



FREDDIE MAC CREDIT OVERLAY MATRIX STANDARD CONFORMING AND SUPER CONFORMING

FREDDIE MAC STANDARD CONFORMING AND SUPER CONFORMING LTV MATRIX					
OCCUPANCY	PURCHASE & LIMITED CASH OUT REFINANCE			CASH OUT REFINANCE	
	PROPERTY TYPE	MAX LTV/CLTV/HCLTV		PROPERTY TYPE	MAX LTV/CLTV/HCLTV
		FIXED & ARMs			FIXED & ARMs
		PURCH	LIMITED C/O		CASH-OUT
PRINCIPAL RESIDENCE	SFR/PUD/CONDO	95%	95%	SFR/PUD/CONDO	80%
	2 UNITS	85%	85%	2 UNITS	75%
	3-4 UNITS	80%	80%	3-4 UNITS	75%
SECOND HOME	SFR/PUD/CONDO	90%	90%	SFR/PUD/CONDO	75%
INVESTMENT PROPERTY	SFR/PUD/CONDO	85%	75%	SFR/PUD/CONDO	75%
	2-4 UNITS	75%	75%	2-4 UNITS	70%

FREDDIE MAC HOME POSSIBLE LTV MATRIX		
FIXED RATE MORTGAGES	MAX CONFORMING LTV/TLTV/HTLTV	MAX SUPER-CONFORMING LTV/TLTV/HTLTV
1 UNIT	97%*	95%*
2 UNITS	95%*	85%
3 AND 4 UNITS	95%*	80%
ADJUSTABLE RATE MORTGAGES**	MAX CONFORMING LTV/TLTV/HTLTV	MAX SUPER-CONFORMING LTV/TLTV/HTLTV
1 UNIT	95%*	95%
2 UNITS	95%*	85%
3 AND 4 UNITS	75%*	75%

* TLTV ratio up to 105% is permitted when secondary financing is a Freddie Mac [Affordable Second](#); Forward Lending does not provide financing for 2nd mortgage; broker must source approved 2nd lien financing that meets Freddie Mac guidelines and would subordinate at closing

** The initial fixed period for Home Possible ARMs must be five years or greater when secondary financing is an Affordable Second.

See the [Freddie Mac Home Possible Product Fact Sheet](#); overlays on subsequent pages apply.

2024 CONFORMING LOAN LIMITS 1-4 UNITS (CLICK HERE)			
UNITS	GENERAL LIMITS	HIGH-COST LIMITS	AK, GUAM, HI, U.S. VIRGIN ISLANDS
1	\$766,550	\$1,149,825	\$1,149,825
2	\$981,500	\$1,472,250	\$1,472,250
3	\$1,186,350	\$1,779,525	\$1,779,525
4	\$1,474,400	\$2,211,600	\$2,211,600



FREDDIE MAC CREDIT OVERLAY MATRIX STANDARD CONFORMING AND SUPER CONFORMING

TOPIC	OVERLAY
BASIC GUIDELINES	Overlays in this matrix apply to FHLMC (Freddie Mac) conforming guidelines. Refer to FHLMC Single Family Seller/Service Guide for additional guidance. Information in this matrix is subject to change without notice.
Amended Tax Returns	Accepted for the following amendment reasons: <ul style="list-style-type: none"> • Amended for clerical items only (i.e. modifying a prior ITIN number to a newly issued SSN) • Amended for income-related items, under the following conditions: <ul style="list-style-type: none"> ○ Amended at least sixty (60) days before mortgage application taken ○ Amendment shows on transcripts (stamped returns not acceptable) ○ Documentation supplied to support the increase, including but not limited to: <ul style="list-style-type: none"> ▪ 1099 or W2 showing missed/updated income ▪ Canceled Checks or Bank Statements showing missed/updated rental income
Appraisal Waivers (ACE and ACE+ PDR)	Appraisal waivers (ACE and ACE+ PDR) are not permitted, regardless of AUS messaging. Full appraisals are required on all loan files.
Assets	<ul style="list-style-type: none"> • Internet Statements, obtained from financial institution’s website, must contain same information found on a standard bank statement. • VOD as stand-alone document not permitted unless obtained from a Third-Party Vendor.
Condominiums	<ul style="list-style-type: none"> • FHLMC Condo Project Advisor not allowed. • Leasehold not permitted. • Minimum square footage: 400 Sq Ft
Credit	All borrowers must have at least one (1) valid credit score to be eligible for an ‘Accept’ recommendation (LPA). Extenuating circumstances are not allowed for Bankruptcy or Foreclosure.
Custodial Account	An account in a minor’s name where the borrower is named only as custodian of the funds is not eligible for use as closing costs, down payment, or reserves.
Electronic Signatures/eSigning	<ul style="list-style-type: none"> • eSigning is allowed for most documents. • eSigning is <u>not</u> allowed for: <ul style="list-style-type: none"> ○ Note ○ Note Rider(s) ○ Notice of Right to Cancel ○ Security Instrument ○ Security Instrument Rider(s)
Family Owned Business	Two years tax returns are required regardless of AUS (DU or LPA) recommendation.



FREDDIE MAC CREDIT OVERLAY MATRIX STANDARD CONFORMING AND SUPER CONFORMING

TOPIC	OVERLAY
Ineligible Programs - FHLMC	<ul style="list-style-type: none"> • A- Risk Grad • Enhanced Relief Refinance • HomeOne Program • Home Possible ARMs and Manual Underwrites • Home Possible Reduced Mortgage Insurance Option • Manufactured Homes • Native American Lands • PACE Obligations attached to property • Renovation Mortgages
Ineligible Properties	<ul style="list-style-type: none"> • Co-Ops • Indian Leased Land • Property Flip of Non-Arm's Length Transaction • Resale type Deed Restrictions • Solar Panels that affect first lien position
Minimum Loan Amount	\$75,000
Mortgage Credit Certificate (MCC)	Not permitted
Mortgage Insurance (MI): Reduced	Not permitted
Multiple Loans to One Borrower	<ul style="list-style-type: none"> • Per FHLMC guidelines • Minimum 720 score for borrower(s) who own more than 6 financed properties • Maximum number of financed properties owned cannot exceed ten (10) for all borrowers • Maximum of 20% ownership concentration in any one project or subdivision.
Non-Permanent Resident Aliens	<p>These borrowers accepted under the following conditions:</p> <ul style="list-style-type: none"> • Acceptable Visa evidence provided • Borrower eligible to work in the U.S., as evidenced by EAD issued by the USCIS • Borrower has valid Social Security Number (SSN) • Borrower satisfies the same requirements, terms, and conditions as those for U.S. citizen • DACA: With Category C33 work status under deferred action, DACA borrowers are ineligible • Diplomatic Immunity: Borrowers with Diplomatic Immunity ineligible
Power of Attorney (POA)	A POA may not be eSigned and must be specific to the transaction.
Social Security Number (SSN)	All borrowers must have a valid SSN.
Tax Transcripts	Required when tax returns are used to qualify borrower income
Underwriting Method	Manual Underwriting not allowed. All loans must receive AUS approval: FHLMC: LPA Accept/Eligible; Note that Appraisal Waivers (ACE, ACE+ PDR) not allowed – full appraisals required regardless of AUS message



FREDDIE MAC CREDIT OVERLAY MATRIX STANDARD CONFORMING AND SUPER CONFORMING

TOPIC	OVERLAY
Unpaid Federal Tax Debt	<ul style="list-style-type: none">• LSM considers all unpaid tax debt from prior years as delinquent, even if lien has not been filed; one monthly payment is required• Borrower with delinquent Federal Tax Debt is ineligible <p>NOTE: Record of Account can be used in lieu of canceled check or proof of electronic payment.</p>