



## Making Home Affordable Modification

### Overview For Housing Professionals

**A proactive and efficient workout solution to help borrowers avoid foreclosure whenever possible.**

Freddie Mac is pleased to play a key role in sustaining homeownership and supporting the Making Home Affordable program.

A Home Affordable Modification offers a strong foreclosure prevention solution by expanding eligibility to borrowers who are delinquent as well as borrowers who are current, but anticipate that they will have difficulty making future mortgage payments. To help foster long-term success, Home Affordable Modifications include financial incentives for on time payments.

#### Homeowner Profile

##### Homeowner Eligibility

- Homeowner is the owner-occupant of a 1- to 4-unit home.
- Mortgage was originated on or before Jan. 1, 2009.
- The homeowner spends more than 31% of pre-tax income on mortgage payment (including principal, interest, taxes, insurance, and homeowners association dues).
- Mortgage is no longer affordable because of a financial hardship that can be documented.

Find out more about how the Relief Refinance Mortgage and the Home Affordable Modification are supporting the Making Home Affordable Program at [FreddieMac.com/singlefamily/makinghomeaffordable.html](http://FreddieMac.com/singlefamily/makinghomeaffordable.html)

#### Key Features

##### Creates Stable, More Affordable Mortgage

- Help homeowners struggling to make monthly mortgage payments because their interest rate increased or their incomes have dropped.
- Reduce monthly payments on mortgages for up to four million homeowners who are now delinquent or at risk of default and foreclosure.

##### Promotes Long-Term Success

- Homeowners with a monthly total debt payment-to-income ratio equal to or greater than 55 % must agree to enter free HUD-approved credit counseling.

##### Offers Success Incentives

- To help foster long-term success, special incentives are awarded when homeowners pay their Home Affordable Modification mortgage on time every month.