



FREDDIE MAC HOMEONESM

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MORE FLEXIBILITY FOR MAXIMUM FINANCING

- In support of Freddie Mac's continuing efforts to provide access to Mortgage credit, Freddie Mac has introduced the HomeOne Mortgage, their newest low down payment option that will serve the needs of more First-Time Homebuyers.
- First-time homebuyers comprise nearly half of housing purchases.
- HomeOne will meet their needs with an option that eases challenges around available savings for down payment and closing costs.
- HomeOne will help qualify more first-time homebuyers with a 3% down payment solution.



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HELPING BORROWERS



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HOW HOMEONESM HELPS BORROWERS

Solution for limited Down Payment:

- Brings more first-time homebuyers to the table by permitting 3% minimum down
 - Not a first-time homebuyer, consider HomePossible. We will explore these options in training also

Broad Access Nationwide:

- **No geographic or income restrictions** by Freddie Mac
 - See AFR Guidelines for overlays

More Housing Choices:

- Eligible for single family homes, including townhouses and condos

Getting Ready For Homeownership:

- Educational requirements support informed and responsible homeownership

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ELIGIBLE TRANSACTION TYPES

PURCHASE

- Purchase
 - At least one Borrower must be a First-Time Homebuyer defined as:
 - Purchasing the mortgaged premises,
 - Will reside in the mortgage premises as a primary residence,
 - Had no ownership interest (sole or joint) in a residential property during the three-year period preceding the date of the purchase of the mortgaged premises.
- All borrowers must occupy the mortgaged premises as their primary residence

NO-CASH OUT REFINANCE

- No-Cash Out Refinance
 - The mortgage being refinanced must be owned or securitized by Freddie Mac unless it has secondary financing that is an Affordable Second.
 - [Freddie Mac Loan Look-Up Tool](#)
 - LTV and/or HTLTV > 95%: loan being refinanced must be owned by Freddie Mac
 - TLTV > 95% and secondary financing is not an Affordable Second: loan being refinanced must be owned by Freddie Mac
- TLTV >95% and secondary financing is an Affordable Second: loan being refinanced does not have to be owned by Freddie Mac

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LOAN PROGRAM BASICS

CHANNELS	FICO	UW METHOD
<ul style="list-style-type: none"> • Broker • Correspondent <ul style="list-style-type: none"> • Table Funded • Non-Delegated UW • Delegated UW 	<ul style="list-style-type: none"> • 620 minimum qualifying credit score for all qualifying Borrowers 	<ul style="list-style-type: none"> • Loan Product Advisor • Manual Underwrites not permitted • AUS Recommendation: <ul style="list-style-type: none"> • Risk Class Accept

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LOAN PROGRAM BASICS

MORTGAGE INSURANCE	MAXIMUM DTI	OVERLAYS
<ul style="list-style-type: none"> Standard Mortgage Insurance is required; AFR does not permit Custom coverage Reminder: <ul style="list-style-type: none"> AFR does not permit Lender Paid Mortgage Insurance For Lender Paid Mortgage Insurance on a Refinance Transaction. MI can be converted to Borrower Paid MI. 	<ul style="list-style-type: none"> Follow Loan Product Advisor 	<ul style="list-style-type: none"> Follow all overlays outlined in the Freddie Mac Fully Amortizing Fixed Rate Program Matrix Disclaimer: All overlays herein are subject to change by AFR without notice. Where AFR is silent, the UW must follow Freddie Mac guidelines outlined in the Freddie Mac Single Family Seller Guide.

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PROPERTY TYPES

At least one borrower must be a first-time homebuyer and purchase an eligible property.

ELIGIBLE

- 1-Unit Primary Residences including:
 - Condominiums
 - Panned Unit Developments

INELIGIBLE

- Mixed-use Properties
- Manufactured Housing
- 2-4 Unit Primary Residences

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PROGRAM SPECIFICATIONS

HOMEOWNERSHIP EDUCATION

- For purchase transactions, when all Borrowers are First Time Homebuyers, at least one Borrower must participate in a homeownership education program that meets requirements found in Chapter 5103.6 of the Freddie Mac Single Family Selling Guide.
- This requirement may be fulfilled with FHLMC's free, online CreditSmart Program. See section 5103.6 for requirements.

GEOGRAPHIC RESTRICTIONS

- Hawaii
 - AFR does not operate in the state of Hawaii and does not permit loans with a subject property in Hawaii for all programs in all channels with the exception of Correspondent Delegated UW transactions.

FREDDIE MAC HOMEONESM & HOMEPOSSIBLE[®]

WHAT MAKES THEM DIFFERENT?

A Side-by-Side Comparison of Expanded 97% LTV Options.

HOME POSSIBLE[®] VS HOMEONE MORTGAGESM

- All Borrowers have different needs when it comes to purchasing a home, having several options when it comes to a lower down payment will help more borrowers achieve homeownership.
- Freddie Mac has several mortgage products:
 - With Home Possible, you'll capitalize on opportunities to meet the home financing needs of low - and moderate-income borrowers looking for low down payments and flexible sources of funds.
 - HomeOne offers you a solution to help more first-time homebuyers achieve the milestone of homeownership, regardless of their income levels or geographic location. Both solutions ease challenges around available savings for down payment and closing costs, and reflect FHLMC dedication to responsible lending, sustainable homeownership and improving access to credit.

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A SIDE-BY-SIDE COMPARISON OF EXPANDED 97% LTV OPTIONS

HOMEONE MORTGAGESM

- **First Time Homebuyer:**
 - Purchases: At least one borrower must be a first-time homebuyer (as defined in the Single-Family Seller/Service Guide (Guide))
- **Income Limits:**
 - No limits
- **Property Types:**
 - 1-units only (no manufactured homes), including condominium units and units in planned unit developments (PUDs).
- **Loan Purpose:**
 - Purchase
 - “No cash-out” refinance
 - LTV and/or HTLTV >95%: loan being refinanced must be owned by Freddie Mac.
 - TLTV >95% and secondary financing is not an Affordable Second: loan being refinanced must be owned by Freddie Mac.
 - TLTV >95 and secondary financing is an Affordable Second: loan being refinanced does not have to be owned by Freddie Mac.

HOME POSSIBLE[®]

- **First Time Homebuyer:**
 - Not required
- **Income Limits:**
 - The borrower must meet income limits. Loan Product Advisor will indicate income eligibility. For non-Loan Product Advisor mortgages, use the [Home Possible Income & Property Eligibility tool](#) on FreddieMac.com.
- **Property Types:**
 - 1- to 4-unit properties
 - Approved Condos
 - PUD’s
 - Manufactured homes (with additional requirements) See Guide Section 4501.6
- **Loan Purpose:**
 - Purchase
 - “No cash-out”

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A SIDE-BY-SIDE COMPARISON OF EXPANDED 97% LTV OPTIONS

HOMEONE MORTGAGESM

- **Eligible Mortgages:**
 - Fixed-rate mortgages that are fully amortizing with a term of up to 30 years.
- **Homeownership Education:**
 - When all borrowers are first-time homebuyers, at least one borrower must participate in homeownership education.
 - This requirement may be fulfilled with our free, online CreditSmart[®] program or another acceptable homeownership education program.
- **Occupancy:**
 - Primary residence
 - All borrowers must occupy the mortgaged premises as their primary residence.

HOME POSSIBLE[®]

- **Eligible Mortgages:**
 - Fixed-rate mortgages that are fully amortizing with a term of up to 30 years.
- **Homeownership Education:**
 - Required in certain circumstances, including for purchases when all borrowers are first-time homebuyers.
 - The free Freddie Mac financial education curriculum, CreditSmart[®] is an acceptable form of homeownership education in addition to other alternatives specified in the Guide Section 5103.6.
 - Landlord education (2- to 4-unit primary residences) requirements for purchase transactions.
- **Occupancy:**
 - Owner occupied; primary residences only
 - At least one borrower must occupy the mortgaged premises as a primary residence.

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REGISTERING & PRICING

How to Register & Price a HomeOne Loan:


REGISTERING

- Upload 3.2 file and during the registration select “Conventional” under “Loan Type”

Register New Loan

To add a loan to AFR Loan Center, you can upload a FNM 3.2 file or use the Online Application.

Upload a FNM 3.2 File



Drag and drop a FNM 3.2 file to upload it

OR

BROWSE...

Accepted File Types: .fnm

PRICING

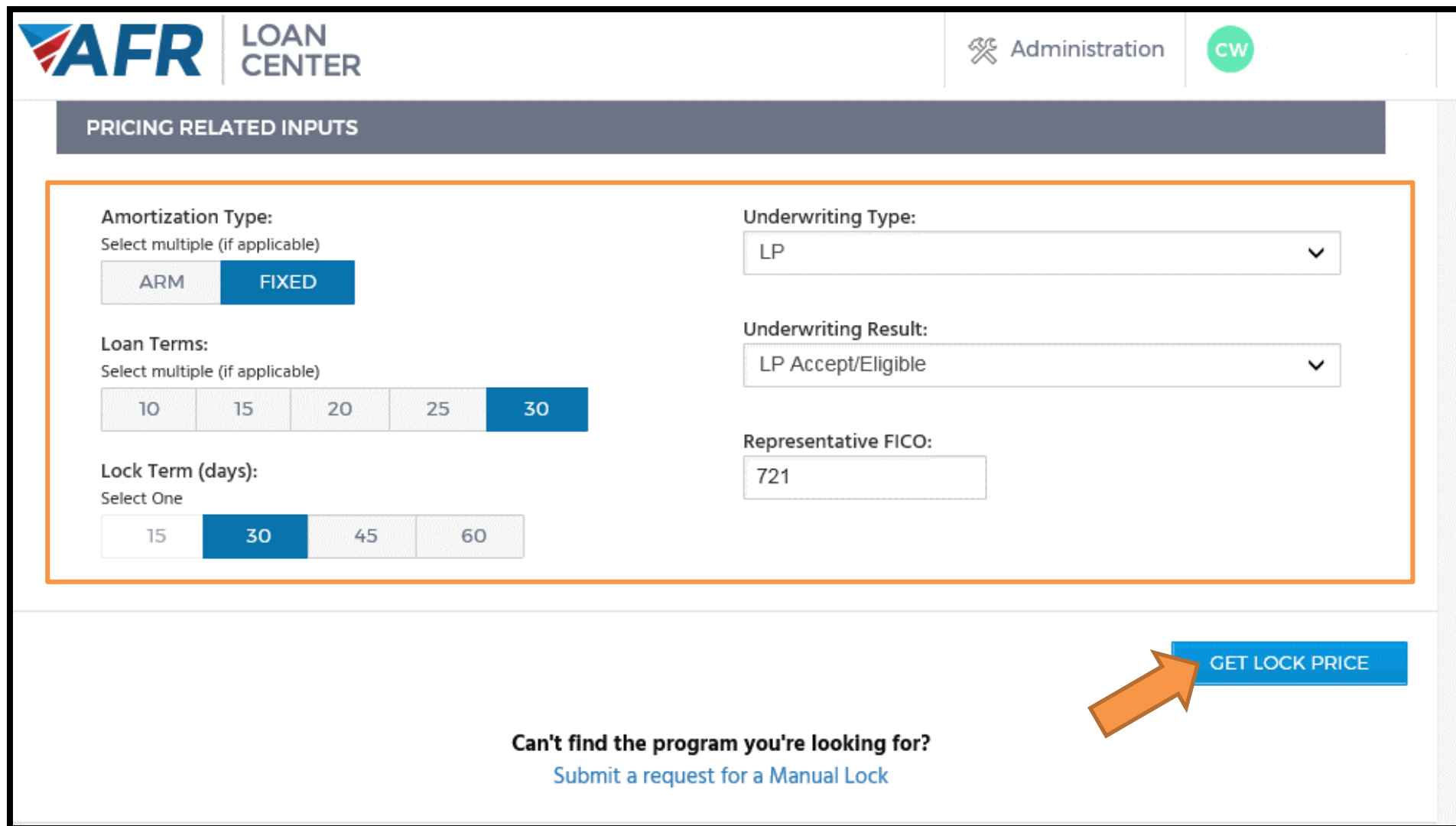
- First-Time Home Buyer must be selected during registration.
- Click Price & Lock to review rates

The screenshot shows the AFR Loan Center dashboard. At the top, there's a header with the AFR logo and 'LOAN CENTER'. Below it, a blue navigation bar contains 'Best Mortgage Company', 'Dashboard', and 'Pipeline'. The main heading is 'Lend Family Loan', followed by 'AFR Loan'. Below this are four buttons: 'PRICE & LOCK' (with a lock icon), 'GENERATE LE' (with a document icon), 'ORIGINATOR DISCLOSURES' (with a document icon), and 'SUBMIT TO SETUP' (with a right-pointing arrow icon). An orange arrow points from the 'PRICE & LOCK' button to the 'SUBMIT TO SETUP' button. Below the buttons is a 'SUMMARY' section with a yellow background containing a warning message: 'AFR will not work on this loan until it is Submitted to Setup. Once submitted, the loan will not be user-editable.' At the bottom, there are two columns labeled 'Loan Status' and 'Lock Status'.

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SUBMIT LOAN TO AFR

- Complete “PRICING RELATED INPUTS” and click “GET LOCK PRICE”



AFR LOAN CENTER Administration CW

PRICING RELATED INPUTS

Amortization Type:
Select multiple (if applicable)

ARM FIXED

Loan Terms:
Select multiple (if applicable)

10 15 20 25 30

Lock Term (days):
Select One

15 30 45 60

Underwriting Type:

LP

Underwriting Result:

LP Accept/Eligible

Representative FICO:

721


GET LOCK PRICE

Can't find the program you're looking for?
[Submit a request for a Manual Lock](#)


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SUBMIT LOAN TO AFR

- Review Eligible Programs, select rate and click “**CONTINUE**”



LOAN
CENTER

 Administration



ELIGIBLE PROGRAMS

▶ 30 YR FIXED HOME POSSIBLE

▼ 30 YR FIXED HOMEONE

Pricing Program: **WS-AFR 30 YR FIXED FHLMC HOMEONE**
 AFR Loan Program: **CONV :: FHLMC HomeOne**

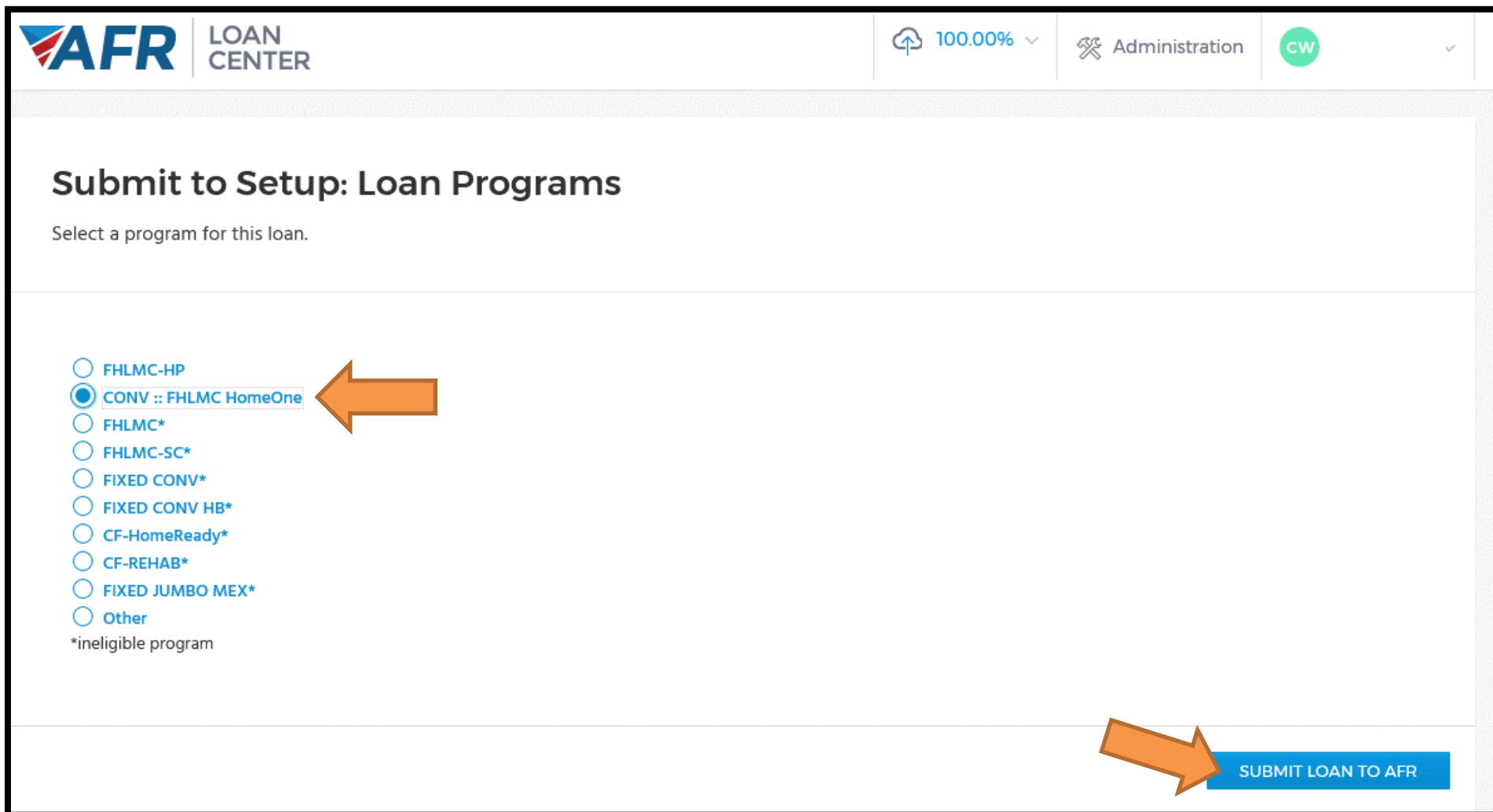
⊕ Price Adjustments (3)

	Rate	Price	Payment (P&I)	Lock Request
Lock Period 30 Days Expiration Date 01/14/2019	6.750%	104.145	\$1,867.96	CONTINUE
	6.625%	103.775	\$1,844.10	CONTINUE
	6.500%	103.261	\$1,820.36	CONTINUE
	6.375%	103.542	\$1,796.75	CONTINUE

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SUBMIT LOAN TO AFR

- Submit to Setup: Loan Submission Form
 - When submitting your HomeOne Loan, select “**CONV : FHLMC HomeOne**” and click “Submit Loan to AFR”



AFR | LOAN CENTER

100.00% Administration CW

Submit to Setup: Loan Programs

Select a program for this loan.

- ☐ FHLMC-HP
- ☒ CONV :: FHLMC HomeOne
- ☐ FHLMC*
- ☐ FHLMC-SC*
- ☐ FIXED CONV*
- ☐ FIXED CONV HB*
- ☐ CF-HomeReady*
- ☐ CF-REHAB*
- ☐ FIXED JUMBO MEX*
- ☐ Other

*ineligible program

SUBMIT LOAN TO AFR

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FAQ'S

FREQUENTLY ASKED QUESTIONS: HOMEONE MORTGAGESM

Q: Do all HomeOne borrowers need to take a homeownership education course?

A. No, homeownership education is only required when all borrowers are first-time homebuyers. If all borrowers are first-time homebuyers, at least one borrower must complete a homeownership education program before the mortgage's note date.

- The free Freddie Mac financial education curriculum, CreditSmart[®], is an acceptable form of homeownership education in addition to other alternatives specified in Single-Family Seller/Servicer Guide (Guide) Bulletin.

Q: Is HomeOne only eligible for fixed-rate conforming mortgages?

A. HomeOne Mortgages must be fixed-rate conforming mortgages secured by 1- unit properties where all borrowers occupy the property as their primary residence.

Q: Do all borrowers have to be first-time homebuyers for a HomeOne mortgage?

A. No, for purchase transactions, at least one borrower must be a first-time homebuyer. Single-Family Seller Servicer Guide (Guide) defines a first-time homebuyer as an individual who meets all the following requirements:

- Is purchasing the mortgaged premises
- Will reside in the mortgaged premises as a primary residence
- Had no ownership interest (sole or joint) in a residential property during the three-year period preceding the date of the purchase of the mortgaged premises

FREDDIE MAC HOMEONESM & HOMEPOSSIBLE[®]

FAQ'S

FREQUENTLY ASKED QUESTIONS: HOMEONE MORTGAGESM

Q: Can a borrower refinance a mortgage using HomeOne?

A: A HomeOne Mortgage may be originated as a “no cash-out” refinance.

- If the LTV or the Home Equity Combined LTV (HTLTV) ratio is greater than 95 percent, the mortgage being refinanced must be owned or securitized by Freddie Mac unless it has secondary financing that is an Affordable Second.
- If the LTV and HTLTV is less than or equal to 95 percent, the TLTV ratio exceeds 95 percent and the secondary financing is an Affordable Second, the loan being refinanced does not have to be owned by Freddie Mac. The maximum TLTV ratio of a HomeOne is 105 percent if the secondary financing is an Affordable Second[®].

Q: For a HomeOne no cash-out refinance, how will I know if the mortgage being refinanced is owned by Freddie Mac?

A: The borrower can either look up the loan using the Freddie Mac Loan Look-up Tool or can authorize you to obtain this information on their behalf.

- <https://ww3.freddiemac.com/loanlookup/>

Self-Service Lookup

Indicates required fields *

First Name *	Last Name *
<input type="text"/>	<input type="text"/>
House Number *	Unit Number
<input type="text"/>	<input type="text"/>
<small>Please use only numbers, letters and hyphens.</small>	<small>Please use only numbers, letters and hyphens.</small>
Street Name *	Street Suffix
<input type="text"/>	<input type="text" value="Select Suffix"/>
<small>Do not include "Street", "Avenue", "Drive", etc.</small>	
City *	
<input type="text"/>	
State *	Five Digit Zip Code (Format: #####) *
<input type="text" value="Pick a State"/>	<input type="text" value="#####"/>
Last 4 Digits of Social Security Number (Format: ####) *	
<input type="text" value="####"/>	

THANK YOU

AFRWHOLESALE.COM