

Product Snapshot

Freddie Mac HomeOneSM

The Freddie Mac HomeOneSM Mortgage offers a solution to help more first-time homebuyers achieve the milestone of homeownership, regardless of their income levels or geographic location.

Freddie Mac's HomeOneSM mortgage does not have income restrictions, allows the borrower to utilize flexible down payment sources and does not require a minimum borrower contribution from their own personal funds.

Primary Residence – Purchase and Rate and Term Refinance					
Property Type		LTV	TLTV	Min Credit Score	Max DTI ²
HomeOne SM	1-Unit	97%	105% ¹	580 or Per MI	Determined by Loan Product Advisor (LPA) or Mortgage Insurance Provider
¹ Refinance transactions with LTV over 97% have restrictions on secondary financing, see the details below ² Maximum 50% in the state of West Virginia regardless of AUS approval					

Program Parameters									
Eligible Transactions	<ul style="list-style-type: none"> • Purchase • Limited Cash-Out Refinance <ul style="list-style-type: none"> • LTV and/or HLTV > 95% <ul style="list-style-type: none"> ◦ the loan being refinanced must be owned by Freddie Mac • TLTV > 95% and secondary financing is not an Affordable Second <ul style="list-style-type: none"> ◦ the loan must be owned by Freddie Mac • TLTV > 95 and secondary financing is an Affordable Second <ul style="list-style-type: none"> ◦ loan being refinanced does not have to be owned by Freddie Mac. 								
Special Program Considerations	<table border="1"> <thead> <tr> <th colspan="2">Freddie Mac BorrowSmartSM</th> </tr> </thead> <tbody> <tr> <td>Program Details</td> <td>Cardinal Financial funded grant which offers down payment assistance. Refer to the BorrowSmart Process Guide for more information.</td> </tr> <tr> <td>Eligibility</td> <td>Down Payment Assistance options are available in all states</td> </tr> <tr> <td><u>Cardinal Financial Grant - MIP - CFGRANTMI</u></td> <td>Moderate Income Purchase (MIP) borrowers at or above 80.01% County AMI: <ul style="list-style-type: none"> • Borrower(s) whose qualifying income is greater than 80% and less than or equal </td> </tr> </tbody> </table> <p>The BorrowSmart MIP Grant (CFGRANTMI) will be discontinued; refer to key dates below.</p>	Freddie Mac BorrowSmart SM		Program Details	Cardinal Financial funded grant which offers down payment assistance. Refer to the BorrowSmart Process Guide for more information.	Eligibility	Down Payment Assistance options are available in all states	<u>Cardinal Financial Grant - MIP - CFGRANTMI</u>	Moderate Income Purchase (MIP) borrowers at or above 80.01% County AMI: <ul style="list-style-type: none"> • Borrower(s) whose qualifying income is greater than 80% and less than or equal
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	<p>The BorrowSmart MIP Grant (CFGRANTMI) will be retired according to the following timeline:</p> <ul style="list-style-type: none"> Loans must be referred for Program eligibility on or before May 31st, 2024 Homebuyer Counseling sessions may be completed after that date, but must be done prior to the Note date All mortgages must have a funding date no later than October 11, 2024 	<p>to 100% of county area median income can qualify for \$1,000</p> <ul style="list-style-type: none"> Assistance available only if the property is in a high needs areas within designated rural tracts and is not a Manufactured Home Manufactured homes with borrowers utilizing the Moderate Income option must be locked utilizing the Freddie Mac Conventional product in conjunction with the FHLMC Conforming Fixed 30 program code; LTV may not exceed 95%
<p>Overlays</p>	<ul style="list-style-type: none"> Refer to the Wholesale Lending Product Overlay Matrix for any applicable Carinal overlays 	

<p style="text-align: center;">Program Requirements</p>	
<p>Appraisal</p>	<p>A full appraisal is required</p>
<p>Borrower Eligibility</p>	<p>Eligible Borrowers</p> <ul style="list-style-type: none"> At least one borrower must be a first-time homebuyer <ul style="list-style-type: none"> Had no ownership interest (sole or joint) in a residential property during the three-year period preceding the date of the purchase of the mortgaged premises A displaced homemaker or a single parent if the individual had no ownership interest in a residential property during the preceding three-year period other than an ownership interest in the marital residence with a spouse. If they solely owned the marital residence, or solely or jointly owned a second home or investment property, the individual may not be considered a first-time homebuyer U.S. citizens Permanent resident aliens Non-permanent resident aliens (see the underwriting guidelines for specific requirements) All borrowers must occupy the mortgaged premises as a primary residence
<p>Credit</p>	<ul style="list-style-type: none"> Bankruptcy <ul style="list-style-type: none"> Determined by Loan Product Advisor (LPA) Collections, Charge-Offs and Judgments

	<ul style="list-style-type: none"> ○ Determined by Loan Product Advisor (LPA) ● Foreclosure, Deed in Lieu of Foreclosure, Short Sale ○ Determined by Loan Product Advisor (LPA)
Credit Score	At least one borrower must have a usable credit score
First-Time Home buyer Requirement (Purchases only)	<ul style="list-style-type: none"> ● At least one occupying Borrower must participate in a homeownership education program before the Note Date or the Effective Date in each of the following instances: <ul style="list-style-type: none"> ○ For purchase transactions when all occupying Borrowers are First-Time Homebuyers, or ○ For any transaction when the credit reputation for all Borrowers is established using only Non-credit Payment References ● Eligible Program Providers: <ul style="list-style-type: none"> ○ Programs developed by HUD-approved counseling agencies, Housing Finance Agencies (HFAs) or Community Development Financial Institutions (CDFIs) ○ Programs developed by mortgage insurance companies ○ Programs that meet the standards of the National Industry Standards for Homeownership Education and Counseling (www.homeownershipstandards.com) ○ Freddie Mac Credit Smart – Steps to Homeownership Tutorial – With Certificate
Income	<p>Two forms of rental income are eligible:</p> <ul style="list-style-type: none"> ● Rental income from a live-in aide residing in a 1-unit primary residence that meets the requirements of Guide Section 5306.2 ● Rental income generated from an ADU on a subject 1-unit primary residence that meets the requirements of Guide Section 5306.3
Income Limits	No income limits
Minimum Borrower Contribution	No minimum contribution from the borrower's personal funds is required
Mortgage Credit Certificates(MCC)	May be considered as qualifying income. See the underwriting guidelines for applicable requirements
Mortgage Insurance	<ul style="list-style-type: none"> ● 35% mortgage insurance coverage applies for LTV >95% ● Custom mortgage insurance coverage is eligible with the applicable custom mortgage insurance credit fee in price ● Mortgage insurance will automatically cancel when the LTV is 78%
Mortgage History	Determined by Loan Product Advisor (LPA)
Occupancy	<ul style="list-style-type: none"> ● Primary residence only <ul style="list-style-type: none"> ○ All borrowers must occupy the subject property as their primary residence ○ Non-occupant co-borrowers are NOT permitted
Ownership of Other Residential Property	Permitted under standard guidelines
Property Type	<p>Eligible Properties</p> <ul style="list-style-type: none"> ● 1-Unit

	<ul style="list-style-type: none"> • Freddie Mac Warrantable Condo • Planned Unit Development (PUD) • Modular home <p>Ineligible Properties</p> <ul style="list-style-type: none"> • 2-4 unit properties • Cooperative property • Manufactured housing
Reserves	Determined by Loan Product Advisor (LPA)
Source of Funds	All funds used to qualify borrowers, including, but not limited to, funds for down payment, closing costs and reserves, must come from the eligible sources described in Guide Section 5501.3
Super Conforming Loans	Not eligible except for standard AK and HI.
Underwriting Method	<ul style="list-style-type: none"> • Loan Product Advisor (LPA) Approval Required • Manual Underwriting not allowed



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