



05-Oct-11

# Freddie Mac Open Access

	Fixed Rate (Full/Alt Documentation) <i>(Standard Amortization)</i>
Eligible Transactions	Rate and Term (no cash-out) refinance of existing Freddie Mac® owned loan delivered to Freddie Mac on or before 5/31/2009 Existing loan being refinanced may not be subject to credit enhancement or current repurchase obligation. Not eligible for High Balance transactions
Underwriting Method	<b>Loans must be underwritten through Loan Prospector® (LP®) and receive a risk class of Accept.</b> <b>Caution decisions are not allowed.</b>
Credit Overlays	The following credit overlays apply, regardless of AUS approval: <ul style="list-style-type: none"> <li>• 620 minimum credit score</li> <li>• Mortgage lates in the last 12 months are not allowed</li> <li>• Bankruptcy: 48 months since discharge, multiple Bankruptcies in the last 84 months are not allowed</li> <li>• Foreclosure: 84 months since discharge</li> </ul> <p>A payoff demand statement is required to document the current servicer.</p>
LTV / CLTV	As determined by LP. <b>Maximum Loan to Value for the program is 105% for fixed and arms</b> and there is no limit CLTV with resubordinated existing subordinate financing.
Transaction Type	Rate and Term (no cash-out) refinance of existing FHLMC (Freddie Mac) first lien only. Cash back to the borrower is limited to \$250
Subordinate Financing	Resubordination of existing subordinate financing will be allowed without maximum CLTV limit. New subordinate financing and payoff of existing subordinate financing with loan proceeds is not allowed. Payoff of existing subordinate liens from the borrower's own funds is allowed.
Occupancy	Owner Occupied, Second homes and Investment properties are allowed. Even if the loan being refied was originally done as O/O.
Eligible Terms	10, 15, 20, 25 and 30 year Fixed Rate
Property Types	Attached and Detached SFRs and PUDs, Low-/High-Rise Condos, & 2-4 units.
Condo and PUD	Condo project review is not required however, must confirm that the project is not "ineligible" (no litigation; no condotel; etc.) Master Ins. Policy with min. 1,000,000 liability; HO6 policy; fidelity bond coverage required. If project was processed through FNMA CPM that is acceptable to use for project approval along with Insurance; Fidelity documentation
Mortgage Insurance	<b>Original loan ≤ 80% LTV:</b> Mortgage Insurance will be waived by LP <b>Original loan &gt; 80% LTV:</b> Mortgage Insurance as required by LP. Transferred mortgage insurance policies are not eligible for purchase
Income Documentation	<b>Salary/Bonus/Overtime:</b> One current paystub and a verbal VOE <b>Commission/Self-Employed:</b> One year's federal income tax return A completed, signed 4506-T and Processed is required for all borrowers.
Appraisal	LP to determine appraisal requirement. For certain LP Open Access loans, LP will offer Property Inspection Waiver or exterior-only inspection. PBM will not offer Property Inspection Waivers <ul style="list-style-type: none"> <li>• On refinances of properties where last transaction was an REO sale, an interior/exterior inspection is required regardless of LP requirement</li> </ul>
Additional FHLMC Restrictions	<ul style="list-style-type: none"> <li>• LP Open Access loans must provide a benefit to the borrower in the form of a reduced P&amp;I payment or more stable program</li> <li>• Loans receiving a LP Open Access underwriting decision must delivered as such</li> <li>• At least one borrower on a LP Open Access transaction must be the same as on the existing loan being refinanced and no more than the lesser of \$5,000 or 4% of current unpaid balance can be used to pay related closing costs, financing costs and prepaids/escrows of this transaction.</li> </ul>
Additional Restrictions	<ul style="list-style-type: none"> <li>• Properties listed for sale within the past six months are ineligible</li> <li>• All other standard conventional requirements and AUS overlays including maximum number of financed properties (maximum of 4 total) manufactured housing restrictions and seasoning on recently listed properties will also apply to LP Open Access loans</li> </ul>

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