

Announcement

Attention All Correspondent Lending Sellers:
CA 18-066 Freddie Mac Income Commencing After Note Date Reminder

July 10, 2018

Subject Summary	Freedom Mortgage Correspondent Lending is issuing this communication to remind Sellers of a policy change included in Freddie Mac Bulletin 2017-28 .
Effective Date	Effective immediately.
Freddie Mac Requirements for Qualifying Income Commencing After the Note Date	<p>Freddie Mac expanded their requirements for qualifying a Borrower for a Mortgage when the Borrower's qualifying income will commence after the Note date. Option One and key changes are included below. Option Two is ineligible.</p> <p>Option One - Commencement of the qualifying income prior to the delivery date is <u>not</u> required.</p> <ul style="list-style-type: none"> • The gap between the Note date and the commencement of the qualifying income was expanded to a maximum of 90 days in lieu of the 60 days previously allowed. • Now allows a "no cash-out" refinance as an eligible transaction type (previously only allowed purchase transactions). • Now permits a future salary increase with the Borrower's current employer as qualifying income, provided the documentation indicates the increase is fully approved and explicitly granted to the Borrower. • The calculation of the additional verified funds required to qualify the Borrower was revised. • The requirement for the Seller's written analysis confirming the employment contracts are reasonably common to the particular employment field, industry and/or region was removed.
Online Guide Updates	<ul style="list-style-type: none"> • Freddie Mac Conforming Fixed Rate and Adjustable Rate Product Guide • Freddie Mac Super Conforming Fixed Rate and Adjustable Rate Product Guide • Freddie Mac Home Possible and Home Possible Advantage Fixed and Adjustable Rate Product Guide • Correspondent Overlay Matrix
Questions	If you have questions, please contact your Freedom Mortgage Correspondent Lending Regional Manager.

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