



Home Possible Advantage[®]: A Smart Choice for Affordable Lending

- **First-time and repeat buyers**
- **No cash-out refinance borrowers**
- **Low- to moderate-income borrowers**
- **Families in underserved areas**

Help these borrowers realize their dream of homeownership with a Freddie Mac Home Possible Advantage mortgage. Home Possible Advantage offers 97% loan-to-value and many benefits for your borrowers.

> Key Features	> Flexibilities	> Borrower Benefits
<ul style="list-style-type: none"> • Maximum loan-to-value (LTV) is 97% and maximum total loan-to-value (TLTV) is 105%. • Eligible properties: one-unit properties, condominiums and planned unit developments. (Manufactured homes are ineligible.) • Fixed-rate mortgages with a term of up to 30 years. • All borrowers must occupy the property as their primary residence. 	<ul style="list-style-type: none"> • Annual income up to 100% of area median income in low-income census tracts. • No reserves required. • More eligible sources of funds for down payment and closing costs. • May be submitted through Loan Prospector or manually underwritten. • Rental income allowed (with certain restrictions). • Temporary subsidy buydown plans allowed to lower initial payments. 	<ul style="list-style-type: none"> • No minimum borrower contribution from borrower personal funds. • Gifts from related persons and other sources of funds permitted for down payment and closing costs. • No minimum LTV limit. • No reserves required, lowering cash needed to close. • Flexible homebuyer education requirement.

Why Choose Home Possible Advantage over FHA?

- Conventional mortgage insurance will automatically end with Home Possible Advantage when the LTV drops below 80; FHA mortgage insurance will stay for the life of the loan.
- No upfront PMI required for Home Possible Advantage loans.

Resources

- Visit FreddieMac.com/homepossible/hp.html.
- Review *Single/Family Seller-Servicer Guide* Chapter 4501 for requirements.
- Take our online tutorial, *Home Possible Mortgages – Your Affordable Lending Solution* at FreddieMac.elearningserver.com/7733012047.