



PRODUCT:	Freddie Relief Refi	
E3 CODES:	LP Refi Plus 30	LP Refi Plus 15

Eligible Transactions: Rate and term refinance on primary residences of existing Freddie Mac owned loans delivered to Freddie Mac prior to May 31st, 2009.

Freddie Mac has a loan lookup tool at <https://ww3.freddiemac.com/corporate/> that enables borrowers to quickly determine if Freddie Mac owns the loan by providing a street address, unit, city, state and zip code.

**Additional
Documentation
Requirements:**

A copy of the original note and HUD-1 from the initial closing is required on all loans at time of submission. A copy of the pay off statement is also required.

A copy of the second mortgage note is required if subordinate financing exists.

Amortization:

30 and 15 year principal and interest transactions are allowed.

**Appraisal
Requirements:**

A full URAR is required. **PCM does not accept transferred appraisals. All appraisals must be ordered through PCM HVCC department.**

Appraisal requirements for PUDs, in new subdivisions, are as follows:

- One Comparable from inside the subject development must be obtained.
- A minimum of one comparable is required from outside the development and from outside the influence of the developer.

Asset Documentation:

Determined by LP.

**Borrower
Eligibility:**

Borrowers on existing mortgage must match borrowers on new loan. Borrowers may not be removed in the new transaction.

Borrower Impact:	Relief Refinances must result in at least one of the following: <ul style="list-style-type: none"> • Reduction in the interest rate of the First Lien Mortgage, • Replacement of an ARM, Initial Interest Mortgage (or any Mortgage with an initial interest-only period) or a Balloon/Reset Mortgage with a fixed-rate, fully amortizing Mortgage, or • 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)
Cash out Refinance:	Not allowed.
Closing Costs:	Borrower may roll up to 4% of current unpaid principal balance or \$5,000, whichever is lesser, into loan amount.
Credit Requirements:	In addition to LP approval, all borrowers must meet the following criteria: <ul style="list-style-type: none"> • 660 minimum credit score. • No Mortgage lates in last 12 months. • Bankruptcy: none in last 48 months • Foreclosure: none in last 84 months
Geographic Restrictions:	The Freddie Mac Relief Refinance is not offered in Texas.
High Balance Conforming:	High Balance Conforming (Jumbo Conforming) are not eligible for this program. Maximum loan amount is \$417,000
Income Documentation:	Salary/Bonus/Overtime- One current paystub and a verbal VOE. Commission/Self Employed- most recent federal tax return. A signed 4506 is required on all borrowers at time of submission. PCM will re-verify income on all transactions. Borrower must be on <u>new job a minimum of 30 days and have a paystub that reflects a minimum of 30 days earnings documented in loan file prior to loan closing. A written VOE may not be used in lieu of this requirement.</u>
Listed Properties:	If property was listed for sale within the last six months prior to the date of application, it must be taken off the market prior to the application date. If the property was listed for sale at the time of or after the application date, it is not eligible for refinance.

Maximum Loan Amount and LTV:

Rate Term Refinance		
1 Unit	\$417,000	105% LTV

Minimum Loan Amount: \$50,000

Max Cash Out: \$250.00

Mortgage Insurance Details:

If the existing Mortgage has mortgage insurance coverage, then the same percentage of coverage must be maintained for the refinance Mortgage on the entire unpaid principal balance.

If the existing Mortgage did not have mortgage insurance coverage, then no Mortgage insurance coverage is required for the new Freddie Mac Relief Refinance Mortgage.

If the original MI is to be transferred to the Rate Relief Refi, then the LO is responsible for all applicable documentation and approval.

Non-Occupant Co-Borrower:

Non-occupant co-borrowers are not allowed.

Power of Attorney:

Primary Capital does not allow loans to close under a Power of Attorney.

Property Type:

Eligible properties include 1-unit properties, and PUDS.

Ineligible properties include condos, manufactured housing, modular homes, 2-4 unit properties, log homes, unique properties.

Investor loans and Second homes are not available on this program.

Qualifying Ratios:

45% regardless of findings.

Reserves:

Determined by LP.

Subordinate Financing:

Re-subordination of existing secondary financing will be allowed without maximum CLTV limit. New subordinate financing and pay off of existing

subordinate financing with loan proceeds is not allowed. Payoff of existing subordinate liens from the borrower's own funds is allowed.

**Temporary
Buy-downs:**

Temporary buy-downs are not allowed.

Title:

A full title commitment with a complete 24-month chain of title is required on all loans.

Underwriting:

All loans must receive a risk class of Accept, or Caution with the Purchase Eligibility message of '500 Freddie Mac Eligible. LP A Minus Offering.'