

## PRODUCT MATRIX

### Freddie Mac Selling Guide

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

Loan Limits	# of Units	Conforming Loan Limits		Super Conforming Loan Limits
	1		\$806,500	\$1,209,750
	2		\$1,032,650	\$1,548,975
	3		\$1,248,150	\$1,872,225
	4		\$1,551,250	\$2,326,875
Primary Residence, Purchase and Rate & Term Refinance Only				
# of Units	Maximum LTV/CLTV <sup>1</sup>			Minimum Credit Score
	Conforming Balance		Super Conforming Balance	
1	97% / 105% <sup>1</sup>		95% / 105% <sup>1</sup>	620
2	95%		85%	
3-4	95%		80%	
<sup>1</sup> CLTV up to 105% with eligible community seconds. (Refer to Freddie Mac guidance for details).				
AUS	<ul style="list-style-type: none"> <li>Loan Product Advisor (LPA) must receive an "Accept/Approve" decision.</li> <li>Manual underwrite is not permitted</li> <li>LPA Feedback Cert. must properly identify loan was reviewed as "Home Possible"</li> </ul>			
Terms	<ul style="list-style-type: none"> <li>Fixed Rate. (30,25,20,15 and 10 Year Terms)</li> </ul>			
Temporary Interest Rate Buydowns	<ul style="list-style-type: none"> <li>Maximum allowable interest rate reduction is 2%. <ul style="list-style-type: none"> <li>Available as 2/1 or 1/0</li> </ul> </li> <li>30 Year Fixed only</li> <li>Owner occupied &amp; Second Homes</li> <li>Purchase Only.</li> <li>Qualify at Note rate (not the bought down rate)</li> </ul>			
Ratios	<ul style="list-style-type: none"> <li>Determined by AUS</li> </ul>			
Reserves	<ul style="list-style-type: none"> <li>Determined by AUS</li> </ul>			
Borrower Income Limits	<ul style="list-style-type: none"> <li>80% Of Area median income (AMI)</li> </ul>			
Down Payment/Closing Cost Assistance	<ul style="list-style-type: none"> <li>Borrowers with a qualifying income of less than or equal to 50% of the applicable area median income (AMI) of the subject property's location are eligible for a \$2,500 lender credit on purchases. (VLIP Credit or Very-Low Income Borrower) <ul style="list-style-type: none"> <li>At least 1 Borrower must be a First-time Homebuyer for loans closing after 1/31/2005.</li> <li>the credit must be provided directly to the borrower, such as being applied to down payment and closing costs, including escrows and mortgage insurance premiums.</li> </ul> </li> </ul>			
	<b>Freddie Mac BorrowSmart Assistance:</b> <ul style="list-style-type: none"> <li>Borrowers with a qualifying income greater than 50% and less than or equal to 80% of the county area median income (AMI) of the subject property's location are eligible for a \$1,250 lender credit on purchases. <ul style="list-style-type: none"> <li>the credit must be provided directly to the borrower, such as being applied to down payment and closing costs, including escrows and mortgage insurance premiums.</li> </ul> </li> </ul>			
Minimum Borrower Contribution	1 Unit: None			
	2-4 Units: 3% for LTV > 80%			
Multiple Financed Properties	<ul style="list-style-type: none"> <li>Occupant borrower(s) may own one other financed residential property (in addition to the subject property) at the time of closing.</li> </ul>			
Non-Occupant Borrowers	<ul style="list-style-type: none"> <li>Non-occupant borrowers permitted to maximum 95% LTV in LPA; Income considered as part of qualifying income and subject to income limits. No limitation on ownership of other property for non-occupant borrower.</li> </ul>			
Mortgage Insurance (MI)	Term	> 80% & ≤ 85%	> 85% & ≤ 90%	> 90% & ≤ 97%
	≤ 20 Years	6%	12%	25%
	> 20 Years	12%	25%	25%

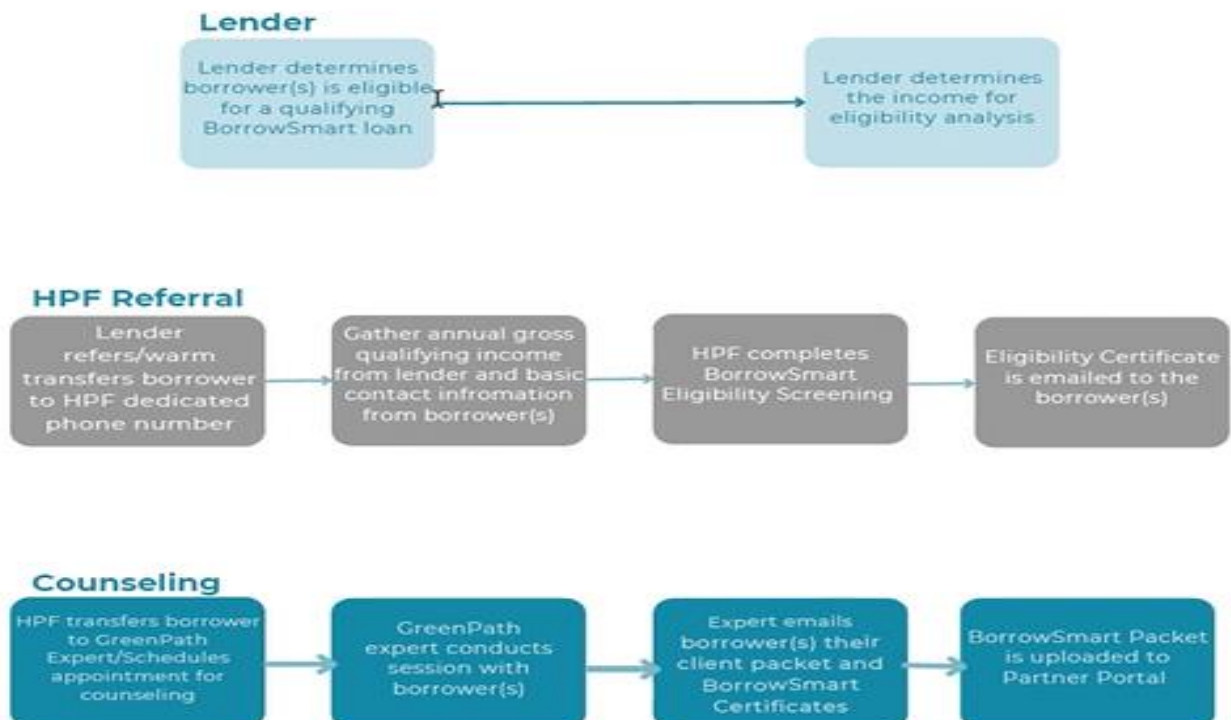
<b>Minimum Borrower Contribution</b>	<ul style="list-style-type: none"> <li>No minimum contribution is required on a purchase for a 1-unit property.</li> <li>Eligible sources of funds for down payment and closing costs include gifts, grants, cash-on-hand, Affordable Seconds®, proceeds from an unsecured loan, sweat equity and Employee Assisted Housing (EAH). For additional detail, refer to Guide Section 4501.10(c).</li> <li>Eligible Affordable Seconds can provide 100% of the borrower's down payment and could be used for both down payment and closing costs</li> <li>TLTV allowed up to 105% with eligible Affordable Seconds when the first lien is a fixed-rate mortgage.</li> </ul>
<b>Rental Income</b>	<p><b>1 Unit:</b></p> <ul style="list-style-type: none"> <li>Rental income from a 1-unit primary residence can account for up to 30% of qualifying income.</li> <li>The person providing the rental income must have resided with the borrower for at least one year and will continue residing with them in the new property.</li> <li>Rental income from a 1-unit primary residence must be provided by a person who <ul style="list-style-type: none"> <li>Is not obligated on the mortgage and does not have an ownership interest in the mortgaged premises.</li> <li>Is not the borrower's spouse or domestic partner.</li> </ul> </li> </ul> <p><b>2-4 Units:</b></p> <ul style="list-style-type: none"> <li>Rental income from a 2- to 4-unit primary residence that meets requirements in Guide Chapter 5306 may be used as qualifying income.</li> </ul>
<b>Landlord Education</b>	<ul style="list-style-type: none"> <li>Required on 2-4 unit purchase transactions.</li> </ul>
<b>Homeownership Education</b>	<ul style="list-style-type: none"> <li>For a purchase transaction, if all occupying borrowers are first-time homebuyers, at least one occupying borrower must receive homeownership education.</li> <li>Homeownership education must be completed prior to the note date.</li> <li>Homeownership education must not be provided by an interested party to the transaction, the originating lender or the mortgage seller.</li> <li>Eligible homeownership education must meet the National Industry Standards for Homeownership Education and Counseling or be provided by an eligible source, such as a HUD-approved counseling agency, mortgage insurer, housing finance agency (HFA) or Community Development Financial Institutions (CDFIs)</li> </ul>
<b>Homeownership Counseling</b>	<p><b>Freddie Mac BorrowSmart requirement:</b></p> <ul style="list-style-type: none"> <li>Borrowers with AMI &gt; 50% and less than 80% AMI receiving the \$1,250 BorrowerSmart assistance must complete pre-purchase counseling with housing counseling agency under the HPF network. <ul style="list-style-type: none"> <li>The Borrower and the Lender must obtain a Freddie Mac Pre-Purchase Counseling Certificate from HPF verifying the Borrower's participation in the pre-purchase counseling</li> </ul> </li> </ul> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>To schedule an HPF eligibility review and/or counseling session, contact HPF directly at the following telephone number: (866) 296-4978</li> <li>Upon completion of counseling session, an AMI Eligibility and Pre-purchase counseling certificate is provided to the borrower and lender.</li> <li>Any changes to the borrowers' qualifying income must be resubmitted to HPF for an eligibility review.</li> <li>The income on the final LPA Feedback Certificate must match the income reflected on the BorrowSmart Eligibility Certificate.</li> </ul>
<b>Property Types</b>	<ul style="list-style-type: none"> <li>1-4 units, Condo's and Puds.</li> <li>Manufactured Housing permitted in accordance with agency guidelines.</li> <li>Co-ops are not permitted</li> </ul>

The Freddie Mac BorrowSmart® program provides assistance for income qualifying Low-Income Purchase (LIP) borrowers who complete housing counseling through a HUD-approved counseling provider affiliated with the Homeownership Preservation Foundation (HPF) network.

<b>Product</b>	<ul style="list-style-type: none"> <li>Freddie Mac Home Possible</li> </ul>
<b>AUS</b>	<ul style="list-style-type: none"> <li>Loan Product Advisor (LPA) must receive an "Accept/Approve" decision.</li> <li>Manual underwrite is not permitted</li> <li><b>LPA Feedback Cert. must properly identify loan was reviewed as "Home Possible"</b></li> </ul>
<b>AMI Requirement</b>	<ul style="list-style-type: none"> <li>Borrowers with a qualifying income greater than 50% and less than or equal to 80% of the county area median income (AMI) of the subject property's location are eligible for a \$1,250 lender credit on purchase transactions.</li> </ul>
<b>Assistance Amount</b>	<ul style="list-style-type: none"> <li>\$1,250</li> </ul>
<b>Max LTV</b>	<ul style="list-style-type: none"> <li>97%</li> </ul>
<b>Transaction Type</b>	<ul style="list-style-type: none"> <li>Primary Home; Purchase only</li> </ul>
<b>Borrower Eligibility</b>	<ul style="list-style-type: none"> <li>First-time homebuyer requirements determined per Home Possible requirements.</li> <li>Non-occupant co-borrower requirements determined per Home Possible requirements.</li> </ul>
<b>Temporary Interest Rate Buydowns</b>	<ul style="list-style-type: none"> <li>Not permitted.</li> </ul>

### Homebuyer Eligibility Review and Counseling Requirements

<b>Homeownership Counseling</b>	<ul style="list-style-type: none"> <li>Prior to the note date, at least one occupant borrower must complete the pre-purchase counseling with HPF.</li> <li>A copy of the Eligibility Certification and the Counseling Completion Certificate from HPF, verifying at least one occupant borrower participated in the pre-purchase counseling, must be retained in the loan file.</li> <li>Determine borrower(s) eligibility through your standard loan application or pre-approval process</li> <li><b>To schedule an HPF eligibility review and/or counseling session, contact HPF directly at the following telephone number: (866) 296-4978</b></li> <li>Upon completion of counseling session, an AMI Eligibility and Pre-purchase counseling certificate is provided to the borrower and lender.</li> </ul>
<b>Homebuyer Eligibility Review</b>	<ul style="list-style-type: none"> <li>The borrower(s) must be referred to the Homeownership Preservation Foundation (HPF) for a program eligibility assessment prior to final loan approval.</li> <li>Eligibility screening must be completed by 3/31/2025</li> <li>Any changes to the borrowers' qualifying income must be resubmitted to HPF for an eligibility review.</li> <li>The income on the final LPA Feedback Certificate must match the income reflected on the BorrowSmart Eligibility Certificate.</li> </ul>



Sample of the required Freddie Mac BorrowSmart Eligibility Certificate and Pre-Purchase Counseling Certificates.

Eligibility Certification:

## Freddie Mac BorrowSmart® Program

Eligibility Certificate  
Issued by the Homeownership Preservation Foundation\*

### Client Information

Name(s) \_\_\_\_\_

Date of Certificate\*\* \_\_\_\_\_

Qualifying Gross Income(\$) \_\_\_\_\_

Intake Lender (as applicable) \_\_\_\_\_

Based on the property in which you are interested, as listed below, our initial assessment indicates you are eligible for the following potential assistance\*\*\*:

### Property Location

State	County	AMI%	Potential Assistance (\$)

### Additional Program Information

This eligibility review for the Freddie Mac BorrowSmart® program is free to potential borrowers, thanks to the support of Freddie Mac, a government-sponsored enterprise that provides liquidity, stability, and affordability to the U.S. housing market. Eligibility is based on Freddie Mac's Home Possible Income & Property Eligibility Tool<sup>®</sup> assessment of the property being purchased by the borrower(s) at \_\_\_\_\_.

Pre-purchase Homeownership Counseling Cert:

## Freddie Mac BorrowSmart® Program: Certificate of Completion of Pre-purchase Homeownership Counseling

(To be completed by housing counselor)

### Counselor Certification

By signing below, I certify that 1) I provided homeownership counseling and education services (as described below), as the housing counselor representative of the agency named in this form, to the Counseling Recipient (the "Client") named below. 2) The Client completed the counseling and education prior to the closing of their mortgage. 3) The counseling and education provided met or exceeded National Industry Standards for Homeownership Education and Counseling ([www.homeownershipstandards.com](http://www.homeownershipstandards.com)), and included the items listed below, as applicable:

### Standard Activities for Homeownership Counseling

<ul style="list-style-type: none"> <li>• Conducting intake to gather baseline information from the Client</li> <li>• Conducting accurate needs assessment</li> <li>• Documenting the household income and expenses</li> <li>• Determining household debt level</li> <li>• Reviewing the Client's credit report(s)</li> <li>• Identifying credit challenges</li> <li>* Determining and documenting household savings</li> </ul>	<ul style="list-style-type: none"> <li>• Developing a household budget</li> <li>• Analyzing budget and recommending modification</li> <li>• Conducting various calculations including affordability based on income and debt</li> <li>• Developing a written action plan</li> <li>• Providing the Client follow up</li> <li>• Making referrals for additional services needed by the Client</li> <li>• Providing Client information on delinquency/foreclosure services or information on a referral for these services</li> </ul>
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Additional topics may include guidance on: down payment assistance and other housing related programs.