



The Benefits of Mortgages Secured by Properties Subject to Income-based Resale Restrictions

Preserving housing affordability is fundamental to Freddie Mac's mission. As part of this commitment, we're increasing our support for shared equity homeownership programs that preserve home affordability over time.

We now offer new and revised underwriting flexibilities for mortgages secured by properties subject to income-based resale restrictions and for Affordable Seconds® used to subsidize the purchase of such properties, effective March 1, 2020.

Benefits for Borrowers



- Can purchase homes at below market prices
- Have the opportunity to build equity while being able to purchase an affordable property
- Have opportunities to sustain homeownership by working with the resale restriction program provider

Benefits for Lenders



- Experience standardization for underwriting guidelines
- Experience a more streamlined evaluation of subsidy providers and the appraisal process
- Presents more options in the marketplace to reach families with very low, low- and moderate-incomes

Benefits for Industry



- Preserve long-term housing affordability
- Tap into underserved or untapped markets by promoting the income-based resale restriction program
- Get access to more financing options

For more information, visit the shared equity webpage.

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