



Freddie Mac CHOICEHome[®]

The Next Generation of Factory-Built Housing

CHOICEHome is our innovative, affordable mortgage offering that provides conventional financing to a real-property factory-built home that's built to the HUD Code but with many features of a site-built home.

At last, there's parity in financing between qualified factory-built homes and site-built homes.

Affordable Financing, Affordable Housing

With CHOICEHome, borrowers can get financing with an LTV ratio of up to 97 percent with a Home Possible[®] and HomeOneSM mortgage.

The CHOICEHome difference, bringing more first-time homebuyers to the table HERE'S WHAT IT MEANS FOR



Borrowers

- Financing with as little as a three percent minimum down payment option
- Access to high-quality, energy-efficient, affordable homes
- More options and access to high-quality, affordable homes
- Additional affordable housing options for homebuyers dealing with the low housing supply stock
- Lower financing costs, since the manufactured home credit fee in price is waived
- Realize their dreams of homeownership



Manufacturers, Retailers And Developers

Expand their client base to include consumers who may not have considered factory-built housing as an option



Lenders

- Gain the additional financing options and flexibilities they need to support factory-built housing
- Site-built underwriting and collateral flexibilities that are extended to CHOICEHome
- Expand lending opportunities to borrowers with moderate incomes



Industry

- Help address the affordable housing crisis
- Increase the reputational value of factory-built housing



BORROWER PROFILE

CHOICEHome® is designed to meet the needs of people at all stages

- Millennials and first-time homebuyers looking to own their own home and build equity
- Empty nesters looking to downsize
- Move-up borrowers
- Retirees looking for a new start
- New immigrants looking to experience the American dream
- Borrowers with moderate incomes

KEY FEATURES

- Purchase or “no cash-out” refinance mortgage
- Maximum 97 percent LTV/TLTV/HTLTV ratios and 105 percent TLTV ratio with Freddie Mac Affordable Seconds® (Freddie Mac Home Possible® and HomeOne®)
- Financed with as little as 3 percent down payment for Home Possible borrowers and HomeOne first-time homebuyers; also financed using our construction conversion mortgages
- Must be assessed through Loan Product Advisor® with a risk class of Accept
- Appraised using comparable site-built sales when no CHOICEHome sales are available
- Manufactured home credit fee in price is waived for CHOICEHome mortgage
- Access to the same underwriting parameters used for site-built homes

ELIGIBLE MORTGAGES

- 15-, 20- and 30-year fixed-rate mortgages
- 5/5-, 5/1-, 7/1- or 10/1 ARM; however, Home Possible mortgages with LTV >95% must be fixed-rate mortgages

ELIGIBLE PROPERTY TYPES

- 1-unit, factory-built HUD-code home
- Primary residence
- Composed of multiple sections (i.e., a multiwide manufactured home)
- Meets CHOICEHome minimum specifications



CHOICEHOME MINIMUM SPECIFICATIONS

- Minimum roof pitch of a 4/12
 - Minimum of 4" eaves
- Must have 2 of the 3 features:
- Dormer(s)
 - Covered Porch (72 sq. ft minimum)
 - Attached or detached, garage or carport*, to accommodate 1 or more cars

*Materials and finishes of garage/carport at least equivalent to the primary structure

- Include a perimeter mortared masonry blocking wall set on a poured perimeter footer
- Drywall throughout, including closets
- Energy-efficient features, such as additional insulation and windows with a low-E rating
- Elevation designed with a low-profile/residential set finished floor set

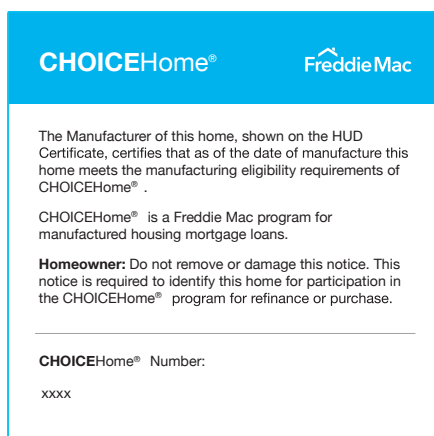
UNDERWRITING

- The mortgage must be assessed through Loan Product Advisor® with a risk class of Accept.
- The Seller must not accept an automated collateral evaluation (ACE) appraisal waiver offer from Loan Product Advisor.

APPRAISAL FORM

- 70B Manufactured Home Appraisal Report

CHOICEHOME CERTIFICATION



If a manufactured home meets certain prescribed specifications, it is granted CHOICEHome certification and is eligible for CHOICEHome financing. This means you can use the same underwriting parameters you use for site-built homes. Appraisers can identify a CHOICEHome through a CHOICEHome label (shown here).

You must receive approval before selling CHOICEHome mortgages to Freddie Mac, so contact your Freddie Mac representative or the Customer Support Contact Center at 800-FREDDIE for more information.

Learn more about [CHOICEHome® mortgages](#)

Learn more about Home Possible mortgages

- Review section 5703.9 of the *Freddie Mac Single-Family Seller/Servicer Guide*
- Contact your Freddie Mac account representative
- Call the Customer Support Contact Center (**800-FREDDIE**)

