

Freddie Mac Home Possible Home Possible Advantage

Loans that do not qualify for Fannie Mae HomeReady may qualify for a Freddie Mac Home Possible mortgage. Freddie Mac Home Possible Mortgage's provide a low down payment mortgage option for first-time homebuyers and low-and moderate-income borrower's. The Home Possible Advantage offers additional flexibility to the Home Possible.

Freddie Mac Guide and Forms

<http://www.freddiemac.com/singlefamily/guide/>

	Home Possible	Home Possible Advantage						
LTV/CLTV	Purchase / No Cash out		Purchase / No Cash out					
	Units	LTV/CLTV	Units	LTV/CLTV				
	1 - 4	95%	1	97% / 105%*				
			* Secondary financing must be an Affordable Fixed Second.					
	(Manufactured Housing is not permitted)							
Occupancy	Primary Residence Only							
Credit Score	620							
Loan Amount	<ul style="list-style-type: none"> Conforming Loan Amount only. High Balance is not permitted 							
AUS	<ul style="list-style-type: none"> Submissions to Loan Product Advisor must receive an "Accept/Approve" decision. Manual underwrite not permitted LP Feedback Cert. must properly identify loan was reviewed as "Home Possible" or "Home Possible Advantage" in the Mortgage Information section "Offering Identifier". 							
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">OFFERING IDENTIFIER</th> <th style="width: 33%;">SUBORDINATE AMOUNT</th> <th style="width: 33%;">SALES CONCESSIONS</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Home Possible Advantage</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> </tr> </tbody> </table>			OFFERING IDENTIFIER	SUBORDINATE AMOUNT	SALES CONCESSIONS	Home Possible Advantage	N/A
OFFERING IDENTIFIER	SUBORDINATE AMOUNT	SALES CONCESSIONS						
Home Possible Advantage	N/A	N/A						
Documentation	<ul style="list-style-type: none"> Per Loan Product Advisor (LP) 							
Ratios	<ul style="list-style-type: none"> Determined by Loan Product Advisor (LP) 							
Contributions	1 Unit	No Minimum	No Minimum					
	2-4 Units	3% for LTV > 80% and ≤ 95%						
Income Limits	<ul style="list-style-type: none"> Freddie Mac Income and Property Eligibility tool: http://www.freddiemac.com/singlefamily/guide/ Loan Product Advisor (LP) will determine whether the borrower's income exceeds the income limits based on the income used to qualify the borrower. 							
Reserves	<ul style="list-style-type: none"> Verify all reserves required by Loan Product Advisor (LP) as stated on the Feedback Cert. 							
Occupancy	<ul style="list-style-type: none"> All borrowers must occupy the property as their Primary residence. Non-occupant co-borrowers are not permitted. 							
Property Ownership	<ul style="list-style-type: none"> Borrower(s) may not own other residential properties, except as stated below: <ul style="list-style-type: none"> Inherited ownership interest shared with another property Property with another party and the associated debt has been assigned to the other party by court order. (e.g. divorce decree) Borrower is a co-signer and someone other than the borrower has made payments on the debt for the most recent 12 months. 							
Homebuyer Education	<ul style="list-style-type: none"> At least one Borrower must participate if all borrowers are First-Time Homebuyers. (First-Time Homebuyer is defined as a borrower who has not had ownership in a residential property during the 3 year period before the date of the purchase.) - HUD Approved Counseling Agencies - Programs developed by mortgage insurance companies - Freddie Mac's "Credit Smart"; http://www.freddiemac.com/creditsmart/tutorial.html 							
Landlord Education	<ul style="list-style-type: none"> Required on 2-4 unit purchase transactions. 							
Mortgage Insurance	Term	> 80% & ≤ 85%	> 85% & ≤ 90%	> 90% & ≤ 97%				
	≤ 20 Years	6%	12%	25%				
	> 20 Years	12%	25%	25%				
	* Custom MI is not permitted *							

Encompass Loan Program Name

Name	Description
30 Year Conv Fixed - LP Home Possible	30 yr Fixed, Freddie Mac, Home Possible
20 Year Conv Fixed - LP Home Possible	20 yr Fixed, Freddie Mac, Home Possible
15 Year Conv Fixed - LP Home Possible	15 yr Fixed, Freddie Mac, Home Possible
30 Year Conv Fixed - LP Home Possible Advantage	30 yr Fixed, Freddie Mac, Home Possible Advantage
20 Year Conv Fixed - LP Home Possible Advantage	20 yr Fixed, Freddie Mac, Home Possible Advantage
15 Year Conv Fixed - LP Home Possible Advantage	15 yr Fixed, Freddie Mac, Home Possible Advantage