

**MAXIMUM LTV/TLTV/LTV (PURCHASE & NO CASH-OUT REFINANCE TRANSACTIONS)**

HomeOne <sup>SM</sup>					
Transaction Type	Property Type	FICO	LTV	TLTV / HTLTV Without an Affordable Second <sup>®</sup>	TLTV / HTLTV With an Affordable Second <sup>®</sup>
Purchase	1- unit	620	97%	97%	105%
Refinance*	1- unit	620	97%*	97%*	105%*

\*Refinance transactions are “No cash-out” refinance mortgages and must meet the requirements under “[Eligible Mortgages](#)”

**Flexibility for your borrowers with a HomeOne<sup>SM</sup> Mortgage!**

- No prepayment penalties: Your borrowers can pay off their loan at any time without worrying about any prepayment penalties.
- Broad Access: No geographic or income restrictions
- More options for your down payment: With a HomeOne<sup>SM</sup> Mortgage, you can apply alternate sources of funds to your down payment, including cash gifts from relatives.
- Budgeting simplicity: Simplifies budgeting because the principle and interest payments stay consistent.
- Purchases and no cash-out refinances
- Minimum contribution: No Minimum contribution from borrowers own personal funds – 1-unit Primary Residence.

LHFS PROGRAM CODES		
HomeOne <sup>SM</sup>	Conforming 30 FHLMC HomeOne <sup>SM</sup>	WC30FHO-000

**HELPFUL LINKS:**

- [Freddie Mac Seller Guide](#)



GENERAL REQUIREMENTS	
<b>Credit</b>	<ul style="list-style-type: none"> <li>• For purchase transaction and “no cash-out” refinance Mortgages, at least <b>one</b> Borrower on the transaction must have a usable Credit Score as determined by LPA</li> <li>• LPA now allows mortgages for borrowers without credit scores:             <ul style="list-style-type: none"> <li>• Must be secured by a 1-unit property and all borrowers must occupy the property as their primary residence.</li> <li>• Loan-to-value (LTV), total LTV (TLTV) and Home Equity Line of Credit (HELOC) TLTV (HTLTV) ratios must not exceed 95%.</li> <li>• Must be a fixed-rate mortgage.</li> <li>• If the borrower(s) without a usable credit score contributes 50% or more of the total monthly income, then each borrower without a usable credit score must meet the same credit history requirements that apply to mortgages where no borrower has a credit score (e.g., at least two payment references).               <ul style="list-style-type: none"> <li>• Each borrower must have at least two payment references in the United States comprised of Noncredit Payment References and/or tradelines not appearing on the credit report. If two or more borrowers have the same payment reference, then the payment reference may count for each of those borrowers.</li> <li>• Each payment reference must be for at least the most recent 12 months.</li> </ul> </li> <li>• At least one borrower must have a housing payment history as one of the payment references.</li> <li>• In the event more than one borrower has a housing payment history, then all such housing payment histories for the most recent 12 months (or length of housing payment history if less than 12 months) must be verified.</li> <li>• All housing payment histories must have no 30-day or greater delinquencies in the most recent 12 months.</li> <li>• For all payment references other than housing, only one payment reference may have one 30-day delinquency and no 60-day or greater delinquencies in the most recent 12 months; all other payment references must have no 30-day or greater delinquencies in the most recent 12 months.</li> <li>• Each payment reference must:               <ul style="list-style-type: none"> <li>• Meet the requirements for document requirements and written verifications per Guide.</li> <li>• Be documented in accordance with Guide Section 5202.2(b).</li> <li>• Each borrower must have no collections (other than medical), judgments or tax liens filed in the most recent 24 months.</li> <li>• When the credit reputation for all borrowers is established using only Noncredit Payment References, then at least one borrower must participate in a homeownership education program before the note date, or the effective date of permanent financing.</li> </ul> </li> </ul> </li> </ul>
<b>DTI</b>	<ul style="list-style-type: none"> <li>• As required by AUS (LPA Loan Product Advisor)</li> </ul>
<b>Eligible Borrowers</b>	<ul style="list-style-type: none"> <li>• At least one borrower must be a first-time homebuyer (as defined in the Single-Family Seller/Service Guide) when the mortgage is a purchase transaction mortgage.</li> </ul>



<b>GENERAL REQUIREMENTS (CONTINUED)</b>														
<b>Eligible Property Types</b>	<table border="1"> <thead> <tr> <th colspan="2"><b>HomeOne<sup>SM</sup> (1-unit primary residences)</b></th> </tr> </thead> <tbody> <tr> <td colspan="2">Single Family Residence</td> </tr> <tr> <td colspan="2">Condos</td> </tr> <tr> <td colspan="2">PUD</td> </tr> </tbody> </table> <p>Manufactured Homes are not eligible.</p>	<b>HomeOne<sup>SM</sup> (1-unit primary residences)</b>		Single Family Residence		Condos		PUD						
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<b>Eligible Mortgages</b>	<ul style="list-style-type: none"> <li>HomeOne<sup>SM</sup> mortgages eligible for purchase must be first lien mortgages that are fully amortizing.</li> <li>HomeOne<sup>SM</sup> mortgages must be conventional, conforming mortgages (super conforming not permitted).</li> <li>No Cash-out Refinance:             <ul style="list-style-type: none"> <li>For Mortgages with LTV and/or HLT/TV ratios greater than 95%, the Mortgage being refinanced must be owned in whole or in part or securitized by Freddie Mac</li> <li>For Mortgages with TLTV ratios greater than 95% with secondary financing that is not an Affordable Second, the Mortgage being refinanced must be owned in whole or in part or securitized by Freddie Mac</li> <li>For Mortgages with TLTV ratios greater than 95% with secondary financing that is an Affordable Second, the Mortgage being refinanced does not have to be owned or securitized by Freddie Mac</li> </ul> </li> </ul>													
<b>Escrow</b>	<ul style="list-style-type: none"> <li>Escrows required over 80% in all states excluding CA</li> <li>Escrows required over 89.99% in CA</li> </ul>													
<b>Homebuyer Education</b>	<ul style="list-style-type: none"> <li>For purchase transaction secured by 1-unit Primary Residence, Homeownership education is required before the Note Date, or the Effective Date, for at least one qualifying borrower if all borrower(s) are First-Time Homebuyers</li> <li>Homeownership Education Certification, or another document containing comparable information must be retained in the mortgage file. The following types of homeownership education are acceptable:             <ul style="list-style-type: none"> <li>Internet-based homeownership education programs developed by mortgage insurance companies</li> </ul> </li> <li>Homeownership education programs that meet the standards of the National Industry for Homeownership Education and Counseling (<a href="http://www.homeownershipstandards.com/">http://www.homeownershipstandards.com/</a>)</li> </ul>													
<b>Manual Underwriting</b>	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>													
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Mortgage Credit Certificates	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>																
Mortgage Insurance Requirements	<ul style="list-style-type: none"> <li>The standard required or custom MI coverage levels for HomeOne<sup>SM</sup> mortgages are as follows:</li> </ul> <table border="1"> <thead> <tr> <th rowspan="2">Transaction Type</th> <th rowspan="2">MI coverage</th> <th colspan="4">LTV Ratio</th> </tr> <tr> <th>&gt;80% &amp; ≤85%</th> <th>&gt;85% &amp; ≤90%</th> <th>&gt;90% &amp; ≤95%</th> <th>&gt;95% &amp; ≤97%</th> </tr> </thead> <tbody> <tr> <td>Fixed-rate, term 30 years</td> <td>Standard</td> <td>12%</td> <td>25%</td> <td>25%</td> <td>35%</td> </tr> </tbody> </table>	Transaction Type	MI coverage	LTV Ratio				>80% & ≤85%	>85% & ≤90%	>90% & ≤95%	>95% & ≤97%	Fixed-rate, term 30 years	Standard	12%	25%	25%	35%
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Occupancy and Property Type	<ul style="list-style-type: none"> <li>All borrowers must occupy the Mortgaged Premises as their Primary Residence</li> <li>Non-owner occupant not allowed</li> </ul>																
Ownership of Other Property	<ul style="list-style-type: none"> <li>The borrower may not, as of the note date or the effective date had any ownership interest (sole or joint) in any other residential properties during the three-year period preceding the date of the purchase of the mortgage premises.</li> </ul>																
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Secondary Financing	For HomeOne <sup>SM</sup> mortgages secondary financing is allowed when secondary financing is an Affordable Second.																
Temporary Subsidy Buydowns	<p><b>Limited Buydown:</b></p> <ul style="list-style-type: none"> <li>Initial interest rate reduced no more than 2 percentage points below the Note Rate, and</li> <li>Increased by no more than one percentage point annually for no more than 2 years</li> </ul> <p><b>Extended Buydown:</b></p> <ul style="list-style-type: none"> <li>Initial interest rate reduced no more than 3 percentage points below the Note Rate, and</li> <li>Increased by no more than one percentage point annually for more than 2 but no more than 3 years</li> </ul> <p><b>Qualifying for Limited and Extended Temporary Subsidy Buydowns:</b>            Fixed-rate mortgages, the borrower must be qualified using monthly payments calculated at the Note rate</p>																

Any item not covered in the guidelines can be accessed by searching the [Freddie Mac](#) (Chapter 4605) Seller Guide.

**For specific scenario requests, please go to the eScenarios tab located in eXPRESS - [www.LHFSWholesale.com](http://www.LHFSWholesale.com), and post your scenario.**

**Guidelines are for use by mortgage professionals only and subject to change without notice.**