



Freddie Mac Enhanced Relief RefinanceSM

Freddie Mac Enhanced Relief RefinanceSM provides refinance opportunities to borrowers with existing Freddie Mac mortgages who are making their mortgage payments on time but whose LTV ratio for a new mortgage exceeds the maximum allowed for standard refinance products in the Freddie Mac *Single-Family Seller/Servicer Guide*.

This fact sheet provides a preliminary, high-level overview of the Enhanced Relief Refinance offering. Complete requirements will be published no later than November 2016.

Borrower Benefit

Borrowers must benefit from the refinance in at least one of the following ways:

- Reduced monthly principal and interest payment.
- Lower interest rate.
- Shorter amortization term.
- More stable mortgage product, such as moving from an adjustable-rate mortgage to fixed-rate mortgage.

Eligibility

- Only an existing Freddie Mac mortgage may be refinanced to a new Freddie Mac mortgage.
- The LTV for the new mortgage must exceed the maximum LTV limit for a Freddie Mac No Cash-out Refinance Mortgage.
- At least 12 monthly payments must have been made on the mortgage being refinanced **since its acquisition** by Freddie Mac.
- Borrowers must be current with their payments and have:
 - No 30-day delinquencies in the most recent six months, and
 - No more than one 30-day delinquency in the past 12 months.
- The mortgage being refinanced must not have been previously delivered as a Freddie Mac Relief Refinance MortgageSM.
- Borrowers can refinance, using the high LTV refinance offering, more than once as long as all other requirements including seasoning are met.

Features

- **Mortgage insurance (MI)** – MI can be transferred to the new loan. If MI is not in place for the loan being refinanced, it is not required for the new loan if all other eligibility requirements are met.
- **Streamlined documentation requirements** for employment, income and assets.
- **Underwriting.** Both Loan Product AdvisorSM and manual underwriting options are available to the same or to a new servicer. Manual underwriting may be necessary in certain scenarios.

Enhanced Relief Refinance is scheduled to be available for new loan applications in October 2017. It will replace Relief Refinance Mortgage, which will be retired in accordance with the Home Affordable Refinance Program (HARP) application end date of September 30, 2017.