Freddie Mac Refi Possible
Conforming Loan Amounts Only

Fixed Rate

Primary Residence Limited Cash-Out (Rate/Term) Refinance			
Property Type	***LTV/CLTV***	***Loan Amount***	***Credit Score***
1-unit SFR/PUD/Condo	97% [1,2]	Conforming	No minimum
Manufactured Home	95% [1,2]	Conforming	No minimum

Footnotes:

1. Transactions with a non-occupant co-borrower are limited to maximum 95% LTV/CLTV
2. CLTV up to 105% allowed when a Community Second is being resubordinated
3. Minimum credit score not required, however each borrower must have a credit score

Overview

- Freddie Mac's Refi Possible is a refinance option designed for low-income borrowers by offering expanded eligibility to benefit borrowers at or below **100%** of the area median income (AMI) limit
- LPA will determine income eligibility for the mortgage. The AMI for a specific area may be looked up by using Freddie Mac's Refi Possible Income and Property Eligibility Tool and entering the property address.

  NOTE: It is imperative to use Freddie Mac's AMI information; the AMI estimates posted on HUDs website **should not be used**
- If an appraisal is required, Freddie Mac will provide a $500 credit which must be passed on to the borrower

General Requirements

- The loan being refinanced must currently be owned by Freddie Mac
- The borrower's **qualifying** income (income from all borrowers who will sign the Note) must be ≤ 80% of the current year AMI limit for the area where the property is located. If the borrower has other income that is **not** used for qualifying, that other income is **not** included when determining if AMI requirement has been met
- The refinanced loan must provide the following borrower benefits:
  - A reduction in the interest rate of at least 50 basis points, **AND**
  - A reduction in the borrower's monthly principal, interest, and mortgage payment (if applicable)
- All borrowers on the loan being refinanced **must be on the new loan** (see the Borrower Eligibility topic for exception); borrowers **cannot** be added to the new loan

To determine if Freddie Mac owns a loan click the link below and enter the requested information:
Freddie Mac Loan Look-Up Tool

Freddie Mac Refi Possible Program

<table>
<tr><th>Topic</th><th>Guideline</th></tr>
<tr><td>4506-C</td><td>

Signed 4506-C required prior to loan closing for both personal and business tax returns (if applicable)
Tax transcripts are not required
NOTE: At underwriter discretion transcripts may be required in certain circumstances (e.g. handwritten paystubs, borrower employed by family member, etc.)
Homebridge will order transcripts at random for quality control purposes

</td></tr>
<tr><td>Appraisal</td><td>

LPA determines the appraisal requirement. If an automated collateral evaluation (ACE) is offered by LPA, it must be on the final LPA finding
A minimum of 3 closed comparable sales is required. The sources of the closed comparable sales used in the appraisal are subject to the following requirements (excluding rural areas and/or Maine, New Hampshire and Vermont; see NOTE below).

At least one of the comparables must be from the Multiple Listing Service (MLS)
The remaining comparables must be from one of the following entities:

Comps Inc., or
Property Navigator (NY only – formerly GeoData), or
PropertyShark (NY only), or
StreetEasy (NY only)

If at least one comparable is not from the MLS, the appraisal will require review by the Homebridge Appraisal Dept. and a desk review will be required

NOTE: Comparables from a public independent source are eligible in rural areas and/or in Maine, New Hampshire, and Vermont where MLS is not common; the above policy does not apply
If an appraisal is required, Freddie Mac will provide a $500 credit which must be passed on to the borrower

</td></tr>
<tr><td>Appraisal Management Companies (AMC)</td><td>
The appraisal must be requested from the AMC assigned by Homebridge which is based on the state where the property is located. The chart below identifies the applicable AMC by property location.
<table>
<tr><th>AMC</th><th>Subject Property Location</th></tr>
<tr><td>Class Valuation</td><td>Alabama, Alaska, Arkansas, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Mississippi, Montana, New Mexico, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, West Virginia, Wisconsin, Wyoming</td></tr>
<tr><td>Fastapp Appraisal Management</td><td>Connecticut, Delaware, Kansas, Louisiana, Maine, Maryland, Massachusetts, Missouri, Nebraska, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, Washington D.C.</td></tr>
<tr><td>Golden State</td><td>Arizona, California, Nevada (see Important Note below for exception)
Important Note:
Golden State does not support the following appraisal type:
FHLMC ACE + PDR
If a FHLMC ACE + PDR has been offered and accepted on the transaction and the property is located in AZ, CA, or NV, the appraisal must be ordered from Class Valuation</td></tr>
<tr><td>Nationwide Appraisal Network</td><td>Florida, Georgia, North Carolina, South Carolina</td></tr>
</table>
To view the state on the Homebridge website, click here: Broker Resources
</td></tr>
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Assets	• **Funds to Close > $500**: Verification of funds to close **required** - Acceptable documentation includes one recent account statement showing asset balance (monthly, quarterly, or annual statement, as applicable) • **Funds to Close ≤ $500:** Verification of funds to close **not required**
AUS	LPA "Accept/Eligible" Finding required. Manual underwrite is **not** eligible
Available Markets	• All 50 states • Guam, Puerto Rico and the Virgin Islands are ineligible
Borrower Benefit	• The refinanced loan must provide the following benefits to the borrower: - A reduction in the interest rate of at least 50 basis points, **and** • A reduction in the borrower's monthly principal, interest, and mortgage insurance (if applicable) payment
Borrower Eligibility	• **All borrowers on the current loan must be on the new loan** - Borrower(s) **cannot be removed** (see exception below), **and** - New borrower(s) **cannot** be added **Exception:** One or more borrowers may be removed **only if one of the following applies**: - The remaining borrower(s) must provide evidence that they have made the mortgage payments from their own funds for at least the previous 12 months, including any secondary financing, **OR** - The borrower being removed is deceased and evidence documenting the borrower's death is provided (e.g. death certificate) and it is documented in the loan file. • In **all** cases, at least one borrower on the current loan must be on the new loan • Borrowers previously convicted of mortgage fraud are **ineligible**. • Non-occupant co-borrowers are acceptable provided they are on the current loan
Cash Back to Borrower	Maximum cash back to borrower is $250.00. Any funds in excess of $250 must be applied as a principal reduction
Credit - Installment/ Revolving/ Student Loans	Standard Freddie Mac policy applies; refer to the FHLMC guidelines posted on the Homebridge website Products and Guidelines page for requirements
Credit Report	• A tri-merged credit report is required for all borrowers • The borrower(s) must address **all** credit inquiries indicated on the credit report within the previous 90 days, specifically **stating the name of the creditor(s)** and the result of the inquiry/inquiries (i.e. was new credit obtained or not). Examples of acceptable/unacceptable responses below: - **Acceptable Response**: "The inquiry/inquiries by Bank of America, Wells Fargo, etc. did not result in additional credit" - **Unacceptable Response**: "We did not obtain any additional credit as a result of the credit inquiry/inquiries listed on our credit report" (unacceptable since name of creditors **not** listed) • The credit report must be dated within 120 days of the Note date
Credit Scores	• Minimum credit score not required, however each borrower must have a credit score which must be documented • An LPA "Accept" finding is required
Derogatory Credit Events	Standard Freddie Mac policy applies; refer to the FHLMC guidelines posted on the Homebridge website Products and Guidelines page for requirements
DTI	Maximum 65%
Employment Verification	• A verbal verification of employment (VVOE) is required within the 10 business days prior to the Note date for wage earner borrowers and within the 120 calendar days prior to the Note date for self-employed borrowers • A military Leave and Earnings Statement dated within the 120 calendar days prior to the Note date is acceptable for active duty military in lieu of a VVOE
Escrow/Impound Account	• > 80% LTV required unless prohibited by state law: CA loans ≥ 90% LTV • ≤ 80% LTV not required; refer to HB rate sheet for pricing adjustment **Reminder:** If flood insurance is required, escrow/impounds are required regardless of LTV; escrows cannot be waived

Freddie Mac Refi Possible Program

<table>
<tr><td>Existing Loan Requirements</td><td>The existing loan must:

Currently be owned by Freddie Mac
Be seasoned a minimum of 12 months (measured from the original Note date to the Note date of the new loan
Not be a Freddie Mac Relief Refinance or Enhanced Relief Refinance Mortgage
Not be a Refi Possible Mortgage,
Not be subject to recourse, outstanding repurchase request, indemnification, or credit enhancement other than MI (unless the new loan is also subject to credit enhancement or it is no longer required)
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<tr><td>Income Limit</td><td>
The borrower’s qualifying income (income from all borrowers who will sign the Note) must be ≤ 100% of the current year AMI limit for the area where the property is located.
The borrower’s base earnings must be considered for both non-fluctuating and fluctuating employment earnings before any additional employment earnings (e.g. bonus, commission, OT, tips, etc.) may be considered
</td></tr>
<tr><td>Income Documentation</td><td>Income documentation requirements:
<table>
<tr><th>Income Type</th><th>Minimum Documentation Requirements</th></tr>
<tr><td>Base Pay (non-fluctuating)
(primary borrower only)</td><td>Borrower(s) most recent paystub, with YTD income</td></tr>
<tr><td>Base Pay (fluctuating):
Hourly, Tip, Bonus, OT, Commission
(primary borrower only)</td><td>Borrower’s most recent paystub with YTD income, and
W-2 covering the most recent one-year period</td></tr>
<tr><td>Military</td><td>Leave and Earnings Statement</td></tr>
<tr><td>Self-Employment</td><td>One-year personal and business tax returns, and
Verification of business by third party source required</td></tr>
<tr><td>Alimony, Child Support, Separate Maintenance</td><td>Copy of divorce decree, separation agreement, court order or equivalent documentation that includes the amount and duration of the payment, and
Documentation of one-month’s receipt</td></tr>
<tr><td>All Other Eligible Income Types</td><td>Standard Freddie Mac requirements apply</td></tr>
</table></td></tr>
<tr><td>LDP/GSA and Mortgage Fraud</td><td>
LDP / GSA LDP / GSA
All of the following parties to the transaction, as applicable, must be checked against HUD’s Limited Denial of Participation list and the General Service Administration’s Excluded Parties List System.

Borrower(s) and Borrower(s) AKA name (if applicable)
Seller(s),
Real Estate Listing and Selling Agent(s),
Appraiser,
Appraisal Company (not the AMC)
Broker
Loan Officer, Loan Officer Assistant
Loan Processor,
Underwriter,
Closing/Settlement Agent,
Title/Settlement Company, and
203(k) Consultant

Any transaction where any of the interested parties to the transaction have been convicted of mortgage fraud will require review and approval by Homebridge management.
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<tr><td>Mortgage Insurance</td><td>LTV > 80% requires mortgage insurance. Standard Freddie Mac mortgage insurance policies apply; refer to the Mortgage Insurance topic in the Freddie Mac Conforming and Super Conforming guidelines posted on the Homebridge website Products and Guidelines page for MI details</td></tr>
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Mortgage History	Mortgage history for the loan being refinanced is subject to the following: • 0x30 in most recent 6 months, **and** • No more than 1x30 in months 7 through12, **and** • 0x60 in the most recent 12 months The Homebridge underwriter is responsible to confirm the mortgage history requirement is met **NOTE:** If the borrower has missed payments due to COVID-19 forbearance and those payments have been resolved per Freddie Mac policy those missed payments are not considered delinquencies when determining mortgage history eligibility. The mortgage must be current as of the Note date of the new loan and the delinquencies during the COVID-19 forbearance are not reported on the credit report Refer to the Mortgage/Rental History topic in the Freddie Mac Conforming and Super Conforming guidelines posted on the Homebridge website Products and Guidelines page for forbearance plan requirements
Occupancy	1-unit owner-occupied primary residence
Products	Fixed rate with 30 year loan term
Properties – Eligible	• 1-unit single family residence/PUD (attached/detached) • Condominium (attached/detached). Project review not required; Homebridge must verify project is not an ineligible project (e.g. condotel, timeshare, segmented ownership project, etc.) **and** confirm the appropriate property and flood insurance (if applicable) is obtained • Multi-wide manufactured home (double/triple)

Properties – Eligible: Florida Condominium Projects	• **Florida condominium projects that are 3 or more stories high are subject to the following requirements:**
	- If the condo building is 30 years or older, **OR**
	- The condo building is 25 years or older **AND** the building is within 3 miles of the coastline, **THEN**:
	  - Evidence the building has completed the inspections required under Florida Senate Bill 4D (SB-4D), **AND**
	  - Evidence the HOA has completed the required structural integrity reserve study, and the budget contains sufficient reserves. The HOA fee must be consistent with the budget
	NOTES:
	1. If the project has **not** had the required inspections, it is **ineligible**
	2. If an inspection was completed but revealed substantial structural deterioration and/or unsafe/dangerous conditions exist, evidence the required repairs have been completed **must be provided** or the project is **ineligible**
	3. This requirement **does not** apply if the condo building is only 1 or 2 stories high
	• **Loan Applications Dated On or After August 3, 2026 ONLY: Florida condominium projects with eleven or more units:** Projects in need of critical repairs **or** under an evacuation order are **not eligible.** Projects with 10 or less units **eligible**

Properties – Ineligible	• 2-4 units • Condotels • Co-ops

Subordinate Financing	• Existing subordinate financing:
	- Cannot be paid off with proceeds from the new loan
	- May remain in place if it is resubordinated to the new loan
	- May be simultaneously refinanced with the existing first lien provided:
	  - The unpaid principal balance (UPB) of the new subordinate lien is not more than the UPB of the subordinate lien being refinanced at the time of payoff, and
	  - There is no increase in the monthly principal and interest payment on the subordinate lien
	• New subordinate financing is **only permitted if it replaces existing subordinate financing**

Freddie Mac Refi Possible Program

Transactions – Eligible	Limited cash-out refinance (rate/term) **NOTE**: **Refi Possible is eligible for one time use**
Transactions – Existing Loan Ineligibility	If any of the following apply to the **existing loan** the loan is **ineligible** for refinancing under the Refi Possible program. • The loan is **not** owned by Freddie Mac • The loan is not seasoned ≥12 months (the new loan cannot close until the existing loan is seasoned at least 12 months) • The loan Is not a first lien conventional loan • The existing loan was originated as a Freddie Mac Relief Refinance, Enhanced Relief Refinance Mortgage, or Refi Possible • The loan is currently subject to recourse, outstanding repurchase request, indemnification, or credit enhancement other than MI (unless the new loan is also subject to credit enhancement or it is no longer required)
Transactions – New Loan Ineligibility	The following features are **ineligible** for the new Refi Possible loan: • High-balance loan amount, • DTI exceeds 65%, • Loan originated as a Texas Section 50(a)(6) aka Texas equity