

Working with Freddie Mac

Melissa Schirz, Director, HFA Engagement
Indiana Homeownership Forum
April 25, 2023

ALL FOR HOME

Freddie Mac
Single-Family

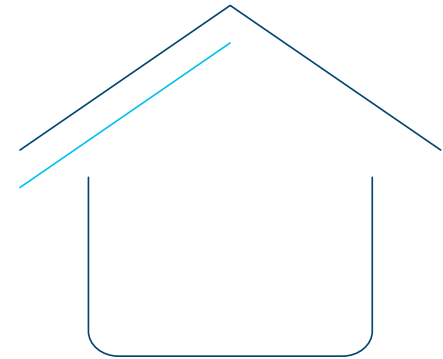
Freddie Mac HFA Advantage®

HFA Advantage® mortgage is a conventional mortgage product available exclusively to HFAs seeking strategic solutions to diversify their product offerings and portfolio mix while expanding homeownership responsibly.

With new enhancements announced in August 2022 and expanded eligibility, HFA Advantage offers more homeownership opportunities to very low-, low- and moderate-income borrowers.

Key benefits include:

- Primary residences:
 - 97% LTV, 105% TLTV with Affordable Seconds® (1-unit).
 - 95% LTV, 105% LTV with Affordable Seconds® (2-4 unit). (NEW!)
- Non-occupying borrowers permitted. (NEW!)
- Manufactured homes with 95% LTV, 95% TLTV ratios. (NEW!)
- HFA income limits in lieu of Home Possible® Area Median Income limits.
- HFA determines homebuyer education requirements.
- Credit enhancement options including Custom Level mortgage insurance coverage.



Working with Freddie Mac

- Down payment assistance support
- Loan Product Advisor enhancements, cashflow underwriting, rent payment history
- Accessory Dwelling Units and more...
- Outreach and Business Development
- Insights and Data

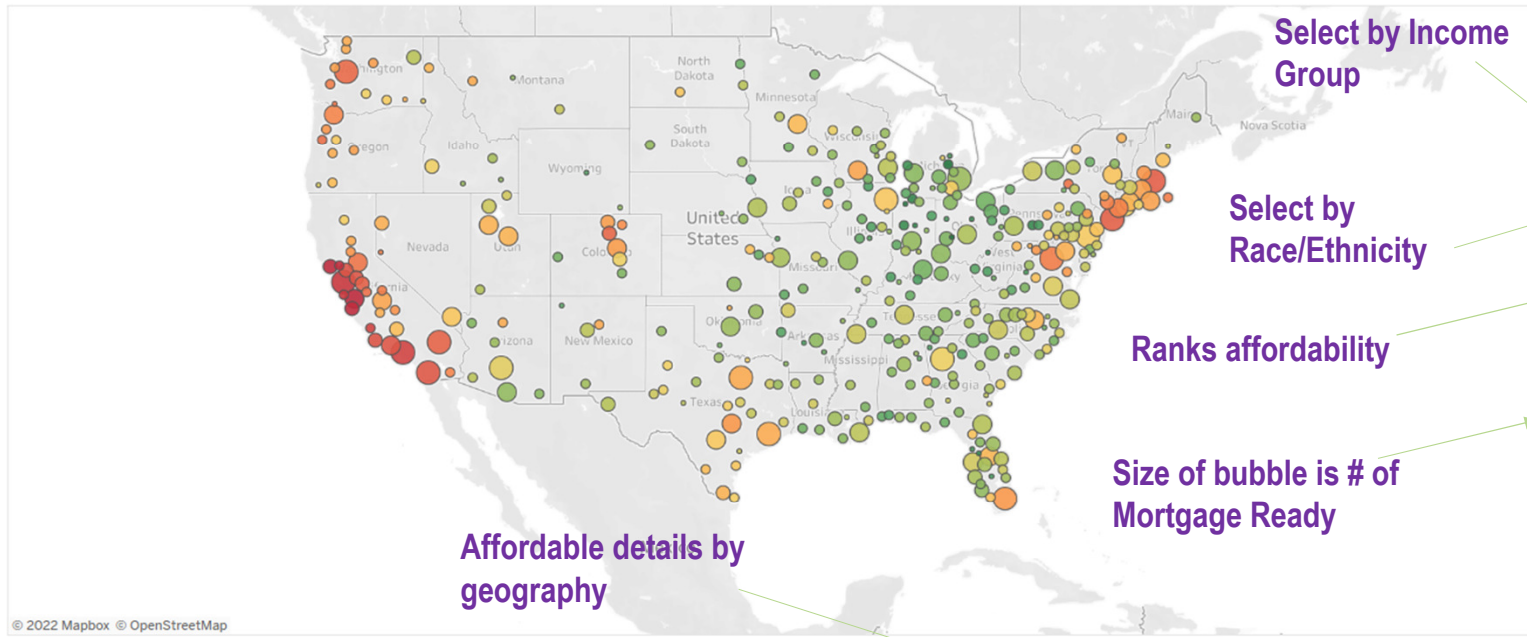


Resources

Freddie Mac First Time Homebuyer Affordability Map by [Single Family Client and Community Engagement](#)



Freddie Mac First-Time Homebuyer Affordability Map



Select Year

Select Year
2020

Select Income Group
All
Low-to-Moderate Income
Middle Income
All Racial/Ethnic Groups

FFTHAM Value
13.08 65.70

Mortgage Ready Count

- Less than 10K
- Less than 50K
- Less than 100K
- Less than 500K
- More than 500K

Opinions, estimates, forecasts, and other views contained in this document are those of Freddie Mac's economists and other researchers, do not necessarily represent the views of Freddie Mac or its management, and are for informational purposes only. Information and content should not be construed as indicating Freddie Mac's business prospects or expected results. Although the authors attempt to provide reliable and useful information, they do not guarantee that the information or other content in this document is accurate, current or suitable for any particular purpose. Freddie Mac complies with all applicable federal, State and local laws, ordinances, regulations, orders and regulator guidance, including without limitation and as amended, the Equal Credit Opportunity Act, the Fair Housing Act, and the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 ("Applicable Laws"). Users agree to comply with all Applicable Laws, consistent with Freddie Mac Single Family Seller/Service Guide, § 1301.2, incorporated here by reference. The

© 2022 Mapbox © OpenStreetMap

Source: Freddie Mac calculation using Credit Bureau data and National Mortgage Database.

Note: 1. Freddie Mac First-Time Homebuyer Affordability Map (FFTHAM) measures how many "Mortgage Ready" consumers have enough income to purchase a home by comparing their income distribution to recent first-time homebuyers' income distribution at MSA level. 2. A consumer is categorized as "Mortgage Ready" if he or she does not have a mortgage, is 45 or younger, has a credit score of 661 or above, has a back-end debt-to-income ratio not exceeding 25 percent, has no foreclosures or bankruptcies in the past 84 months, and has no severe delinquencies in the past 12 months. These definitions are research-based assessments and does not relate to our Guide or underwriting criteria. 3. Middle income refers to someone whose annual income is between 80% and 140% Area Median Income. 4. Year to Save evaluates the down payment challenge by measuring the time needed to save for 3% down payment for a median priced Single Family home at the individual's county of residence, under the assumption that the consumer does not have any savings to begin with, and will save a flat rate (i.e., 7.5%) of their net income each year. 5. Housing stock ratio measures the adequacy (if above 6) of housing stock at a given market.

Category	City	New Haven-Milford, CT
Mortgage Ready Count (#):		111,000
FFTHAM Value (%):		40
Housing Stock Ratio:		2
Median Year to Save (3% DP):		3

Where can you find Freddie Mac's First Time Homebuyer Affordability Map?

- **Published paper on www.Freddiemac.com/research**
 - Freddie Mac First-Time Homebuyer Affordability Map: A Novel Approach to Measure Affordability for Future Borrowers
 - **Map link is in the paper**

Freddie Mac HFA Resource Center

Visit the [HFA Resource Center](#) today!

A digital information hub designed to support and provide HFA professionals with resources and tools including:

- Hot Topic articles
- Popular resources
- Freddie Mac's Home Starts Here podcast series
- Events Calendar
- And more... all in one centralized location.

And don't forget to sign up to [receive the latest insights, updates and communications](#) from Freddie Mac!

Get the latest Freddie Mac updates in your inbox.

Enter your email address to be sure you always have the latest news from Freddie Mac Single-Family.

Your Email Address

[Sign Up](#)

HFA Resource Center

An information hub designed for HFA staff and their business partners

Hot Topics

We've compiled Freddie Mac's most current affordable and equitable housing research, insights, and thought leadership in one convenient place. Click any of the links below to explore more about how we can work together to help aspiring homebuyers overcome barriers and achieve responsible, sustainable homeownership.

- Freddie Mac Salutes Home Possible RISE Award® for HFA Advantage Volume Winners**
The Freddie Mac HFA Advantage mortgage is a low-down payment offering like the Freddie Mac Home Possible® mortgage but has additional flexibilities for HFAs. Meet these organizations who are using all the mortgage tools in their toolkit to make homeownership a reality for the borrowers of the future.
- Closer Collaboration with HFAs Can Grow Business in Underserved Communities**
Created to finance affordable housing activities, housing finance agencies (HFAs) are public entities that offer first mortgage loan products and down payment assistance. How can HFAs help pave the way for homeownership?
- 2022 State of Affordability**
What are the key trends, challenges and opportunities in the housing market in 2022? Get up to speed on today's market and learn how the industry can collaborate to prompt impactful change and better serve homebuyers.
- What Drove Home Price Growth and Can it Continue? 2**
Home prices, the best single indicator of whether market conditions favor buyers or sellers, jumped 33% nationally over the past two years. What is behind the strength of the housing market, and can it continue?
- Understanding Mortgage Readiness: A Roadmap for Getting More Americans into Homes**
By knowing what it means to be mortgage ready, the HFA borrower can...
- Together, We're Making an Impact Through Affordable Lending**
This year, we have ambitious goals to increase homeownership opportunities for...

Housing Finance Agencies: A Key Partner in Equitable Housing

Different stakeholders within the mortgage and housing industry play a role in decreasing barriers to homeownership. Karyn Kay, Assistant Commissioner at Minnesota Housing, and Tamara Thurman, Director, Freddie Mac's Single Family Equitable Housing Team discuss ways to address the array of complex issues communities of color face in attaining, sustaining and building wealth through homeownership.

[CHECK OUT THIS PODCAST EPISODE](#)

HOME STARTS HERE PODCAST

HFA Advantage[®]

Visit the [HFA Advantage webpage](#) today!

The latest in product information at your fingertips!

- Product overview and factsheet.
- Convenient links to HFA Resource Center and other product-related articles and materials.

Origination & Underwriting Improving Workflow [Mortgage Products](#) Resources & Learning

HFA Advantage[®]

The Freddie Mac HFA Advantage[®] mortgage is a conventional mortgage product available exclusively to housing finance agencies (HFAs) seeking strategic solutions to diversify their product offerings and portfolio mix while expanding homeownership responsibly.

New HFA Advantage Enhancements

Freddie Mac is continually offering solutions to advance affordable homeownership which is why we've added new enhancements to HFA Advantage to help you qualify more very low, low- and moderate-income borrowers.

Whether your HFA is a Freddie Mac Seller/Servicer or sells through one or more Freddie Mac Seller/Servicer partners, HFA Advantage offers enhanced flexibility for maximum financing.

Who is HFA Advantage[®] for?

- Borrowers who qualify for HFA homeownership programs.
- First-time homebuyers, repeat buyers and borrowers seeking no cash-out refinances.
- Borrowers purchasing or refinancing one- to four-unit properties, condominiums, homes in planned unit developments (PUDs), and CHOICEHomes[®].

[READ FACTSHEET PDF](#)

HFA Advantage[®] Job Aids

Helpful Job Aids for running your HFA Advantage loans through Loan Product Advisor are available on the Freddie Mac [Affordable Lending Training](#) page.

- [How to Submit HFA Advantage Mortgage Loans to Loan Product Advisor[®] PDF](#)
- [Affordable Seconds[®] Defined and Tips for Data Submission into Loan Product Advisor[®] PDF](#)
- [Gifts, Grants and Affordable Seconds[®] Defined and Tips for Data Submission into Loan Product Advisor[®] PDF](#)

800-FREDDIE

Customer Service Menu Guide

1-800-FREDDIE [373-3343]

EFFECTIVE APRIL 1, 2021



SUPPORT FOR:

1 If you are a Freddie Mac approved Seller/Service or business partner

2 If you are a homeowner or renter

3 To become a Freddie Mac approved Seller/Service or business partner

1 All login, password or other access related issues

2 Underwriting guidelines

3 Loan Advisor tools

4 Loan Servicing

- 1 Loan Advisor applications
- 2 Servicing Gateway
- 3 All other applications

- 1 Affordable lending, HFA Advantage, or Home Possible
- 2 All other questions

- 1 Loan Product Advisor
- 2 Loan Selling Advisor or Delivery
- 3 Loan Closing Advisor, Loan Quality Advisor or Correspondent Assignment Center
- 4 Condo Project Advisor
- 5 All other Loan Advisor tools

- 1 COVID-19 guidelines and updates
- 2 Investor reporting and edits
- 3 All other servicing-related questions

Specialists trained in HFA Advantage

Review individual loan scenarios

Assist with LPA Feedback

An aerial, black and white photograph of a suburban neighborhood. The view shows a street lined with houses and trees, extending into the distance. The houses are mostly two-story structures with gabled roofs. There are many trees, some large and mature. The overall scene is a typical residential area.

Thank You

The logo for Freddie Mac Single-Family. It features a small house icon above the text "Freddie Mac" in a bold, sans-serif font. Below "Freddie Mac" is the text "Single-Family" in a smaller, lighter font. The logo is positioned on a green background strip at the bottom left of the slide.

Freddie Mac
Single-Family