

Freddie Mac's HomeOneSM Mortgage

An Overview

April 2019

Genworth 



Agenda

In Today's Session We Will Cover:

Freddie Mac's HomeOne Mortgage

- Website and Recent Bulletins and Communications
- Freddie Mac's 97% LTV Mortgage Options, HomeOne vs. Home Possible® 97%
- Homebuyer Education Options
- Resources and Tools
- Genworth Mortgage Insurance Rate *Express*® and MI Guidelines

Keep In Mind We Are Comparing Only To The Home Possible 97% Option; Guidelines Are More Expansive For A Home Possible 95% LTV

Freddie Mac Bulletins 2018-7 and 2018-8

Introduction of the Program

- Updated delivery requirements for education (created new Section 6302.41)



TO: Freddie Mac Sellers

SUBJECT: SELLING UPDATES

This Guide Bulletin announces:

- HomeOne™ Mortgage and revised Home Product
- [Freddie Mac HomeOne Mortgage](#) – New
- Updates to the [income limits](#) for Freddie Mac Advantage™ Mortgages, including applying except those secured by properties in low-income areas
- Enhancements to [Loan Product Advice](#)® II
- Integrated Construction Conversion Document
- Sellers are permitted to use Integrated Construction Conversion Mortgage secured by a [Manufactured Home](#)
- Automation of Warehouse Lender release action
- New functionality to automate [Warehouse Pledged Mortgages](#) – August 13, 2018
- Additional Guide updates and reminders
- Further updates as described in the [Additional Guide Updates and Reminders](#) section of this Bulletin

EFFECTIVE DATE

All of the changes announced in this Bulletin are effective immediately unless otherwise noted.

HOMEONE MORTGAGE AND REVISI

Effective July 29, 2018

In support of our continuing efforts to provide a HomeOne Mortgage, our newest low down payment Mortgage, HomeOne Mortgages have loan-to-value (HELOC) LTV (HTLV) ratios above 95%. This low down payment financing option for Borrowers

TO: Freddie Mac Sellers

SUBJECT: SELLING UPDATES

This Guide Bulletin announces:

- Freddie Mac Enhanced Relief Refinance
- Revisions to our Enhanced Relief Refinance™ Mortgage requirements, including:
 - A [Credit Fee in Price cap structure](#) – January 1, 2019 (New)
 - An increase to the [maximum loan-to-value \(LTV\) ratio](#) for Mortgages secured by 1-unit Primary Residences – November 1, 2018
- Uniform Loan Delivery Dataset
- Updates to our delivery requirements for [Freddie Mac HomeOne™ Mortgages](#) – July 29, 2018
- Origination and underwriting
- Clarifications regarding [income stability](#) and [credit inquiries](#)
- Concurrent Transfers of Servicing
- Revisions to Guide Form 960 to account for [Consumer Transfers of Servicing](#) involving eMortgages – October 1, 2018
- Freddie Mac Access Manager
- Updates to the access management provisions of the Master Systems License provided in Guide Section 2401.1 in preparation for the future availability of [Freddie Mac Access Manager](#)
- Investor Reporting Change Initiative
- Removal of the Seller's option to elect the [super Accelerated Refinance Cycle](#)
- Additional Guide updates and reminders
- Further updates as described in the [Additional Guide Updates and Reminders](#) section of this Bulletin

EFFECTIVE DATE

All of the changes announced in this Bulletin are effective immediately unless otherwise noted.

AC ENHANCED RELIEF REFINANCE

In Bulletin 2017-17, the Enhanced Relief Refinance offering provides refinance opportunities to existing Freddie Mac Mortgages who are making their Mortgage payments on time but are not eligible for the Freddie Mac 'no cash-out' refinance offering because the LTV ratio of the new Mortgage is above the maximum limits. The Enhanced Relief Refinance offering is effective for Mortgages received on or after November 1, 2018.

In alignment of the FHFA and in alignment with Fannie Mae, we are revising our Enhanced Relief Refinance requirements by introducing a Credit Fee in Price cap structure. In addition, we are increasing the maximum LTV ratio for Mortgages secured by 1-unit Primary Residences and clarifying our use of H/E values in Section 4304.7 by removing the separate reference to the use of

<http://www.freddiemac.com/singlefamily/guide/bulletins/pdf/bll1807.pdf>

Bulletin 2018-13

Selling Updates

- Consolidation of Home Possible and Home Possible Advantage into a single offering, effective October 29, 2018
- Home Possible now includes LTV/TLTV/HTLTV to 97%



Bulletin

TO: Freddie Mac Sellers

August 29, 2018 | 2018-13

SUBJECT: SELLING UPDATES

This Guide Bulletin announces:

Home Possible® Mortgages

- Enhanced credit flexibilities and simplified [Home Possible® Mortgage](#) requirements through the consolidation of Home Possible and Home Possible Advantage® into a single offering – October 29, 2018

Mortgage eligibility and credit underwriting

- Updates to our payment calculation requirements for [student loans](#) – November 1, 2018
- Flexibilities to our cash back requirements for ["no cash-out" refinance Mortgages](#) – October 27, 2018
- Updates to the time frame for evaluating [inquiries on the credit report](#) – September 9, 2018
- Removal of special delivery requirements for Mortgages with Borrower [income commencing after the Note Date](#)
- An extension of the effective date for [rental income requirements](#), announced in Bulletins 2017-12 and 2018-1 – March 1, 2019

Guide Form 71, Market Conditions Addendum to the Appraisal Report

- The deletion of the requirement that [Form 71](#) be provided with all appraisal reports

Condominium Project insurance

- Updates to our [property, flood, liability and fidelity or employee dishonesty insurance requirements](#)
- An increase to the allowable [deductible for Condominium Projects](#)

Additional Guide updates

- Further updates as described in the [Additional Guide Updates](#) section of this Bulletin

EFFECTIVE DATE

All of the changes announced in this Bulletin are effective immediately unless otherwise noted.

HOME POSSIBLE MORTGAGES

Effective October 29, 2018

In response to Seller feedback, we evaluated our requirements for Home Possible and Home Possible Advantage Mortgages and are combining Home Possible and Home Possible Advantage into one offering in an effort to better help Sellers originate Home Possible Mortgages.

The revised Home Possible Mortgage offering will:

- Provide Sellers with ease of use and operational efficiencies by eliminating the need to maintain two separate offerings

Freddie Mac Home Single-Family Multifamily Capital Markets Search

 Single-Family Business

Single-Family

[Become a Freddie Mac Seller/Servicer](#)

[Originate and Underwrite](#)

[Sell and Deliver](#)

[Affordable Lending](#)

[Loan Advisor Suite](#)

[Uniform Mortgage Data Program \(UMDP\)](#)

 [Mortgage Products](#)

[Home Possible Income & Property Eligibility](#)

HomeOneSM Mortgage

Important Notice

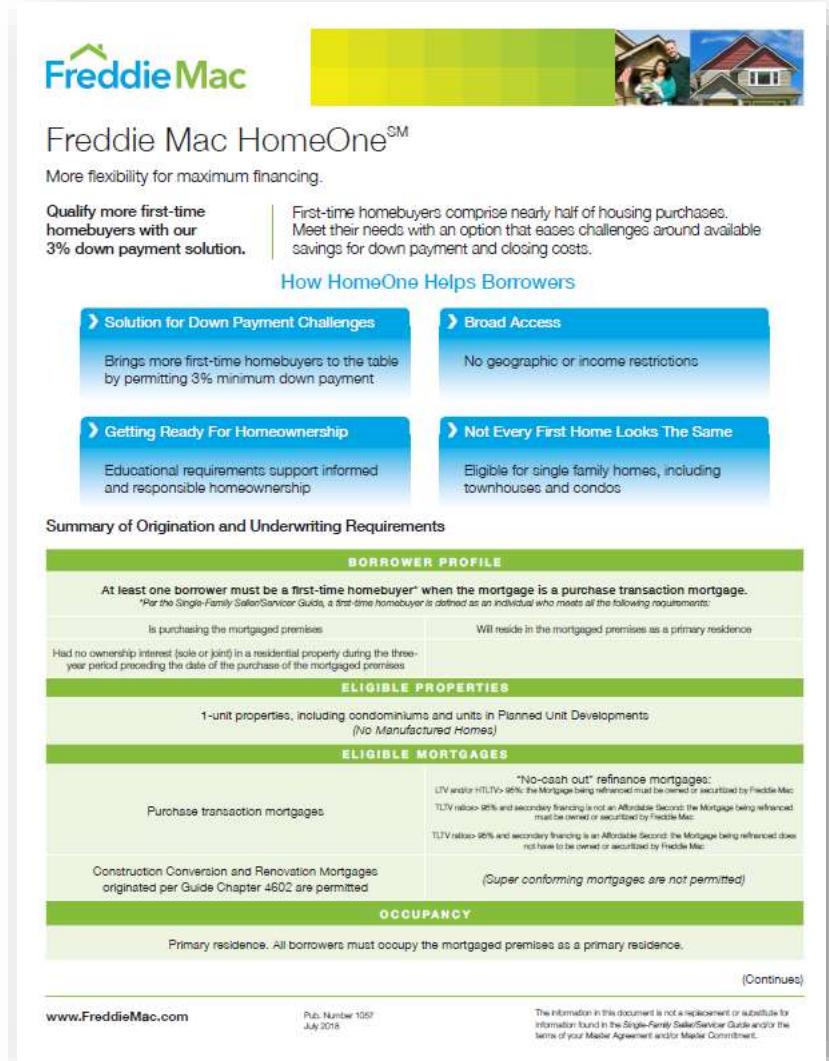
HomeOne will be available effective July 29, 2018.

Available to qualified first-time homebuyers for a low down payment of just 3%

HomeOneSM mortgage is a low down payment option that serves the needs of more first-time homebuyers, along with no cash-out refinance borrowers. This mortgage solution allows you to help more first-time homebuyers achieve the milestone of homeownership, regardless of their income levels or geographic location. HomeOne reflects our dedication to responsible lending, sustainable homeownership and improving access to credit.

<http://www.freddiemac.com/singlefamily/mortgages/homeone/homeone.html>

Freddie Mac HomeOne



The image shows the Freddie Mac HomeOne landing page. At the top left is the Freddie Mac logo. To the right is a color gradient bar with a small photo of a couple in front of a house on the right. Below the logo is the text "Freddie Mac HomeOneSM". Underneath is the tagline "More flexibility for maximum financing." To the left, a box states "Qualify more first-time homebuyers with our 3% down payment solution." To the right, a box states "First-time homebuyers comprise nearly half of housing purchases. Meet their needs with an option that eases challenges around available savings for down payment and closing costs." Below these are four sections: "How HomeOne Helps Borrowers" with "Solution for Down Payment Challenges", "Broad Access", "Getting Ready For Homeownership", and "Not Every First Home Looks The Same". Further down is a "Summary of Origination and Underwriting Requirements" section with four tabs: "BORROWER PROFILE", "ELIGIBLE PROPERTIES", "ELIGIBLE MORTGAGES", and "OCCUPANCY". Each tab contains specific requirements and notes. At the bottom, there is a note "(Continues)" and a footer with links to the Freddie Mac website and a note about the document's purpose.

Freddie Mac HomeOneSM

More flexibility for maximum financing.

Qualify more first-time homebuyers with our 3% down payment solution.

First-time homebuyers comprise nearly half of housing purchases. Meet their needs with an option that eases challenges around available savings for down payment and closing costs.

How HomeOne Helps Borrowers

- **Solution for Down Payment Challenges**
Brings more first-time homebuyers to the table by permitting 3% minimum down payment
- **Broad Access**
No geographic or income restrictions
- **Getting Ready For Homeownership**
Educational requirements support informed and responsible homeownership
- **Not Every First Home Looks The Same**
Eligible for single family homes, including townhouses and condos

Summary of Origination and Underwriting Requirements

BORROWER PROFILE

At least one borrower must be a first-time homebuyer* when the mortgage is a purchase transaction mortgage.
*For the Single-Family Seller/Servicer Guide, a first-time homebuyer is defined as an individual who meets all of the following requirements:

Is purchasing the mortgaged premises	Will reside in the mortgaged premises as a primary residence
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	

ELIGIBLE PROPERTIES

1-unit properties, including condominiums and units in Planned Unit Developments (No Manufactured Homes)

ELIGIBLE MORTGAGES

Purchase transaction mortgages:
LTU under 110%: 95% of the Mortgage being refinanced must be owned or securitized by Freddie Mac.
LTU ratios 95% and secondary financing is not an Affordable Second: the Mortgage being refinanced must be owned or securitized by Freddie Mac.
LTU ratios 95% and secondary financing is an Affordable Second: the Mortgage being refinanced does not have to be owned or securitized by Freddie Mac.

Construction Conversion and Renovation Mortgages originated per Guide Chapter 4602 are permitted
(Super conforming mortgages are not permitted)

OCCUPANCY

Primary residence. All borrowers must occupy the mortgaged premises as a primary residence.

(Continues)

www.FreddieMac.com Pub. Number 1057 July 2016

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

<http://www.freddiemac.com/singlefamily/factsheets/sell/pdf/homeone.pdf>

Freddie Mac Selling Guide

Reference

Single-Family Seller/Servicer Guide

Single-Family Seller/Servicer Guide

Selling

Series 4000: Mortgage Eligibility

Topic 4600: Special Freddie Mac Mortgage Products

Chapter 4605: Freddie Mac HomeOneSM Mortgages

E-mail Text

4605.1: Purchase of Freddie Mac HomeOneSM Mortgages (07/29/18)

HomeOneSM Mortgages are Mortgages with loan-to-value (LTV), total LTV (TLTV) and/or Home Equity Line of Credit (HELOC) TLTV (HTLTV) ratios above 95% originated in accordance with the requirements of the Guide and this chapter.

Related Guide Bulletins	Issue Date
Bulletin 2018-7	April 25, 2018

Freddie Mac's 97% LTV Mortgages

HomeOne: 97% LTV

- **Underwriting Path:** Must be submitted to Loan Product Advisor®
- **Mortgage Flexibility:** Fixed rate conforming loans, with a term of up to 30 years
- **Refinance Options:** No cash-out
- **Primary Residence Only:** All borrowers must occupy the property as their primary residence

“No cash-out” refinance

- LTV and/or HTLTV >95%: loan being refinanced must be owned by Freddie Mac.
- TLTV >95% and secondary financing is not an Affordable Second: loan being refinanced must be owned by Freddie Mac.
- TLTV >95 and secondary financing is an Affordable Second: loan being refinanced does not have to be owned by Freddie Mac.

Home Possible : 97% LTV

- **Underwriting Path:** May be submitted to Loan Product Advisor or manually underwritten
- **Mortgage Flexibility:** Fixed rate conforming with a term of up to 30 years
- **Refinance Options:** No cash-out
- **Primary Residence Only:** All borrowers must occupy the property as their primary residence

See next slide for look-up tool to determine if the current loan is owned by Freddie Mac

Freddie Mac Loan Look-Up Tool

Loan Look-Up Tool

To understand the options available for getting help with your mortgage – including the federal **Home Affordable Refinance Program®** (HARP) – it's important for you to know who owns your loan.

Using the secured look-up tool below, you can quickly find out if Freddie Mac owns your loan. **Please enter your information carefully** – a spelling error or other small mistake could cause an inaccurate result. Abbreviations, typos, or including the "Street Type" in the "Street Name" field can also lead to inaccurate results.

Self-Service Lookup

Indicates required fields *

First Name *

Last Name *

House Number *

Unit Number

<https://ww3.freddiemac.com/loanlookup/>

Freddie Mac's 97% LTV Mortgages

HomeOne: 97% LTV

- **Property Ownership:** At least one of the borrowers must be a first-time homebuyer. A first-time buyer is an individual that:
 - Is purchasing the mortgaged premises
 - Will reside in the mortgaged premises as a primary residence
 - 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

Home Possible : 97% LTV

- **Property Ownership:** *There is no restriction on ownership of property

11. I have multiple borrowers on a loan-- one of the borrowers meets the definition of a first-time homebuyer, but the other borrower currently owns another property. Is this allowed?

Yes, this is acceptable. HomeOne requires only one of the borrowers to meet the definition of a first-time homebuyer.

*In addition, a displaced homemaker or a single parent may also be considered a first-time homebuyer 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 a displaced homemaker or a single parent 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.

**The borrower may have ownership interest in a residential property other than the mortgaged premises if the borrower does not occupy the property, and the lender documents the following:

- The borrower inherited the ownership interest in the property & shares ownership with another party, or
- The borrower owns the property with another party and the debt associated with the property was assigned to the other party by a court order (e.g. divorce decree), or
- The borrower is a cosigner/guarantor on the related mortgage debt and someone other than the borrower has made the payments for the most recent 12 months

Freddie Mac's 97% LTV Mortgages

HomeOne: 97% LTV

- **Minimum Borrower Contribution:** No minimum contribution from Borrower Personal Funds is required
- **Property Type:** Single family, condo, PUDs, No manufactured homes

Home Possible: 97% LTV

- **Minimum Borrower Contribution:** No minimum contribution from Borrower Personal Funds is required
- **Property Type:** Single family, condo, PUDs, No manufactured homes

Freddie Mac's 97% LTV Mortgages

HomeOne: 97% LTV

- **Minimum Reserves:** For Loan Product Advisor Mortgages, verify all reserves required by Loan Product Advisor, as stated on the Feedback Certificate
- **No manual underwrite allowed**

Home Possible: 97% LTV

- **Minimum Reserves:** For Loan Product Advisor Mortgages, verify all reserves required by Loan Product Advisor, as stated on the Feedback Certificate
- **For Manual** - None

Freddie Mac's 97% LTV Mortgages

HomeOne: 97% LTV

- **Secondary Financing:** No HELOC's permitted. TLTB allowed to 105% only with Affordable Second

Home Possible: 97% LTV

- **Secondary Financing:** Only permitting Affordable Seconds meeting the requirements in Guide Section 4204.2. The Affordable Second financing cannot be a HELOC
- An Affordable Second that does not require a monthly payment before the due date of the 61st payment under the Home Possible® Mortgage may be entered in the “total Gift” field of Loan Product Advisor. Refer to Guide Section 4204.2
- RHS Leveraged Seconds are not permitted

Freddie Mac's 97% LTV Mortgages

HomeOne: 97% LTV

Qualifying Ratios:

- For Loan Product Advisor Mortgages
- Determined by Loan Product Advisor

Home Possible Advantage: 97% LTV

Qualifying Ratios:

- For Loan Product Advisor Mortgages
 - Determined by Loan Product Advisor
- For Manually Underwritten Mortgages
 - 45%

Freddie Mac's 97% LTV Mortgages

HomeOne: 97% LTV

- **Income Limits:** No Income Limits

Home Possible: 97% LTV

- **Income Limits:** The borrower must meet income limits. Income must not exceed 100% of (AMI) for the location of the property. Loan Product Advisor will determine the income eligibility; for non-Loan Product Advisor mortgages, the Seller should use the Affordable Income & Property Eligibility tool on Freddie Mac.com
- **No income limit if the home is located in a low-income census tract**

Freddie Mac's 97% LTV Mortgages

HomeOne: 97% LTV

- Credit Underwriting Loan Product Advisor:** A borrower's credit reputation is acceptable if the HomeOne mortgage receives a risk class of Accept IF **at least one borrower has a credit score**

Home Possible 97% LTV

- Credit Underwriting Loan Product Advisor:** A borrower's credit reputation is acceptable if the Home Possible mortgage receives a risk class of Accept and **at least one borrower has a credit score**
- Credit Underwriting on Manual Underwritten Loans:** See below

Property/Mortgage Type	Minimum Indicator Score
1-unit fixed-rate Mortgages that are purchase transactions	660
* 1-unit Mortgages that are "no cash-out" refinance transactions	680

Freddie Mac's 97% LTV Mortgages

HomeOne: 97% LTV

- **Loan Product Advisor Entry:**
N/A

Home Possible : 97% LTV

- **Loan Product Advisor Entry:** Use Offering Identifier Code “250”

5. Are there any new attributes I need to provide in order to identify a HomeOne mortgage in Freddie Mac systems?

Our systems will leverage the same data clients submit normally in order to identify a HomeOne mortgage. This eliminates the need for an offering identifier in Loan Product Advisor or an Investor Feature Identifier (IFI) or Loan Program Identifier in Loan Selling Advisor. For example, Loan Product Advisor will make the determination based on the absence of an offering identifier, as well as LTV/TLTV/HTLTV exceeding 95 percent.

Freddie Mac's 97% LTV Mortgages

HomeOne: 97% LTV

- **Mortgage Insurance:**
 - 35% mortgage insurance coverage applies for LTV >95%

Home Possible: 97% LTV

- **Mortgage Insurance:**
 - 25% MI coverage applies to LTV >90%
 - Standard Coverage applies to $\leq 90\%$ LTV
 - See Selling guide for info on custom coverage.

Freddie Mac's 97% LTV Mortgages

HomeOne: 97% LTV

- **Post Settlement Delivery Fees:**
Standard Credit Fees and Pricing Apply. Refer to Guide Exhibit 19.

Home Possible: 97% LTV

- **Post Settlement Delivery Fees:**
Refer to Guide Exhibit 19 for applicable post settlement delivery fees and Guide Section 4501.14 for delivery exclusions

Freddie Mac's 97% LTV Mortgages

HomeOne: 97% LTV

- **Home Buyer Education:**
Purchases Only - When all borrowers are first-time home buyers, at least one must participate in homebuyer education

Home Possible: 97% LTV

- **Home Buyer Education:**
Purchases Only - When all borrowers are first-time home buyers, at least one must participate in homebuyer education

FAQ's



Single-Family Business

Single-Family

Become a Freddie Mac
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Originate and Underwrite

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Affordable Lending

Loan Advisor Suite

Uniform Mortgage Data
Program (UMDP)

• Mortgage Products

Home Possible Income &
Property Eligibility

Servicing

The Guide and Forms

Single-Family News
Center

Frequently Asked Questions: HomeOneSM Mortgage

These frequently asked questions about HomeOne mortgage will help you better understand some of its guidelines and capabilities.

1. Do all HomeOne borrowers need to take a homeownership education course?
2. Can HomeOne be manually underwritten?
3. Are borrowers without credit scores allowed for HomeOne?
4. Is HomeOne only eligible for fixed-rate conforming mortgages?
5. Are there any new attributes I need to provide in order to identify a HomeOne mortgage in Freddie Mac systems?
6. What is the pricing for HomeOne?
7. What does the effective date for HomeOne represent?
8. Is the mortgage insurance for HomeOne cancellable with sufficient equity?
9. Do all borrowers have to be first-time homebuyers for a HomeOne mortgage?
10. I have multiple borrowers on a loan-- one of the borrowers meets the definition of a first-time homebuyer, but the other borrower currently owns another property. Is this allowed?
11. If a borrower inherited a residential property and the borrower now wants to purchase a home using HomeOne, does having an inherited property disqualify the borrower from meeting the first-time homebuyer requirement?
12. Can a borrower refinance a mortgage using HomeOne?
13. For a HomeOne no cash-out refinance, how will I know if the mortgage being refinanced is owned by Freddie Mac?

http://www.freddiemac.com/singlefamily/mortgages/homeone/homeone_faq.html

FAQ's

9. Does HomeOne require a minimum LTV/TLTV and/or HTLTV?

While there is no minimum required LTV/TLTV/HTLTV for a HomeOne purchase or no cash out refinance, a loan that has an LTV/TLTV/HTLTV 95% or lower would fall under our standard Guide policy. Loans that have an LTV/TLTV/HTLTV greater than 95% will be recognized as a HomeOne mortgage in Loan Product Advisor, if there is no Offering Identifier provided. An example would be a loan with an LTV of 90% and subordinate financing that results in a TLTV/HTLTV of 96% would be assessed as a HomeOne. A loan with an LTV of 90% and subordinate financing that results in a TLTV/HTLTV of 94% will be considered a standard conventional product and subject to our standard Guide policy.

12. If a borrower inherited a residential property and the borrower now wants to purchase a home using HomeOne, does having an inherited property disqualify the borrower from meeting the first-time homebuyer requirement?

Borrowers who inherited a residential property would not be eligible for a HomeOne mortgage. One of the requirements for meeting the definition of a first-time homebuyer is no ownership interest (sole or joint) in a residential property in the three-year period prior to the purchase of the subject property. However, if another borrower on the Mortgage meets the Freddie Mac definition of first-time homebuyer, the mortgage may still qualify as a HomeOne Mortgage.

16. For a no cash-out refinance, if there is an Affordable Second®, does the second have to be paid-off, or can it be resubordinated?

For a no cash-out refinance, the Affordable Second® can be paid-off or resubordinated.

17. Which properties are eligible for HomeOne?

1-unit properties, including condominiums and units in Planned Unit Developments are eligible for HomeOne. HomeOne does not permit Manufactured Homes.

http://www.freddiemac.com/singlefamily/mortgages/homeone/homeone_faq.html

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Freddie Mac
We make home possible®

Connect With Us
   

CreditSmart Home

CreditSmart History

Consumer Online Training

Instructor Resources

CreditSmart A Guide to Better Credit, Money Management, and Responsible Homeownership

CreditSmart – Steps to Homeownership Tutorial

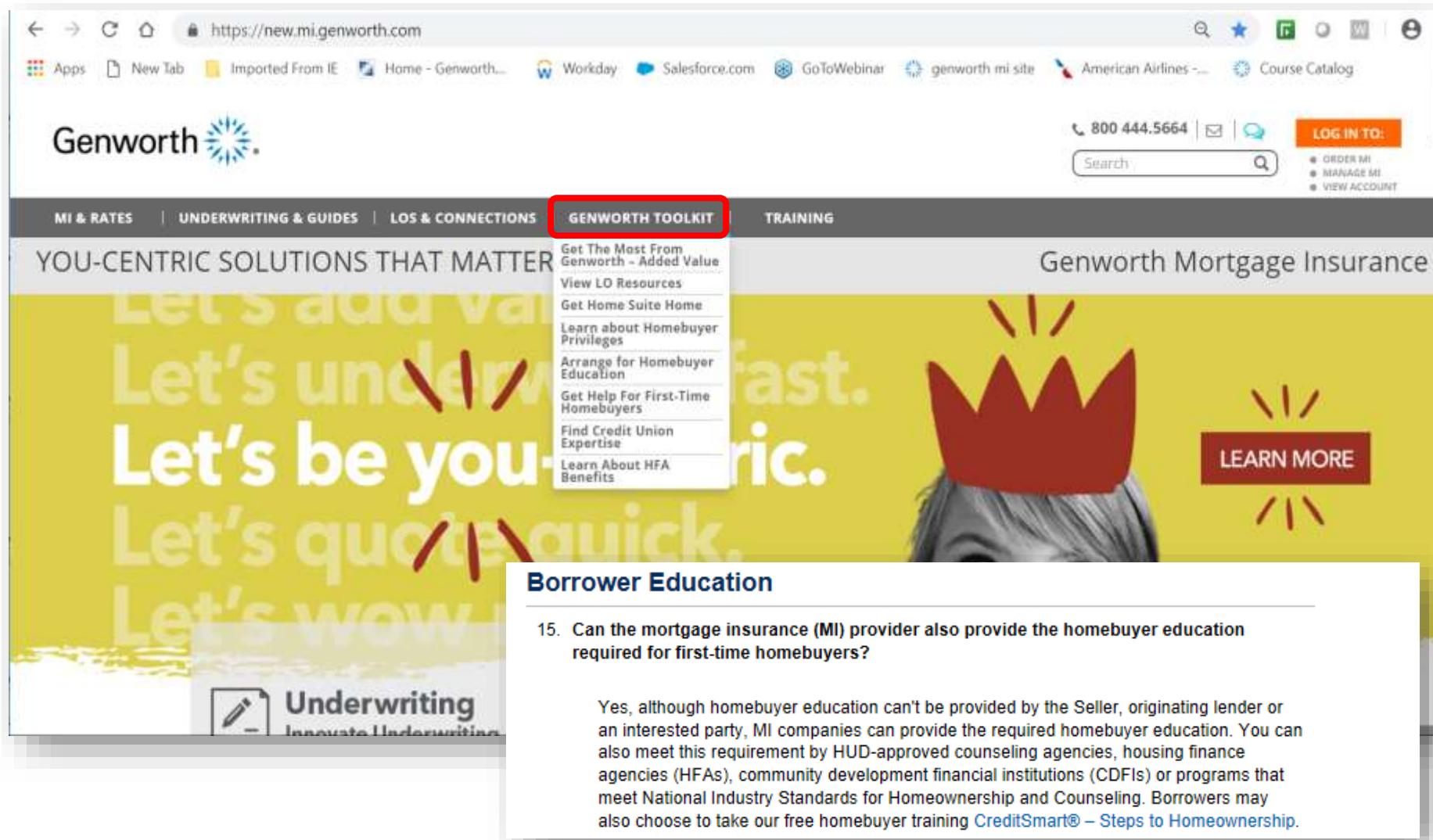
Are you a first- time homebuyer required to take a homeownership education course as a qualification for [Home Possible® Mortgages](#)? This [free, interactive tutorial](#) is a smart solution that will teach you how to achieve your financial and homeownership goals. You will receive a certificate after successful completion of the course.

Highlights of the Course

- This self-paced tutorial outlines the steps to homeownership from the importance of good credit to qualifying for a loan and selecting a lender, with a special emphasis on protecting your investment once you own a home.
- There are five lessons in this course, including:
 - ◆ Your Credit and Why It is Important
 - ◆ Managing Your Money
 - ◆ Thinking Like a Lender
 - ◆ Becoming a Homeowner
 - ◆ Preserving Homeownership – Protecting Your Home Investment
- Successful completion of this tutorial satisfies the Home Possible Mortgages homeownership education requirement. After you complete the tutorial in its entirety, you will be able to print a course completion certificate for your records. You can also save the certificate as a PDF so that you can send it directly to your lender, if needed.
- There is no date or time restriction for completion of this course. You can take this course any time, at your own pace. It is estimated to take approximately two hours to complete all of the lessons and receive your course completion certificate.
- You can stop studying at any time and return to the course at your convenience, as long as you are logged in from the same computer.

[out/sitemap.html](#)

https://new.mi.genworth.com



The screenshot shows the Genworth website with a red box highlighting the "GENWORTH TOOLKIT" menu item. The menu includes links such as "Get The Most From Genworth - Added Value", "View LO Resources", "Get Home Suite Home", "Learn about Homebuyer Privileges", "Arrange for Homebuyer Education", "Get Help For First-Time Homebuyers", "Find Credit Union Expertise", and "Learn About HFA Benefits".

YOU-CENTRIC SOLUTIONS THAT MATTER

Let's add va
Let's underw
Let's be you-
Let's quote/quick.
Let's work
Underwriting
Innovate Underwriting

Genworth Mortgage Insurance

LEARN MORE

Borrower Education

15. Can the mortgage insurance (MI) provider also provide the homebuyer education required for first-time homebuyers?

Yes, although homebuyer education can't be provided by the Seller, originating lender or an interested party, MI companies can provide the required homebuyer education. You can also meet this requirement by HUD-approved counseling agencies, housing finance agencies (HFAs), community development financial institutions (CDFIs) or programs that meet National Industry Standards for Homeownership and Counseling. Borrowers may also choose to take our free homebuyer training CreditSmart® – Steps to Homeownership.

Genworth 

888.444.5884 |                                             <img alt="Help icon" data-bbox

Affordable Seconds Checklist



Affordable Seconds® Guidelines

Expand access to credit for your qualified borrowers with Affordable Seconds®. Use the checklist below to help you determine if an Affordable Second is eligible as secondary financing behind your borrower's first lien mortgage.

If each of the statements below is true, and the borrower's first mortgage meets Freddie Mac's criteria and underwriting guidelines, the Affordable Second may be eligible as a secondary financing. For complete requirements and steps on how to underwrite a mortgage with an Affordable Second, refer to Single-Family Seller/Servicer Guide (Guide) Section 4202.2.

Checklist – Check off the true statements:



- The source of the secondary financing is a duly authorized authority or agency of the federal, state, local or municipal government; a nonprofit community or religious organization other than a credit union; the borrower's employer; or a regional Federal Home Loan Bank under one of its affordable housing programs.
- The source of the secondary financing is not the property seller or another interested party to the transaction.
- The total loan-to-value (TLTV) ratio for the first lien and the secondary financing does not exceed 95 percent (105 percent for Home Possible Advantage first liens).
- The proceeds from the secondary financing will be used for down payment assistance and/or payment of closing costs.
- The secondary financing will not result in a priority lien.
- The secondary financing is used with a first lien mortgage that meets the following requirements:
 - Fixed-rate mortgage or an ARM with an initial fixed-rate period of five years or greater.
 - Purchase transaction or a "no cash-out" refinance.
 - One- to 4-unit primary residence.

Checklist.com Version 01/01/10

www.FreddieMac.com

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

Pub. No. 1033 | March 2010

Checklist – Check off the true statements. Continued from the front



- The interest rate on the secondary financing is not more than 2 percent higher than the rate of the first mortgage.
- The terms of the secondary financing do not require a balloon payment before the maturity or payment in full of the first lien mortgage.
- The secondary financing is not a Home Equity Line of Credit.
- The secondary financing's interest accruals that are added to the principal do not increase the TLTV ratio beyond the maximum TLTV ratio allowed for the first lien mortgage at any time during the term of the first lien mortgage.

More Information

Freddie Mac Guide Section 4202.2, Special Requirements for Affordable Seconds.
[Affordable Lending Sources](http://FreddieMac.com/homepossible/hp.html) (FreddieMac.com/homepossible/hp.html).

www.FreddieMac.com

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

http://www.freddiemac.com/singlefamily/purchasemarket/docs/affordable_seconds_guidelines_factsheet.pdf

Home Possible Mortgages FAQs

The screenshot shows the Freddie Mac website's Single-Family Business section. On the left, a sidebar lists various service categories. The main content area features a large orange header 'Frequently Asked Questions: Home Possible® Mortgages'. Below this, a text block explains the purpose of the FAQ page, followed by a list of 8 numbered questions. The website has a light gray background with a green horizontal bar and a navigation bar at the top.

Single-Family

Become a Freddie Mac Seller/Servicer

Originate and Underwrite

Sell and Deliver

Affordable Lending

Loan Advisor Suite

Uniform Mortgage Data Program (UMDP)

• Mortgage Products

Home Possible Income & Property Eligibility

Servicing

The Guide and Forms

Single-Family News Center

Frequently Asked Questions: Home Possible® Mortgages

These frequently asked questions about Home Possible mortgages will help you better understand some of the requirements surrounding Freddie Mac's low down payment offerings, including requirements for homebuyer education and lender gifts and grants.

Buyer and Property Requirements

1. Should I include spousal or other household income in income qualifications if the spouse is not a borrower on the mortgage?
2. Do I need to verify all borrower income if the borrower doesn't need all of their income to qualify for a Home Possible® mortgage? – **NEW!**
3. Can a borrower qualify for a Home Possible mortgage if they own another property?
4. Do you have to be a first-time homebuyer to qualify for a Home Possible mortgage?
5. Are all properties in disaster areas eligible for Home Possible mortgages? – **NEW!**
6. My area was recently declared a disaster area by the Federal Emergency Management Agency (FEMA), but neither Loan Product Advisor nor the Home Possible Income and Property Eligibility tool recognize it as a disaster area. When will these tools be updated? – **NEW!**
7. Do all Home Possible borrowers need to occupy the home they're purchasing as their primary residence?
8. If no borrower on a loan application has a credit score, can I originate a Home Possible

http://www.freddiemac.com/homepossible/home_possible_faq.html

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RATE ALERT: For the most accurate rates, enter Org ID above.

Rate Express

Quote Information

UPLOAD DATA FROM A DU 3.2 FILE

Loan Amount: LTV: State:
Representative Credit Score: Non-Traditional Credit:
DTI (Excluding MI Premium): Total Borrower Income: Loan Purpose:
Number of Borrowers: Protection Paid By:
Lender Loan #: Premium Payment Option:
Borrower Name: Email: Business Email Address:
 Refundable

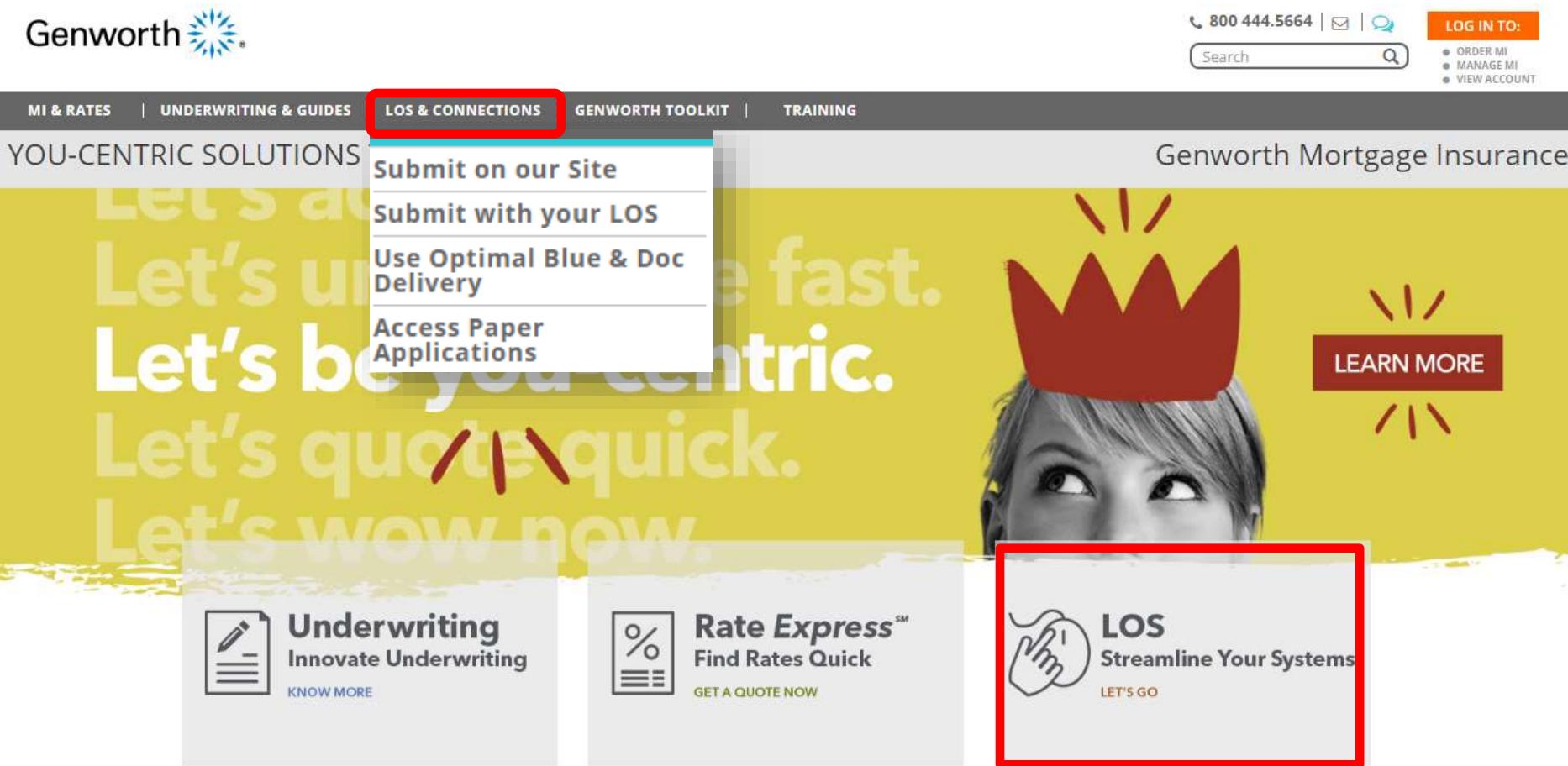
[LOOKING FOR A PREVIOUS QUOTE?](#)

Loan Assumptions

Property Type: Loan Term:
Loan Type: Renewal Option:
Coverage: Occupancy:
Upfront Financial MI: AUS Results:
Affordable Housing Program: Relocation: Yes No
Is this a Housing Finance Agency (HFA) or Bond?: Yes No
Construction to Permit?: Yes No

[Get A Quote](#)

LOS Connections



The screenshot shows the Genworth LOS Connections website. At the top, there is a navigation bar with links for MI & RATES, UNDERWRITING & GUIDES, LOS & CONNECTIONS (which is highlighted with a red box), GENWORTH TOOLKIT, and TRAINING. The LOS & CONNECTIONS menu includes options: Submit on our Site, Submit with your LOS, Use Optimal Blue & Doc Delivery, and Access Paper Applications. The main banner features the text "Let's be you centric. Let's quote quick. Let's wow now." and "Genworth Mortgage Insurance". It also features a woman wearing a red crown with the text "be fast." and a "LEARN MORE" button. Below the banner, there are three call-to-action boxes: Underwriting (Innovate Underwriting, KNOW MORE), Rate Express (Find Rates Quick, GET A QUOTE NOW), and LOS (Streamline Your Systems, LET'S GO, which is also highlighted with a red box). The LOS box includes a hand icon holding a pencil.

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Submit with your LOS
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Access Paper Applications

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Learn About That MI Guy

Get Answers to FAQs



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Training Tools and Information

Course Catalog

Topic

Search Training Courses

Genworth offers a comprehensive suite of training opportunities to boost your know-how, benefit your bottom line and ultimately best serve your borrowers. With more than 70 courses in our catalog, our team is here to help you stay up-to-date on the mortgage industry and regulatory environment. Classes are all offered at no cost to you.

Browse by Topic



Mortgage
Industry Skills



Professional
Development
Skills



That MI Guy



Tutorials

Browse by Role



Mortgage
Professional



Fannie Mae Form 1084
Calculator (2017-2018)

Calculate and analyze each row to help
you complete Fannie Mae Form 1084.
UPDATED



Freddie Mac Form 91
Calculator (2017-2018)

Quick reference guide and income
analysis for Freddie Mac Form 91.
UPDATED



Freddie Mac Form 92
Calculator (2017-2018)

Form 92 Tax Rental Income Calculations
– Schedule E.
UPDATED

Featured Courses



NAR 2018 Profile
of Home Buyers
and Sellers



Schedule Analysis Method
(SAM) Calculator (2016-
2017)

Calculate qualifying income from tax
returns.



Rental Income Calculator
(2017-2018)

Assists in calculating rental income from
IRS Form 1040 Schedule E.
UPDATED



Current Ratio - Liquidity
Calculator (2017-2018)

Calculate working capital liquidity
against current liabilities.
UPDATED



Quick Ratio - Liquidity
Calculator (2017-2018)

Calculate an organization's liquidity
against current liabilities.
UPDATED



Fannie Mae Rental Guide
(Calculator 1039)

Calculate qualifying rental income for
Fannie Mae Form 1088 (Business Rental
Income from Investment Property).



Fannie Mae Form 1088
Cheat Sheet (2017-2018)

Use this quick reference guide for
Fannie Mae's Comparative Analysis
Form (Form 1088).



Fannie Mae Comparative
Analysis Form 1088 (2017-
2018)

Worksheet for calculating qualifying
rental income for Fannie Mae Form
1088 (Business Rental Income from
Investment Property).

Self-Employed Borrower Tools



Income Calculation Tools
and Reference Guides

Recorded webinars



Explore and watch
on your time!

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PDF

LIVE WEBINAR CALENDAR



Additional MI Site Information

What's New

- Our New Look
- New eBook for LOs
- Training

Download our new
loan officer eBook.

Self-Employed Borrower Tools

Valuable income calculation tools and reference guides for calculating self-employed borrower income.



Fannie Mae Form 1084
Calculator (2017-2018)



Freddie Mac Form 91 Calculator/Freddie Mac Form 92 Calculator
(2017-2018)



Schedule Analysis Method
(SAM) Calculator (2016-2017) Rental Income Calculator (2017-2018)

[More Tools](#)

Homebuyer Education

Help first-time homebuyers prepare for the homebuying process. Your no-fee resource!



Master Policy Agreement

Partner with us. A master policy agreement is the first step to submitting MI loans to Genworth.

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Contract Services Agreement

Offset fixed underwriting costs as you adjust to the latest industry demands! Request a contract services underwriting agreement.

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This week's #Economic Report covers January new home #sales and the labor market, which shows 7.6 million job openings in January, 1 million more than 12 months ago. [@LiuEcon](http://ow.ly/txWC30o6WxI) #GenworthMI

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Weekly Economic Report 03.19.19 ...
The Job Openings and Labor Market turnover Survey shows a very tight
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