



Key Features:

- 15-, 20- and 30-year fixed-rate mortgages
- 1- to 4-unit owner-occupied primary residences
- VA underwriting guidelines apply
- Maximum OPB \$417,000; \$625,000 in Alaska, Guam, Hawaii and the U.S. Virgin Islands
- Loan Prospector or manually underwritten mortgages
- Mortgage insurance not required
- Available for sale through Freddie Mac's selling system

Looking for More Options To Reach Affordable Borrowers?

Visit www.freddiemac.com for more information on:

- Home Possible® Mortgages
- Home Possible Neighborhood Solution Mortgages
- Freddie Mac 100 Mortgages

Department of Veterans Affairs (VA) Mortgage

Reaching more veterans in high cost housing markets

Expand your business and generate more loans by providing VA-eligible borrowers with more homeownership opportunities. Our VA mortgage offering provides all the existing benefits under the current Department of Veterans Affairs program and allows an original principal balance (OPB) to \$417,000 for the U.S. mainland, and \$625,500 in Alaska, Guam, Hawaii and the U.S. Virgin Islands.

When you use Loan Prospector® to assess VA mortgages, you'll save time and streamline your process at the point of sale, and approve Loan Prospector Accept loans without VA automatic underwriting approval. Plus, when you're approved to sell VA mortgages to Freddie Mac, you'll benefit from a highly competitive set of cash or securities executions.

Lender Benefits

A VA mortgage helps you:

- Generate additional business opportunity with a new borrower segment
- Sell VA mortgages through Freddie Mac's selling system using our Fixed-rate Cash, Fixed-rate Guarantor or MultiLender Swap executions

Borrower Benefits

For your borrowers, a VA mortgage:

- Provides VA-eligible borrowers the opportunity to use VA benefits with loans with a higher OPB. This is important in areas with high home prices such as California, New York and New Jersey.
- Reduces monthly payments by allowing maximum financing without mortgage insurance.

See reverse for underwriting, execution and other details

Eligible Property Types

- 1- to 4-unit owner-occupied primary residences including single-family dwellings, condominiums and Planned Unit Developments (PUDs)
- Manufactured Homes according to the Freddie Mac's *Single-Family Seller/Service Guide* (Guide).
- Refer to VA underwriting guidelines and the Guide for a complete list of eligible property types.

Eligible Mortgages

- 15-, 20- and 30-year fixed rate mortgages.
- Purchase and refinance transactions.
- No maximum LTV. Generally, the LTV is 100%. If the veteran finances the funding fee, discount points or elects to finance energy efficient improvements, the LTV will be greater than 100%.

Secondary Financing

- Freddie Mac purchases 1st lien, VA guaranteed mortgages. Secondary financing is not guaranteed by the VA.

Borrower Eligibility Requirements

- Review VA underwriting guidelines and Guide Chapter 35 for all borrower eligibility requirements.
 - ⇒ Debt-to-income ratio up to 41%
 - ⇒ Certificate of Eligibility and Proof of Service required

Mortgage Insurance Requirements

- Mortgage Insurance is not required.

Down Payment, Closing Costs, Financing Costs & Prepays/Escrows

- VA Funding Fee is charged to defray the costs of administering the VA home loan program. The fee can be financed and varies based on veteran eligibility and subsequent use of benefits.
 - ⇒ VA Funding Fee: 3% maximum
- The VA program outlines what is considered to be reasonable and customary amounts for all of the "Itemized Fees and Charges." The veteran is responsible for payment of the specified fees and charges plus a 1% flat charge by the lender, plus reasonable discount points. Refer to VA underwriting guidelines for more details.

Loan Prospector Assessment

- VA mortgages may be assessed through Loan Prospector.

Collateral Evaluation

- Collateral is evaluated by VA fee appraisers. To review specific appraisal criteria, refer to the VA underwriting manual.

Eligible Executions

Sell through Freddie Mac's selling system using:

- Fixed-rate Cash
- Fixed-rate Guarantor
- MultiLender Swap

Delivery Requirements

Full recourse is required for all VA mortgages sold to Freddie Mac. A Seller must obtain Freddie Mac's approval before selling VA mortgages to Freddie Mac.

- Feature Code: V
- Cash Offer Product Numbers:
 - ⇒ 30-year: 594
 - ⇒ 20-year: 595
 - ⇒ 15-year: 596
- Guarantor Offer Product Numbers:
 - ⇒ 30-year: 421
 - ⇒ 15-year: 423
- MultiLender Offer Product Numbers:
 - ⇒ 30-year: 833
 - ⇒ 15-year: 834
- Mini-Pool Offer Product Numbers:
 - ⇒ 30-year: 461
 - ⇒ 15-year: 463

Learn more about VA Mortgages:

- Call (800) FREDDIE
- Visit our website: www.FreddieMac.com
- Refer to Chapter 35 in your *Single-Family Seller/Service Guide*
- Electronic documents and files are available through the VA's Lender/Service Internet site: <http://www.homeloans.va.gov>

This fact sheet contains a partial list of VA Mortgage features. This product is available to Freddie Mac's eligible Seller/Service providers through special negotiated transactions. Full details are available in a Freddie Mac negotiated contract.