



Bulletin 2021-33

Enhancements to Freddie Mac Refi PossibleSM

Issued 10/20/2021

TO: Freddie Mac Sellers

SUBJECT: ENHANCEMENTS TO FREDDIE MAC REFI POSSIBLESM

In [Guide Bulletin 2021-17](#), Freddie Mac announced the launch of the Refi PossibleSM Mortgage offering, allowing homeowners to benefit from refinancing their Mortgage to reduce their monthly mortgage payment and help build long-term wealth.

In this Bulletin, we are announcing updates to our Refi Possible Mortgage requirements that will allow more Borrowers to take advantage of the current low interest rate market through this innovative offering.

Effective immediately, we are expanding the eligibility of the Refi Possible Mortgage offering by:

- Removing the requirement that the monthly payment (i.e., the Borrower's First Lien monthly principal, interest and mortgage insurance, if applicable) be reduced by at least \$50; however, a reduction in the monthly payment, as described above, is still required (without the prescribed minimum amount) along with a reduction of at least 50 basis points in interest rate
- Removing the \$5,000 limit on the amount of proceeds of the Refi Possible Mortgage that may be used to pay Closing Costs

The applicable Loan Product Advisor[®] feedback messages will be updated at a future date. Until then, the Sellers may disregard the feedback messages that contradict the changes described above.

Effective in January 2022 we will further expand the eligibility of Refi Possible Mortgages by:

- Increasing Borrower income eligibility from 80% to 100% of the area median income
- Removing the requirement that the Mortgage being refinanced be seasoned no more than 120 months. The minimum 12-month seasoning requirement will continue to apply.

GUIDE UPDATES

On December 1, 2021, we will issue a Bulletin announcing the effective date of the changes related to Borrower income eligibility and seasoning. With the December 1, 2021 Bulletin, we will also update the Guide to include all requirement changes announced in this Bulletin.

CONCLUSION

If you have any questions about the changes announced in this Bulletin, please contact your Freddie Mac representative or call the Customer Support Contact Center at 800-FREDDIE.

Sincerely,

Danny Gardner
Senior Vice President, Client and Community Engagement