



Home Affordable Refinance Program (HARP)

Relief for borrowers who are timely with their mortgage payments, but unable to refinance.

If Freddie Mac owns your mortgage and you are timely with your mortgage payments but unable to refinance because you have little or no equity in your home, you may be able to refinance to a lower interest rate or more stable mortgage product through the federal Home Affordable Refinance Program, or HARP. This program is designed for homeowners who have not been able to refinance due to a decline in the value of their home.

The Freddie Mac implementation of HARP – which may also be referred to as the Freddie Mac Relief Refinance MortgageSM by lenders and other partners with whom we do business – may help you obtain a monthly payment you can afford, and must result in one or more of the following:

- A reduction in your interest rate and/or your monthly principal and interest mortgage payment.
- A fixed-rate mortgage in place of an adjustable-rate, interest-only, or balloon/reset mortgage.
- A reduction in the term of your mortgage (e.g., from 30 years to 15 years).

Two Options

If your loan is owned by Freddie Mac, there are two options to help you if you are making timely mortgage payments, but have been unable to refinance because you have little or no equity in your home:

- **Refinance through your existing lender** (the company to which you send your monthly mortgage payments) if they are participating. Since your lender already has the necessary files and documents, there are fewer requalification steps unless your principal and interest payment goes up more than 20 percent. No new appraisal is required in certain cases.
- **Refinance through a different participating lender.** You may choose to pursue a refinance from a participating lender different than your existing lender. Because a different lender will not have your information or documents, they will need to requalify and re-underwrite

your new loan. A new appraisal may not be required in certain cases.

General Eligibility Key Criteria

You may be eligible for HARP through your existing lender or a different participating lender, including when you owe more than your home's current value and you:

- Own a 1- to 4-unit home as your primary residence, a 1-unit second home, or a 1- to 4-unit investment property.
- Are timely making your mortgage payments.
- Choose a fixed-rate mortgage or an adjustable-rate mortgage for your new mortgage. If you choose a fixed-rate mortgage, you can refinance the entire amount of your existing mortgage regardless of the value of your home, but if you choose an adjustable-rate mortgage, you cannot finance more than 105 percent of your home's value. A fixed-rate mortgage may be refinanced into an adjustable-rate mortgage as long as the refinance results in a reduced monthly principal and interest payment.
- Choose a mortgage solution that can improve the long-term affordability or stability of your mortgage with the refinance.

Features of the New Mortgage

- Mortgage insurance is not required if your existing mortgage does not have mortgage insurance, regardless of whether the loan-to-value ratio (ratio of the amount being borrowed to the market value of the property) is greater than 80 percent on the new mortgage.

Program Availability

- If you are interested in refinancing your Freddie Mac-owned loan under HARP, there are many lenders who can help you. You should check with your existing lender to determine if they are participating. If your existing lender is not participating, you may contact other lenders that participate to determine if you are eligible. Refer to our list of participating Freddie Mac-approved lenders at <http://myhome.freddie.com/refinance/harp-lender.html>.

- HARP is available to eligible homeowners through December 31, 2018.

Next Steps

- Contact your current lender.
- The mortgage being refinanced must have a note date on or before May 31, 2009.
- Check your eligibility for HARP at <http://myhome.freddiemac.com/mortgage-help/harp-eligibility.html>.
- Check to see if Freddie Mac owns your mortgage by using Freddie Mac's secure look-up tool at <https://ww3.freddiemac.com/loanlookup>.
- Learn more about HARP at <http://myhome.freddiemac.com/refinance/understand-harp.html>.

* The interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax-deductible for federal income tax purposes; and the consumer should consult a tax adviser for further information regarding the deductibility of interest and charges.

Note: This flyer is meant to provide general information about Freddie Mac's implementation of HARP and is not a comprehensive summary of the program. Specific additional terms, conditions, and limitations apply. Please contact your lender for more detailed information about the program and eligibility requirements. Also note that some servicers may choose not to offer these mortgages, or they may choose not to implement all of the flexibility available through the Home Affordable Refinance Program component of the changes.