teachers, firefighters, healthcare workers, law enforcement officers and military personnel—so that they can live in the communities they support so well.

Benefits

With Freddie Mac's Home Possible Mortgages, you'll have outstanding flexibility and options to meet a variety of borrower's needs.

More Choices to Reach More Borrowers

- Borrower Contribution not required for 1-unit Primary Residences (excluding Manufactured Homes)
- Flexible credit terms, including expanded ratios and options for borrowers with less-than-perfect credit
- Secondary financing including Affordable Seconds®
- Low mortgage insurance coverage levels

Easy to Originate Using Loan Prospector®

- Quick assessment in Freddie Mac's automated underwriting system, Loan Prospector®, providing you with assurance of your underwriting decision

Manufactured Homes, ARMs, and More

- A broad product mix, including 5/1(2/2/5 caps), 7/1, and 10/1 CMT and LIBOR-indexed adjustable-rate mortgages (ARMs), Manufactured Homes (MH), and 1- to 4-unit Primary Residences
- Maximum financing with up to 100 percent loan-to-value (LTV ratio) for Home Possible 100, up to 97 percent for Home Possible 97, and up to 105 percent total loan-to-value (TLTV ratio) for both products

More Buying Power for Service Professionals

- Special products for teachers, firefighters, law enforcement officers, healthcare workers and military personnel that increase borrowers' buying power up to 30 percent and more with flexible debt-to-income ratios and extended temporary subsidy buydowns

Key Features:

- Available through the Freddie Mac *Single-Family Seller/Servicer Guide*
- 15-, 20-, and 30- and 40-year fixed-rate mortgages
- 5/1, (2/2/5 caps), 7/1, and 10/1 CMT & LIBOR-indexed ARMs
- Secondary financing including Affordable Seconds®
- Low Mortgage Insurance Coverage levels
- 1- to 4-unit Primary Residences
- Mortgages secured by Manufactured Homes
- Extended and Limited temporary subsidy buydown
- Maximum financing up to 105 percent TLTV in most instances
- Permit Mortgage Credit Certificates and Rural Housing Service Leveraged Seconds
- Mortgages for newly constructed homes (newly built home mortgages—site-built only)

Visit www.loanprospector.com for more information

See reverse for more details on available Home Possible mortgage products.

Home Possible Quick Reference For Mortgage Brokers

Below you'll find high-level guidelines for Freddie Mac's Home Possible Mortgages. Remember, you'll need to use Loan Prospector to assess Home Possible Mortgages. As always, please talk with your wholesale lender for complete requirements for these products.

	Home Possible [®] 100	Home Possible [®] 97	Home Possible [®] Neighborhood Solution 100	Home Possible [®] Neighborhood Solution 97
Product Details				
Occupancy/Property Type	1-unit Primary Residences; Manufactured Homes (MH) not eligible	1-4 unit Primary Residences and Manufactured Homes (MH) (with additional requirements)	1-unit Primary Residences; Manufactured Homes not eligible	1-2 unit Primary Residences and Manufactured Homes (with additional requirements)
LTV/TLTV	100%/105%	1-2 unit: 97%/105% 3-4 units: 95%/105% MH per Chapter H33 of the Seller/Service Guide (Guide)	100%/105%	1-2 unit: 97%/105% MH per Chapter H33.3 (d) and (e) of the Seller/Service Guide (Guide)
Secondary Financing	<ul style="list-style-type: none"> Affordable Seconds[®] Rural Housing Service Leveraged Seconds Other eligible secondary financing 			
Borrower Contribution	No Borrower Contribution required	<ul style="list-style-type: none"> 1-unit Primary Residences: none required 2-unit Primary Residences: 3% of value 3-4 unit Primary Residences: 5% of value Manufactured Homes: 5% of value 	No Borrower Contribution required	1-unit: none 2-unit: 3% of value MH: 5% of value
Loan Purpose	Purchase and no-cash out refinance			
Eligible Mortgages	<ul style="list-style-type: none"> 15-, 20-, 30- and 40-year fixed-rate mortgages (40-year available 9/1/06) 5/1 (2/2/5 caps) 7/1 and 10/1 convertible and non-convertible ARMs May be A-minus Mortgages <p><i>Note: Convertible ARMs cannot be sold through the Freddie Mac Selling System</i></p>	<ul style="list-style-type: none"> 15-, 20-, 30- and 40-year fixed-rate mortgages (40-year available 9/1/06) 5/1 (2/2/5 caps) 7/1 and 10/1 convertible and non-convertible ARMs (permitted for 1- and 2-units only). 5/1 not permitted with MH May be A-minus Mortgages <p><i>Note: Convertible ARMs cannot be sold through the Freddie Mac Selling System</i></p>	<ul style="list-style-type: none"> 15-, 20-, 30- and 40-year fixed-rate mortgages (40-year available 9/1/06) 5/1 (2/2/5 caps) 7/1 and 10/1 convertible and non-convertible ARMs May be A-minus Mortgages <p><i>Note: Convertible ARMs cannot be sold through the Freddie Mac Selling System</i></p>	<ul style="list-style-type: none"> 15-, 20-, 30- and 40-year fixed-rate mortgages 5/1 (2/2/5 caps) 7/1 and 10/1 convertible and non-convertible ARMs. 5/1 not permitted with MH May be A-minus Mortgages <p><i>Note: Convertible ARMs cannot be sold through the Freddie Mac Selling System</i></p>
Mortgage Insurance	<ul style="list-style-type: none"> Greater than 80% up to 85% = 6% coverage Greater than 85% up to 90% = 12% coverage Greater than 90% up to 95% = 16% coverage Greater than 95% up to 97% = 18% coverage Greater than 97% up to 100% coverage = 20% coverage 			

	Home Possible® 100	Home Possible® 97	Home Possible® Neighborhood Solution 100	Home Possible® Neighborhood Solution 97
Product Details				
Required Underwriting	Must be submitted to LP; Manual underwriting allowed based on LP results; allowing for non-traditional credit			
Loan Prospector Offering Identifier Code	Offering Identifier Code: 240	Offering Identifier Code: 241	Offering Identifier Code: 242	Offering Identifier Code: 243
Income Limits	Borrowers must meet income limits. Loan Prospector will indicate income eligibility			
Education/Counseling	No homeownership education is required—but still recommended. Early Delinquency Counseling	Homeownership Education, Early Delinquency Counseling, Landlord Education for 2–4 units	No homeownership education is required—but still recommended. Early Delinquency Counseling	Homeownership Education, Early Delinquency Counseling, Landlord Education for 2–4 units
Temporary Subsidy Buydowns	Limited temporary subsidy buydowns (2/1) are not permitted for MCCs, MHs and secondary financing that has a variable interest rate	Limited temporary subsidy buydowns (2/1) are not permitted for mortgages with 2–4 unit Primary Residences, MHs, MCCs and secondary financing that has a variable interest rate	Limited (2/1) and Extended (1.5/1.0/0.5) temporary subsidy buydowns are not permitted for MCCs, MHs and secondary financing that has a variable interest rate.	Limited (2/1) and Extended (1.5/1.0/0.5) temporary subsidy buydowns are not permitted for MCCs, MHs and secondary financing that has a variable interest rate. Extended buydowns only for 1–2 unit Primary Residences. Limited buydowns only for 1-unit Primary Residences.
Eligible Borrowers	Borrowers must occupy the Mortgaged Premises as a Primary Residence		Borrowers who support their communities, such as teachers, firefighters, law enforcement officers, healthcare workers and military personnel. Borrowers must occupy the Mortgaged Premises as a Primary Residence	
Reserves	None	2–4 units = 2 months	One month	One month

Subject to change without notice.

