

# Bulletin

NUMBER: 2012-1

TO: Freddie Mac Sellers

January 5, 2012

## INTRODUCTION

With this *Single-Family Seller/Servicer Guide* (“Guide”) Bulletin, we are revising certain requirements announced in Bulletin 2011-22 for the Freddie Mac Relief Refinance Mortgage<sup>SM</sup> – Same Servicer and Relief Refinance Mortgage – Open Access offerings.

These revisions will provide more Borrowers with an opportunity to refinance their Freddie Mac-owned Mortgages and to improve their financial position.

In addition, we are updating Guide Exhibit 32, *Terms Relating to Use of Data Generated by Home Value Explorer*<sup>®</sup>, to revise the terms and conditions for use and disclosure of Home Value Explorer<sup>®</sup> (HVE) data, and also updating our requirements regarding the suspension of Republic Mortgage Insurance Co. and RMIC of North Carolina (collectively, “RMIC”) as Freddie Mac-approved mortgage insurers to include an exception for continuation of coverage for Mortgages refinanced under the Freddie Mac Relief Refinance Mortgages – Open Access offering, provided certain provisions are met.

## EFFECTIVE DATE

All of the changes announced in this Bulletin are effective immediately, unless otherwise noted.

### **RELIEF REFINANCE MORTGAGES – SAME SERVICER WITH LOAN-TO-VALUE (LTV) RATIOS LESS THAN OR EQUAL TO 80% WITH FREDDIE MAC SETTLEMENT DATES ON OR AFTER JANUARY 5, 2012**

For Relief Refinance Mortgages – Same Servicer with LTV ratios less than or equal to 80% and Freddie Mac Settlement Dates on or after January 5, 2012, we are eliminating the minimum Indicator Score requirement unless the principal and interest (P&I) payment increase is greater than 20%.

Guide Section C24.3, *Requirements for Freddie Mac Relief Refinance Mortgages*<sup>SM</sup> – Same Servicer with LTV ratios less than or equal to 80%, has been revised to reflect this change.

### **RELIEF REFINANCE MORTGAGES – SAME SERVICER AND RELIEF REFINANCE MORTGAGES – OPEN ACCESS WITH LTV RATIOS LESS THAN OR EQUAL TO 80% WITH FREDDIE MAC SETTLEMENT DATES ON OR AFTER JANUARY 5, 2012**

For both Relief Refinance Mortgages – Same Servicer and Relief Refinance Mortgages – Open Access with LTV ratios less than or equal to 80% and Freddie Mac Settlement Dates on or after January 5, 2012, we are eliminating the maximum total LTV (TLTV) and Home Equity Line of Credit TLTV (HTLTV) ratios of 105%. There is no longer a maximum TLTV or HTLTV ratio for these Mortgages.

Sections B24.3, *Requirements for Freddie Mac Relief Refinance Mortgages*<sup>SM</sup> – Open Access, and C24.3 have been revised to reflect this change.

## GUIDE EXHIBIT 32 UPDATE

In connection with the recent changes to our Relief Refinance Mortgage requirements, we are updating Exhibit 32 to revise the provisions regarding use and disclosure of HVE data.

## **RELIEF REFINANCE MORTGAGES – OPEN ACCESS – CONTINUING COVERAGE THROUGH RMIC**

In Bulletin 2011-15 we provided information to Sellers regarding the suspension of RMIC as approved mortgage insurers, and included an exception for Mortgages with existing RMIC certificates of insurance refinanced under the Freddie Mac Relief Refinance Mortgages – Same Servicer offering. With this Bulletin we are updating our requirements to add an exception for Freddie Mac Relief Refinance Mortgages – Open Access. Specifically, Mortgages with existing RMIC certificates of insurance are eligible for sale to Freddie Mac if they are refinanced under the Freddie Mac Relief Refinance Mortgage – Open Access offering and the coverage is continued through modification of the existing mortgage insurance certificate. Section B24.4, *Delivery and Pooling Requirements*, has been updated to reflect this change.

### **CONCLUSION**

If you have any questions about the changes announced in this Bulletin, please contact your Freddie Mac representative or call (800) FREDDIE and select “Loan Origination.”

Sincerely,

A handwritten signature in cursive script that reads "Laurie A. Redmond". The signature is written in black ink on a white background.

Laurie A. Redmond  
Vice President  
Offerings Effectiveness