

Summary of Changes to the Freddie Mac Relief Refinance MortgageSM Offering – Eligibility Requirements



This job aid provides only a summary of the enhancements to the Freddie Mac Relief Refinance MortgageSM offerings: Freddie Mac Relief Refinance Mortgages – Same Servicer, and Freddie Mac Relief Refinance Mortgages – Open Access announced in the November 15, 2011 *Freddie Mac Single-Family Seller/Servicer Guide* (Guide) Bulletin 2011-22. The Relief Refinance Mortgage offers borrowers who have been unable to refinance due to declining property values, the ability to refinance into mortgages that better positions them for long-term homeownership success.

For detailed eligibility and underwriting requirements refer to the applicable Guide Chapters for the Freddie Mac Relief Refinance Mortgages – Same Servicer with LTV Ratios Greater than 80% (A24), Freddie Mac Relief Refinance Mortgages – Open Access (B24) and the new Guide Chapter for Freddie Mac Relief Refinance Mortgages – Same Servicer with LTV Ratios Less than or Equal to 80% (C24).

Important Dates

- The mortgage being refinanced must have a Freddie Mac settlement date on or before May 31, 2009.
- The Freddie Mac Relief Refinance Mortgage offering has been extended with a new expiration date of **December 31, 2013**.
- Mortgages using the Relief Refinance Mortgages – Same Servicer and Relief Refinance Mortgages – Open Access requirements in effect prior to January 3, 2012 will continue to be eligible for sale to Freddie Mac provided the loan application date is prior to December 1, 2011, the Note Date is on or before January 31, 2012 and the Freddie Mac Settlement Date is on or before April 30, 2012
- Relief Refinance Mortgages – Open Access: Loan Prospector[®] (LP) will be updated on or before March 15, 2012 to recognize Relief Refinance Mortgages – Open Access with LTV ratios greater than 125%. Until LP is updated, Sellers cannot complete loan assessments for Relief Refinance Mortgages – Open Access with LTV ratios greater than 125%. HVE values returned on LP Feedback Certificates can be used to determine property value for Relief Refinance Mortgages – Open Access only for LP submissions on or after March 15, 2012.

Note: **Blue** text highlights the changes to our Freddie Mac Relief Refinance Mortgage – Same Servicer and Relief Refinance Mortgage – Open Access offerings.

Summary of changes to the Relief Refinance Mortgage Offerings					
	Relief Refinance Mortgages – Same Servicer			Relief Refinance Mortgages – Open Access	
	Same Servicer (Existing Requirements) Loan application prior to December 1, 2011 and FRE Settlements on or before April 30, 2012	Same Servicer - LTV Ratios Greater than 80% Loan applications on or after December 1, 2011 and FRE Settlements on or after January 3, 2012	Same Servicer - LTV Ratios Less than or Equal to 80% Loan applications on or after December 1, 2011 and FRE Settlements on or after January 3, 2012	Open Access (Existing Requirements) Loan applications prior to December 1, 2011 and FRE Settlements on or before April 30, 2012	Open Access (New Enhancements) Loan applications dated on or after December 1, 2011 and FRE Settlement on or after January 3, 2012
Topics	Mortgage Being Refinanced Eligibility Requirement Changes				
Mortgage Payment History	No 30-day or more delinquencies in the past 12 months	<ul style="list-style-type: none"> ▪ No delinquencies in the most recent 6 months ▪ No more than one 30-day delinquency in the most recent 12 months 		Manual overlay required to determine no 30-day or more delinquencies in the past 12 months	Removed manual overlay requirement. Mortgage payment history assessed by Loan Prospector



Topics	Same Servicer (Existing requirements)	Same Servicer - LTV Ratios Greater than 80%	Same Servicer - LTV Ratios Less than or Equal to 80%	Open Access (Existing Requirements)	Open Access (New Enhancements)
<p>Rep/Warrant on Mortgage being refinanced</p>	<p>Have met Freddie Mac eligibility requirements on the Note Date as stated in the Seller's Purchase Documents, including, but not limited to, credit, underwriting, collateral, and appraisal requirements</p>	<p>Not required for:</p> <ul style="list-style-type: none"> ▪ Borrower creditworthiness and any other underwriting requirements ▪ Value, condition and marketability of the Mortgaged Premises <p>Required for:</p> <ul style="list-style-type: none"> ▪ All other Freddie Mac eligibility requirements in its Purchase documents such as anti-predatory lending and Condo Project eligibility ▪ Seller required to represent and warrant that the mortgage being refinanced was not originated or sold pursuant to a scheme or pattern of fraud 	<p>Have met Freddie Mac eligibility requirements on the Note Date as stated in the Seller's Purchase Documents, including, but not limited to, credit, underwriting, collateral, and appraisal requirements</p>	<p>Not applicable</p>	<p>Not applicable</p>
<p>Mortgages with Recourse, Indemnification, Mortgage Pool Insurance or Other Negotiated Credit Enhancements</p>	<ul style="list-style-type: none"> ▪ For Mortgages with recourse or indemnification, it is eligible for refinancing under the provisions of A24. Refer to Guide Section A24.3(a) and (k) ▪ For Mortgages with pool insurance or other negotiated credit enhancements, refer to your Freddie Mac representative for additional instructions for eligibility and delivery of these Mortgages 	<ul style="list-style-type: none"> ▪ Mortgages with recourse or indemnification, are eligible for refinancing under the provisions of C24. Refer to Guide Section C24.3(a) and (k) ▪ Mortgages with pool insurance or other negotiated credit enhancements are eligible for refinancing 	<ul style="list-style-type: none"> ▪ For Mortgages with recourse, indemnification or another negotiated credit enhancement are ineligible for refinancing as a Relief Refinance Mortgage – Open Access ▪ Mortgages with pool insurance are eligible for refinancing 		

Topics	Same Servicer (Existing Requirements)	Same Servicer - LTV Ratios Greater than 80%	Same Servicer - LTV Ratios Less than or Equal to 80%	Open Access (Existing Requirements)	Open Access (New Enhancements)
Appraisal or AVM Requirements of Mortgage being refinanced	<ul style="list-style-type: none"> ▪ Original collateral documentation (original appraisal, Last Feedback Certificate if eligible for the Property Inspection Alternative or original AVM documentation if AVM permitted by Seller's Purchase Documents) must be in the existing Mortgage file ▪ The original appraisal, Property Inspection Alternative or AVM must meet the requirements of the Seller's Purchase Documents ▪ The Seller retains all representations and warranties for the original appraisal or AVM for the existing Mortgage 	<p>Same, except that the Seller is not responsible for the representations and warranties regarding the value, condition and marketability of the Mortgaged Premises for the Mortgage being refinanced</p>	<ul style="list-style-type: none"> ▪ Original collateral documentation (original appraisal, Last Feedback Certificate if eligible for the Property Inspection Alternative or original AVM documentation if AVM permitted by Seller's Purchase Documents) must be in the existing Mortgage file ▪ The original appraisal, Property Inspection Alternative or AVM must meet the requirements of the Seller's Purchase Documents ▪ The Seller retains all representations and warranties for the original appraisal or AVM for the existing Mortgage 	<p>Not applicable</p>	<p>Not applicable</p>



Relief Refinance Mortgage Eligibility Requirements					
Topics	Same Servicer (Existing requirements)	Same Servicer - LTV Ratios Greater than 80%	Same Servicer - LTV Ratios Less than or Equal to 80%	Open Access (Existing Requirements)	Open Access (New Enhancements)
Borrower Impact	<ul style="list-style-type: none"> Reduction in the interest rate of the First Lien Mortgage, Replacement of an ARM, Initial InterestSM Mortgage (or any Mortgage with an initial interest-only period) or a Balloon/Reset Mortgage with a fixed-rate, fully amortizing Mortgage or A reduction in the amortization term of the First Lien Mortgage (the new refinance Mortgage may have a longer amortization term than the existing Mortgage if at least one of the other requirements is met) 	Same with the additional benefit of: <ul style="list-style-type: none"> A reduction in the monthly Principal and Interest Payment of the First Lien Mortgage 		<ul style="list-style-type: none"> Reduction in the interest rate of the First Lien Mortgage, Replacement of an ARM, Initial InterestSM Mortgage (or any Mortgage with an initial interest-only period) or a Balloon/Reset Mortgage with a fixed-rate, fully amortizing Mortgage or A reduction in the amortization term of the First Lien Mortgage (the new refinance Mortgage may have a longer amortization term than the existing Mortgage if at least one of the other requirements is met) 	Same with the additional benefit of: <ul style="list-style-type: none"> A reduction in the monthly Principal and Interest Payment of the First Lien Mortgage



Topics	Same Servicer (Existing Requirements)	Same Servicer - LTV Ratios Greater than 80%	Same Servicer - LTV Ratios Less than or Equal to 80%	Open Access (Existing Requirements)	Open Access (New Enhancements)
<p>Maximum LTV/TLTV/HTLTV</p>	<p>The maximum LTV ratio must not exceed:</p> <ul style="list-style-type: none"> 105% for ARMs 125% for fixed-rate Mortgages There is no maximum TLTV and HTLTV ratio <p>Note: If the existing Mortgage is a Texas Equity Section 50(a)(6) Mortgage, the maximum LTV and TLTV ratios must not exceed 80%. A Seller must ensure that a Mortgage secured by Borrower's homestead in Texas is originated in accordance with Section 50(a)(6) of Article XVI of the Texas Constitution</p>	<p>FRE Settlements on or after January 3, 2011</p> <ul style="list-style-type: none"> Fixed-rate Mortgages: the LTV ratio must be greater than 80% and the maximum LTV ratio is 125% ARMs: the LTV ratio must be greater than 80% and the maximum LTV ratio is 105% There is no maximum TLTV and HTLTV ratio <p>FRE Settlements on or after February 1, 2012*</p> <ul style="list-style-type: none"> Fixed-rate Mortgages sold under fixed-rate Cash: the LTV ratio must be greater than 80% and there is no maximum LTV ratio There is no maximum TLTV and HTLTV ratio <p>FRE Settlements on or after June 1, 2012*</p> <ul style="list-style-type: none"> Fixed-rate Guarantor: the LTV ratio must be greater than 80% and there is no maximum LTV ratio There is no maximum TLTV and HTLTV ratio <p>*Note: ARMs remain with a maximum LTV ratio of 105% Note: Texas Equity Section 50(a)(6) Mortgages are ineligible</p>	<p>FRE Settlements on or after January 3, 2011</p> <ul style="list-style-type: none"> Maximum LTV ratio is 80% Maximum TLTV and HTLTV ratio is 105% <p>Note: Notwithstanding the foregoing, the maximum LTV and TLTV ratios for Texas Equity Section 50(a)(6) Mortgages is 80%</p>	<p>The maximum LTV ratio must not exceed:</p> <ul style="list-style-type: none"> 105% for ARMs 125% for fixed-rate Mortgages There is no maximum TLTV and HTLTV ratio <p>Note: If the existing Mortgage is a Texas Equity Section 50(a)(6) Mortgage, the maximum LTV and TLTV ratios must not exceed 80%. A Seller must ensure that a Mortgage secured by Borrower's homestead in Texas is originated in accordance with Section 50(a)(6) of Article XVI of the Texas Constitution</p>	<p>FRE Settlements on or after January 3, 2012</p> <p><u>LTV ratios less than or equal to 80%:</u></p> <ul style="list-style-type: none"> Maximum LTV ratio is 80% Maximum TLTV and HTLTV ratio is 105% <p><u>LTV ratios greater than 80%:</u></p> <ul style="list-style-type: none"> Fixed-rate Mortgages: the LTV ratio must be greater than 80% and the maximum LTV ratio is 125% ARMs: the LTV ratio must be greater than 80% and the maximum LTV ratio is 105% There is no maximum TLTV/HTLTV ratio <p>FRE Settlements on or after March 15, 2012*</p> <p><u>LTV ratios less than or equal to 80%:</u></p> <ul style="list-style-type: none"> Remain the same as above <p><u>LTV ratios greater than 80%*:</u></p> <ul style="list-style-type: none"> Fixed-rate Mortgages sold under fixed-rate Cash: the LTV ratio must be greater than 80% and there is no maximum LTV/TLTV/HTLTV ARMs remain the same <p>FRE Settlements on or after June 1, 2012*</p> <p><u>LTV ratios less than or equal to 80%:</u></p> <ul style="list-style-type: none"> Remain the same as above <p><u>LTV ratios greater than 80%*:</u></p> <ul style="list-style-type: none"> Fixed-rate Guarantor: the LTV ratio must be greater than 80% and there is no maximum LTV/TLTV/HTLTV ARMs remain the same



Topics	Same Servicer (Existing Requirements)	Same Servicer - LTV Ratios Greater than 80%	Same Servicer - LTV Ratios Less than or Equal to 80%	Open Access (Existing Requirements)	Open Access (New Enhancements)
<p>Mortgage Proceeds/ Closing Costs, Financing Costs and Prepaid Items</p>	<p>The proceeds of the Relief Refinance Mortgage must be used only to:</p> <ul style="list-style-type: none"> ▪ Pay off the first Mortgage (amount including only the unpaid principal balance and interest accrued through the date the Mortgage being refinanced is paid off). ▪ Pay up to the lesser of 4% of the unpaid principal balance or \$5,000 in related Closing Costs, Financing Costs and Prepays/Escrows ▪ Under no circumstances may cash disbursed to the Borrower exceed \$250 <p>Note: The proceeds may not be used to pay off or pay down any junior liens</p>	<p>The proceeds of the Relief Refinance Mortgage must be used only to:</p> <ul style="list-style-type: none"> ▪ Pay off the first Mortgage (amount including only the unpaid principal balance and interest accrued through the date the Mortgage being refinanced is paid off). ▪ Pay related Closing Costs, Financing Costs and Prepays/Escrows ▪ Disburse cash out to the Borrower (or any other payee) not to exceed 2% of the Relief Refinance Mortgage – Same Servicer, or \$2000, whichever is less <p>Note: Under no circumstances may cash disbursed to the Borrower (or any payee) exceed the maximum permitted</p>	<p>The proceeds of the Relief Refinance Mortgage must be used only to:</p> <ul style="list-style-type: none"> ▪ Pay off the first Mortgage (amount including only the unpaid principal balance and interest accrued through the date the Mortgage being refinanced is paid off) ▪ Pay up to the lesser of 4% of the unpaid principal balance or \$5,000 in related Closing Costs, Financing Costs and Prepays/Escrows ▪ Under no circumstances may cash disbursed to the Borrower exceed \$250 <p>Note: The proceeds may not be used to pay off or pay down any junior liens</p>	<p>The proceeds of the Relief Refinance Mortgage must be used only to:</p> <ul style="list-style-type: none"> ▪ Pay off the first Mortgage (amount including only the unpaid principal balance and interest accrued through the date the Mortgage being refinanced is paid off). ▪ Pay related Closing Costs, Financing Costs and Prepays/Escrows ▪ Disburse cash out to the Borrower (or any other payee) not to exceed 2% of the Relief Refinance Mortgage – Open Access or \$2,000, whichever is less ▪ Under no circumstances may cash disbursed to the Borrower (or any payee) exceed the maximum permitted <p>For LTV ratios greater than 80%:</p> <ul style="list-style-type: none"> ▪ Same as existing Open Access requirements 	<p>For LTV ratios less than or equal to 80%, the proceeds of the Relief Refinance Mortgage must be used only to:</p> <ul style="list-style-type: none"> ▪ Pay off the first Mortgage (amount including only the unpaid principal balance and interest accrued through the date the Mortgage being refinanced is paid off). ▪ Pay related Closing Costs, Financing Costs and Prepays/Escrows ▪ Disburse cash out to the Borrower (or any other payee) not to exceed 2% of the Relief Refinance Mortgage – Open Access or \$2,000, whichever is less ▪ Under no circumstances may cash disbursed to the Borrower (or any payee) exceed the maximum permitted <p>For LTV ratios greater than 80%:</p> <ul style="list-style-type: none"> ▪ Same as existing Open Access requirements

Topic	Same Servicer (Existing Requirements)	Same Servicer - LTV Ratios Greater than 80%	Same Servicer - LTV Ratios Less than or Equal to 80%	Open Access (Existing Requirements)	Open Access (New Enhancements)
<p>Occupancy</p>	<ul style="list-style-type: none"> ▪ 1- to 4-unit Primary Residence ▪ 1-unit second home, provided the Mortgage being refinanced was underwritten and sold to Freddie Mac as a second-home Mortgage ▪ 1- to 4-unit Investment Property, provided Mortgage being refinanced was underwritten and sold to Freddie Mac as an Investment Property Mortgage <p>Note: If the Mortgage being refinanced was underwritten and sold to Freddie Mac as a second home or Investment Property Mortgage, and the property is now a Primary Residence and the Borrower(s) obligated on the Note is now an Owner-Occupant, the Relief Refinance Mortgage is eligible for sale to Freddie Mac as a Primary Residence Mortgage, provided it meets all of the other Relief Refinance Mortgage requirements</p>	<ul style="list-style-type: none"> ▪ 1- to 4-unit Primary Residence ▪ 1-unit second home ▪ 1- to 4-unit Investment Property <p>The Mortgage being refinanced and the Relief Refinance Mortgage – Same Servicer do not have to represent the same occupancy</p>	<ul style="list-style-type: none"> ▪ 1- to 4-unit Primary Residence ▪ 1-unit second home, provided the Mortgage being refinanced was underwritten and sold to Freddie Mac as a second-home Mortgage ▪ 1- to 4-unit Investment Property, provided Mortgage being refinanced was underwritten and sold to Freddie Mac as an Investment Property Mortgage <p>Note: If the Mortgage being refinanced was underwritten and sold to Freddie Mac as a second home or Investment Property Mortgage, and the property is now a Primary Residence and the Borrower(s) obligated on the Note is now an Owner-Occupant, the Relief Refinance Mortgage is eligible for sale to Freddie Mac as a Primary Residence Mortgage, provided it meets all of the other Relief Refinance Mortgage requirements</p>	<ul style="list-style-type: none"> ▪ 1- to 4-unit Primary Residence ▪ 1-unit second home, must meet the requirements of Section 22.22 ▪ 1- to 4-unit Investment Property, must meet the requirements of 22.22.1 	



Offering	Same Servicer (Existing requirements)	Same Servicer - LTV Ratios Greater than 80%	Same Servicer - LTV Ratios Less than or Equal to 80%	Open Access (Existing Requirements)	Open Access (New Enhancements)
<p>Loan Prospector/AUS</p>	<p>Must <u>not</u> be submitted to Loan Prospector or any other automated underwriting system. The Mortgage must be manually underwritten</p>			<ul style="list-style-type: none"> ▪ Must be submitted to Loan Prospector. (Reminder: Ensure that “Relief Refinance – Open Access” is entered in the Offering Identifier field and “No cash-out Refi” is entered in the Purpose of Refinance field) ▪ Must receive a risk class of Accept, or Caution with the Purchase Eligibility message of ‘500 Freddie Mac Eligible. LP A-minus Offering’ ▪ A Mortgage with a risk class of Caution and no A-minus Purchase Eligibility message must be manually underwritten in accordance with Guide Chapter 37 ▪ A Mortgage with an unresolved AUS Status of ineligible, invalid or incomplete is not eligible for sale to Freddie (refer to Guide Section 2.2.1 on correcting information and resubmitting the Mortgage to Loan Prospector <p>Note: For all A-minus Mortgages, the requirements of Guide Chapter C33 must be met except that the Mortgage payment history requirements above must be met</p>	<p>Loan Prospector will be updated on or before March 15, 2012 to recognize Relief Refinance Mortgages – Open Access with LTV ratios greater than 125% LTV</p> <p>Same as existing Open Access requirements except:</p> <ul style="list-style-type: none"> ▪ Removed manual overlay requirement that the Mortgage payment history for the Mortgage being refinanced has not been 30 or more days delinquent in the most recent 12 months. This also applies to A-minus



Offering	Same Servicer (Existing requirements)	Same Servicer - LTV Ratios Greater than 80%	Same Servicer - LTV Ratios Less than or Equal to 80%	Open Access (Existing Requirements)	Open Access (New Enhancements)
Indicator Score	<ul style="list-style-type: none"> A new Indicator Score must be identified and delivered for all Freddie Mac Relief Refinance Mortgages. Refer to Guide Sections 37.5(e) for identifying the Indicator Score, and 37.5(f) and 17.3(c) for Indicator Score delivery requirements There is <u>no minimum Indicator Score requirement, unless the Borrower's principal and interest payment on the new refinance Mortgage increases by more than 20%. See Maximum Housing Payment Increase (P&I) below for requirements</u> If no minimum Indicator Score is required, and there is no usable credit score due to insufficient or inaccurate information, Mortgage is eligible for sale If a minimum Indicator Score is required, and there is no usable score, then the Mortgage is ineligible 		<ul style="list-style-type: none"> Minimum Indicator Score of 620 is required If there is no usable credit score then the mortgage is ineligible for purchase as a Relief Refinance Mortgage – Same Servicer A new Indicator Score must be identified and delivered for all Freddie Mac Relief Refinance Mortgages. Refer to Guide Sections 37.5(e) for identifying the Indicator Score, and 37.5(f) and 17.3(c) for Indicator Score delivery requirements 		<ul style="list-style-type: none"> A new Indicator Score must be identified and delivered for all Freddie Mac Relief Refinance Mortgages. Refer to Guide Sections 37.5(e) for identifying the Indicator Score, and 37.5(f) and 17.3(c) for Indicator Score delivery requirements For Loan Prospector Caution manually underwritten mortgages, refer to Guide Chapter B24.3(d)(ii) for the minimum Indicator Score requirements. <p>If there are no usable credit scores due to insufficient information or inaccurate information, the mortgage is not eligible a Relief Refinance – Open Access Mortgage</p>
Employment and Income Documentation	Required if principal and interest increases by more than 20%	<p>Regardless of change in principal and interest verify source of income At least one Borrower must have a source of income and verification of the income source is required</p> <ul style="list-style-type: none"> Employed income: Verbal verification of employment is required and must meet the requirements of Sections 37.20(b) and 37.22(a) Self-employed: Verification of existence of the business is required and must meet the requirements of Section 37.22(a) Other income sources: verification of the source of income is required <p>If principal and interest increases by more than 20%, see Maximum Housing Payment Increase (P&I) below for additional eligibility requirements</p>		Follow the documentation level requirements as indicated in the Loan Prospector Feedback. Standard documentation requirements apply to all manually underwritten Mortgages	

Topic	Same Servicer (Existing requirements)	Same Servicer - LTV Ratios Greater than 80%	Same Servicer - LTV Ratios Less than or Equal to 80%	Open Access (Existing Requirements)	Open Access (New Enhancements)
Maximum Housing Payment Increase (P&I)	<p>If the principal and interest increases by more than 20% of the principal and interest payment most frequently made by the Borrower(s) during the most recent 12 months, or since the Note Date of the Mortgage being refinanced if less than 12 months from the application date of the Relief Refinance Mortgage*, the following requirements must be met:</p> <ul style="list-style-type: none"> ▪ New credit report ▪ A new minimum Indicator Score is required and must be at least 620 ▪ Verification of income source and amount meeting Streamlined Accept documentation requirements (at a minimum) ▪ Verification of funds (at a minimum, verifications must meet Streamlined Accept Documentation requirements for verification of assets) ▪ Debt-to-income ratio must be calculated using new credit report and verified income and cannot exceed 45% <p>* There is no limit on the amount of the increase</p>	<p>The following requirements must be met when the principal and interest payment increases* by more than 20% of the current contractually obligated payment under the Note. In the event that the Note provides for more than one payment option, the Seller must use the lowest payment option to determine whether the increase exceeds 20%</p> <ul style="list-style-type: none"> ▪ New credit report must be obtained ▪ A new minimum Indicator Score is required and must be at least 620. (Note: required on all Same Servicer Mortgages with LTV 80% or less) ▪ Verification of income source and amount meeting Streamlined Accept documentation requirements (at a minimum) ▪ Verification of Borrower Funds needed for closing. At a minimum, verifications must meet Streamlined Accept Documentation requirements for verification of assets. (Note: required on all Same Servicer Mortgages with LTV 80% or less) ▪ Debt-to-income ratio must be calculated using new credit report and verified income and cannot exceed 45% <p>Since a minimum Indicator Score is required in this instance, if no Borrower has a usable Credit Score so the Mortgage does not have an Indicator Score, the Mortgage is not eligible for purchase as a Relief Refinance Mortgage – Same Servicer.</p> <p>* There is no limit on the amount of the increase</p>		<p>No limitation on the amount of the increase in the Borrower's principal and interest payment</p>	
Asset Documentation	<p>Not required. If principal and interest increases by more than 20% then verification of Borrower Funds needed for closing is required. See Maximum Housing Payment Increase (P&I) above for additional eligibility requirements</p>	<p>Verification of Borrower Funds needed for closing is required. At a minimum verifications must meet Streamlined Accept Documentation requirements</p>		<p>Verification of Borrower Funds needed for closing is required documenting per the minimum Documentation Level per the Loan Prospector Feedback Certificate</p>	

Topic	Same Servicer (Existing Requirements)
<p>Property Value Determination for New Mortgage</p>	<p>Property value may be determined by one of three different methods:</p> <p><u>Option One: Home Value Explorer® (HVE)</u> Seller may determine the value of the Mortgaged Premises using a point value estimate from HVE. Sellers using HVE data agree to the terms and conditions of Guide Exhibit 32, Terms Relating to Use of Data Generated by Home Value Explorer. All the following requirements must be met:</p> <ul style="list-style-type: none"> ▪ 1-unit attached or detached dwelling, or a unit in a Condominium Project or PUD (no Manufactured Homes, dwelling on a leasehold estate, or if a Seller is permitted to deliver Cooperative Share Mortgages under its Purchase Documents, a Cooperative Unit) ▪ Forecast Standard Deviation no greater than 0.20 (corresponding to a Confidence Score of “H” (high) or “M” (medium)) ▪ Written copy of the HVE point value estimate in the Mortgage file. If estimates for a group of Mortgages are in one report, the Mortgage file must contain a screen print of the applicable HVE point value estimate, Forecast Standard Deviation, Confidence Score, and date of the estimate ▪ As of the Delivery Date of the refinance Mortgage, the HVE point value estimate may not be more than 180 days old <p><u>Seller Representation and Warranties:</u> Relieved of value, interior and exterior condition and marketability of the Mortgaged Premises representations and warranties for the refinance Mortgage. Seller may not use the HVE value option if aware of any circumstances or conditions adversely affecting the value, condition or marketability of the Mortgaged Premises as of the Delivery Date. All information provided for the purpose of obtaining the HVE point value estimate, including the address of the Mortgaged Premises, is true, complete and accurate</p> <p><u>Option two: New Appraisal or AVM</u> Obtain a new appraisal, or if the Seller’s Purchase Documents permit the use of an AVM in lieu of an appraisal, obtain a new AVM</p> <p><u>Seller Representation and Warranties:</u> Value, as of the Delivery Date of the new refinance Mortgage, is at least equal to the value of the appraisal or if Seller’s Purchase Documents permit the use of an AVM in lieu of an appraisal, the AVM, with the most recent effective date before the Delivery Date of the refinance Mortgage. Interior and exterior condition and marketability of the Mortgaged Premises.</p> <p><u>Option three: Appraisal or AVM from the Mortgage Being Refinanced</u> Provide the original appraisal, or if the Seller’s Purchase Documents permitted the use of an AVM in lieu of an appraisal, provide the AVM documentation. If a Form 2070 or the Property Inspection Alternative was used, obtain a new appraisal or AVM and retain the Feedback Certificate in the file of the existing Mortgage</p> <p><u>Seller Representations and Warranties for Appraisal or AVM from the existing Mortgage option:</u> Value, as of the Delivery Date of the refinance Mortgage, is at least equal to the value of the appraisal, or if Seller’s Purchase Documents permit the use of an AVM in lieu of an appraisal, the AVM with the most recent effective date before the Delivery Date of the refinance Mortgage and the condition and marketability of the Mortgaged Premises</p> <p><u>Note:</u> Seller is still responsible for the original appraisal or AVM value and the original representations and warranties regarding the value, condition and marketability of the Mortgaged Premises for the existing Mortgage</p>



<p>Property Value Determination for New Mortgage <i>(cont'd)</i></p>	<p>Same Servicer - LTV Ratios Greater than 80% AND Same Servicer - LTV Ratios Less than or Equal to 80%</p>
	<p>Property value may be determined by one of two different methods:</p> <p><u>Option One: Home Value Explorer® (HVE)</u> Seller may determine the value of the Mortgaged Premises using a point value estimate from HVE. Sellers using HVE data agree to the terms and conditions of Guide Exhibit 32, Terms Relating to Use of Data Generated by Home Value Explorer. All the following requirements must be met:</p> <ul style="list-style-type: none"> ▪ 1 -unit (2-units will be eligible for HVE with FRE Settlements on or after March 15, 2012) attached or detached dwelling, or a unit in a Condominium Project or PUD (no Manufactured Homes, dwelling on a leasehold estate, or if a Seller is permitted to deliver Cooperative Share Mortgages under its Purchase Documents, a Cooperative Unit) ▪ Forecast Standard Deviation no greater than 0.20 (corresponding to a Confidence Score of “H” (high) or “M” (medium)) ▪ Written copy of the HVE point value estimate in the Mortgage file. If estimates for a group of Mortgages are in one report, the Mortgage file must contain a screen print of the applicable HVE point value estimate, Forecast Standard Deviation, Confidence Score, and date of the estimate ▪ As of the Note Date of the refinance Mortgage, the HVE point value estimate may not be more than 120 days old <p><u>Seller Representation and Warranties:</u> Relieved of value, interior and exterior condition and marketability of the Mortgaged Premises representations and warranties for the refinance Mortgage. Seller may not use the HVE value option if aware of any circumstances or conditions adversely affecting the value, condition or marketability of the Mortgaged Premises as of the Settlement Date. All information provided for the purpose of obtaining the HVE point value estimate, including the address of the Mortgaged Premises, is true, complete and accurate.</p> <p><u>Option Two: Obtain a New Appraisal</u> <u>Seller Representations and Warranties for New Appraisal:</u> Value, as of the Settlement Date of the new refinance Mortgage, is at least equal to the value of the appraisal with the most recent effective date before the Settlement Date of the refinance Mortgage. Interior and exterior condition and marketability of the Mortgaged Premises.</p> <p>(Note: No longer permitting determination of property value based on the appraisal or Automated Valuation Model (AVM) from the Mortgage being refinanced and no longer permitting determination of property value based on a new AVM value other than HVE.)</p>



<p>Property Value Determination for New Mortgage <i>(cont'd)</i></p>	<p style="text-align: center;">Open Access (Existing Requirements)</p> <p>Property value must be determined by obtaining an appraisal with an interior and exterior inspection meeting the requirements of Guide Chapter 44</p> <p><i>Seller Representations and Warranties for New Appraisal:</i> Value, as of the Delivery Date of the new refinance Mortgage, is at least equal to the value of the appraisal with the most recent effective date before the Delivery Date of the refinance Mortgage. Interior and exterior condition and marketability of the Mortgaged Premises.</p>
<p>Property Value Determination for New Mortgage <i>(cont'd)</i></p>	<p style="text-align: center;">Open Access (New Enhancements)</p> <p><u>Effective for Mortgages with Freddie Mac Settlement Dates on or after March 15, 2012</u> Property Value may be determined by one of two different methods:</p> <p><u>Option One: Home Value Explorer® (HVE)</u> Seller may determine the value of the Mortgaged Premises using a point value estimate from HVE. Sellers using HVE data agree to the terms and conditions of Guide Exhibit 32, Terms Relating to Use of Data Generated by Home Value Explorer. All the following requirements must be met:</p> <ul style="list-style-type: none"> ▪ 1- to 2-unit attached or detached dwelling, or a unit in a Condominium Project or PUD (no Manufactured Homes, dwelling on a leasehold estate, or if a Seller is permitted to deliver Cooperative Share Mortgages under its Purchase Documents, a Cooperative Unit) ▪ Forecast Standard Deviation no greater than 0.20 (corresponding to a Confidence Score of “H” (high) or “M” (medium)) ▪ Written copy of the HVE point value estimate in the Mortgage file. If estimates for a group of Mortgages are in one report, the Mortgage file must contain a screen print of the applicable HVE point value estimate, Forecast Standard Deviation, Confidence Score, and date of the estimate ▪ As of the Note Date of the refinance Mortgage, the HVE point value estimate may not be more than 120 days old <p><i>Note:</i> AVMs other than HVE are not allowed. <i>Note:</i> For Texas Equity Section 50(a)(6) Mortgages, the Seller must obtain an appraisal that meets Freddie Mac requirements and complies with Section 50(a)(6)(Q)(ix) and Section 50(h) of Article XVI of the Texas Constitution.</p> <p><i>Seller Representation and Warranties:</i> Relieved of value, interior and exterior condition and marketability of the Mortgaged Premises representations and warranties for the refinance Mortgage. Seller may not use the HVE value option if aware of any circumstances or conditions adversely affecting the value, condition or marketability of the Mortgaged Premises as of the Delivery Date. All information provided for the purpose of obtaining the HVE point value estimate, including the address of the Mortgaged Premises, is true, complete and accurate</p> <p><u>Option Two: Obtain a New Appraisal</u> Property value must be determined by obtaining an appraisal with an interior and exterior inspection meeting the requirements of Guide Chapter 44</p> <p><i>Seller Representations and Warranties for New Appraisal:</i> Value, as of the Delivery Date of the new refinance Mortgage, is at least equal to the value of the appraisal with the most recent effective date before the Delivery Date of the refinance Mortgage. Interior and exterior condition and marketability of the Mortgaged Premises</p>

Topic	Same Servicer (Existing requirements)	Same Servicer - LTV Ratios Greater than 80%	Same Servicer - LTV Ratios Less than or Equal to 80%	Open Access (Existing Requirements)	Open Access (New Enhancements)
Subordinate/ Junior Liens	<ul style="list-style-type: none"> ▪ Existing junior liens must be re-subordinated to the new refinance Mortgage and meet the requirements of the Guide Chapter 25 pertaining to secondary financing ▪ An increase in the current unpaid principal amount of any junior lien is prohibited to curtail the Relief Refinance Mortgage – Same Servicer or to pay related Closing Costs, Financing Costs or Prepays/Escrows, and no new secondary financing is permitted ▪ May be refinanced simultaneously with the First Lien Mortgage for one of the following purposes: <ul style="list-style-type: none"> ○ A reduction in the interest rate of the junior lien ○ To replace an ARM, an interest-only junior lien, or a junior lien with a balloon or call option with a fixed-rate, fully amortizing junior lien ○ A reduction in the amortization term of the junior lien <p>For additional requirements refer to Guide Section A24.3 (Same Servicer)</p>	<p>Same, with the additional benefit of:</p> <ul style="list-style-type: none"> ▪ A reduction in the monthly principal and interest (P&I) payment when the existing junior liens are refinanced simultaneously with the new refinance Mortgage <p>For additional requirements refer to Same Servicer Guide Sections A24.3 and C24.3</p>		<ul style="list-style-type: none"> ▪ Existing junior liens must be re-subordinated to the new refinance Mortgage and meet the requirements of the Guide Chapter 25 pertaining to secondary financing ▪ An increase in the current unpaid principal amount of any junior lien is prohibited to curtail the Relief Refinance Mortgage – Open Access or to pay related Closing Costs, Financing Costs or Prepays/Escrows, and no new secondary financing is permitted ▪ May be refinanced simultaneously with the First Lien Mortgage for one of the following purposes: <ul style="list-style-type: none"> ○ A reduction in the interest rate of the junior lien ○ To replace an ARM, an interest-only junior lien, or a junior lien with a balloon or call option with a fixed-rate, fully amortizing junior lien ○ A reduction in the amortization term of the junior lien <p>For additional requirements refer to Guide Section B24.3 (Open Access)</p>	<p>Same, with the additional benefit of:</p> <ul style="list-style-type: none"> ▪ A reduction in the monthly principal and interest (P&I) payment when the existing junior liens are refinanced simultaneously with the new refinance Mortgage

For the complete detailed eligibility and underwriting requirements that apply to these Mortgages, refer to the applicable Guide Chapters for the Freddie Mac Relief Refinance Mortgages – Same Servicer with LTV Ratios Greater than 80% (A24), Freddie Mac Relief Refinance Mortgages – Open Access (B24), and the new Guide Chapter for Freddie Mac Relief Refinance Mortgages – Same Servicer with LTV Ratios Less than or Equal to 80% (C24).

This document is not a replacement or substitute for the information found in the *Single-Family Seller/Servicer Guide*, and /or terms of your Master Agreement and/or Master Commitment.

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