

This resource provides guidance and tips on how to deliver HFA Advantage[®] mortgages through Loan Selling Advisor[®].

Housing Finance Agency (HFA) mortgages are a negotiated term of business with Freddie Mac. HFA Advantage mortgages comply with all requirements of the *Single-Family Seller/Servicer Guide* (Guide) Section 4501 for Home Possible[®] mortgages.

The information below identifies the required Uniform Loan Delivery Dataset (ULDD) data fields and where they are located in Loan Selling Advisor's graphical user interface (GUI).

ULDD Data Points

Clients must deliver the ULDD Phase 4a data points shown in the table below, for Home Possible mortgages in accordance with Guide [Sections 6302.14](#) and [6302.34](#): Special delivery requirements for Home Possible Mortgages.

ULDD Data Point Name	Sort ID #	Valid Value	Notes
Loan Program Identifier	404	HFA Advantage	Value in Loan Product Advisor is HFA Advantage .
Loan Affordable Indicator (Located in the Closing section)	238	True	Enter True for HFA Advantage.
Loan Affordable Indicator (Located in the Current section)	513.1	True	Enter True to identify down payment assistance from an Affordable Second.
Housing Finance Agency Identifier (Data Point name in the ULDD Phase 4a specification file is Party Role Identifier.)	641.7	The unique identifier assigned to the Housing Finance Agency	Required if the Loan Program Identifier is: <ul style="list-style-type: none"> • HFA Advantage • HFA Preferred In the Loan Selling Advisor GUI, click field level help to view a list of HFA's by state and their respective HFA identifier. Refer to your terms of business to validate your HFA Agency Identifier.
Party Role Type (This is the data point name in the ULDD Phase 4a specification file.)	641.8	Other	Required if the Loan Program Identifier is: <ul style="list-style-type: none"> • HFA Advantage • HFA Preferred Required when importing ULDD delivery data.
Party Role Type Other Description (This is the data point name in the ULDD Phase 4a specification file.)	641.9	Housing Finance Agency	Required when importing ULDD delivery data.

Note: Home Possible Advantage HFA was replaced with HFA Advantage.



Note: If you import data, refer to the [ULDD Phase 4a specification](#). See tab 10-Ph 4a Complete which consolidates updates with all previous phases.

The tables below show the data field location within Loan Selling Advisor's "Loan" screen.

Housing Finance Agency Details (Located in the Party section.)

Enter the seven-digit Housing Finance Agency Identifier (Sort ID# 641.7) if the Loan Program Identifier (Sort ID# 404) is HFA Advantage or HFA Preferred. Click the data field name to view a listing of agencies by state.

The screenshot shows the 'Create New Loan' interface with a progress bar at the top indicating the current step is 'PARTY'. Below the progress bar, the 'Housing Finance Agency Details' section is expanded, showing a text input field for the 'Housing Finance Agency Identifier' with the value 'HXXXXXX'.

Product Details (Located in the Closing section.)

Enter product information as applicable for an HFA Advantage mortgage. Select **True** for the **Loan Affordable Indicator**.

The screenshot shows the 'Create New Loan' interface with a progress bar at the top indicating the current step is 'CLOSING'. Below the progress bar, the 'Product Information' section is expanded, showing various product details. The 'Loan Affordable Indicator' field is highlighted with an orange border and set to 'True'. Other fields include 'Lien Priority Type' (First Lien), 'Mortgage Type' (Conventional), 'Section Of Act Type', 'Interest Calculation Type' (Simple), 'Interest Calculation Period Type' (Month), 'Payment Frequency Type' (Monthly), 'Balloon Indicator' (False), 'Loan Amortization Type' (Fixed), 'Loan Amortization Period Type' (Month), and 'Loan Amortization Period Count' (360). A 'DELIVERED VALUES' section contains a notice about recalculation and a field for 'Loan Amortization Period Count' set to 360.



Product Details (Located in the Current section.)

Complete the information in the product details section to identify the required Loan Program Identifier of HFA Advantage and/or to deliver an Investor Feature Identifier as noted in your terms of business with Freddie Mac.

- Enter **Investor Feature Identifier** (IFI) codes (Sort ID# 368), if applicable.

The screenshot shows the 'Create New Loan' interface with a progress bar at the top indicating the 'CURRENT' step is active. The 'Product Details' section is expanded, showing a 'Loan Program Identifier' dropdown menu with 'HFA Advantage' selected. Below this are two buttons: 'ADD LOAN PROGRAM IDENTIFIER' and 'REMOVE SELECTED'. Further down, there are fields for 'Refinance Program Identifier', 'Investor Feature Identifier' (two rows of five input boxes each), and 'Investor Collateral Program Identifier'.

Secondary Financing/Related Loan Information (Located in the Current section.)

This section provides guidance on how to enter the secondary financing information when a borrower received down payment assistance for an Affordable Seconds® mortgage. For more information on Affordable Seconds, refer to the [Affordable Seconds® Checklist](#).

Down Payment Assistance – Located in the Current Section

- Select **Second Lien** from the drop-down menu in the **Lien Priority Type** field, Sort ID 517
- Enter the down payment assistance amount in the **Current UPB Amount** field, Sort ID 516
- Select **True** from the drop-down menu for the **Loan Affordable Indicator** field, Sort ID 513.1
- Enter the **Initial Principal And Interest Payment Amount** when the first lien is a purchase transaction (Sort ID # 515.1) and is an amortizing Affordable Second. Ensure the data point, **Loan Purpose Type** (Sort ID# 315) is Purchase.

Note: The HELOC Indicator (Sort ID# 513) must be False.



Create New Loan

PROPERTY BORROWER PARTY CLOSING CURRENT MODIFICATION CONVERSION TOTAL LOANS

Secondary Financing/Related Loan Information

Related Loan 1 ✖

Lien Priority Type: Mortgage Type:

CLOSED-END SECOND

Current UPB Amount: Loan Affordable Indicator:

Initial Principal And Interest Payment Amount:

HELOC Details HELOC Indicator:

Funds Needed to Close Details (Located in the Closing section.)

This section includes data fields that identify the down payment and closing cost types, sources and amounts. Refer to [Chart 1](#) below for guidance on how to complete the data fields when an Affordable Second is used to provide funds for down payment and/or closing costs.

Funds Needed to Close Details

Specifies the general names (types) of items commonly used for a down payment by the borrower(s) in a mortgage loan transaction.

Specifies the entity providing funds for the down payment.

Enter the down payment amount.

	DOWN PAYMENT TYPE	DOWN PAYMENT SOURCE TYPE	DOWN PAYMENT AMOUNT
<input type="checkbox"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="\$"/>
<input type="button" value="ADD DOWN PAYMENT"/>		<input type="button" value="REMOVE SELECTED"/>	

	CLOSING COST FUNDS TYPE	CLOSING COST SOURCE TYPE	CLOSING COST CONTRIBUTION AMOUNT
<input type="checkbox"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="\$"/>
<input type="button" value="ADD CLOSING COST FUNDS"/>		<input type="button" value="REMOVE SELECTED"/>	

Note: Be sure to deliver data in all three data fields (type, source and amount) to avoid receiving an error message.



Chart 1: Affordable Seconds® Data Fields

Down Payment Type (Sort IDs 175, 176)/Closing Cost Funds Type (Sort IDs 152, 153)	Down Payment Source Type (Sort IDs 173, 174)/Closing Cost Source Type (Sort IDs 154, 155)	Down Payment Amount (Sort ID 172)/Closing Cost Contribution Amount (Sort ID 151)
<p>Select Secondary Financing Closed End.</p> <p>This selection signifies an Affordable Second which:</p> <ul style="list-style-type: none"> • Creates a lien on the property • May be amortizing or non-amortizing 	<p>Select the applicable Loan Selling Advisor enumeration:</p> <ul style="list-style-type: none"> • Community Nonprofit • Federal Agency • FHLB Affordable Housing Program • Local Agency • Originating Lender • Religious Nonprofit • State Agency 	<p>Enter the dollar amount identified as Secondary Financing Closed End.</p>

Note: You are required to deliver data in the **Secondary Financing/Related Information** section for all Affordable Seconds®. Any Affordable Second must also be included in the **Combined LTV Ratio Percent** (Sort ID 91).

The screenshot shows a progress bar at the top with steps: PROPERTY, BORROWER, PARTY, CLOSING, CURRENT, MODIFICATION, CONVERSION, and TOTAL LOANS. The 'TOTAL LOANS' step is active. Below the progress bar, there are sections for 'Total Loans', 'Additional LTV Details', and 'Delivered LTV Values'. A notice states: 'Notice: Although Seller is required to calculate and deliver this value, which will be maintained by the Loan Selling Advisor, Freddie Mac will recalculate such value and use such recalculated value for all loan eligibility and pricing decisions.' Below the notice are two input fields: 'Combined LTV Ratio Percent: [] %' and 'Home Equity Combined LTV Ratio Percent: [] %'. A red box highlights these two input fields.

Note: For specific step-by-step guidance on entering an Affordable Second, refer to the [ULDD Data Delivery Tips](#) and navigate to “Mortgages with Affordable Seconds”.



Borrower Reserves

Follow the steps below to calculate the **Borrower Reserves Monthly Payment Count** (Sort ID# 287) amount. To perform the calculation, you will need information from the Loan Product Advisor® Feedback Certificate and data from Loan Selling Advisor.

- Step 1** From the Mortgage Details section of the Loan Product Advisor Feedback Certificate, obtain the **Lender Submitted Reserves**.
- Step 2** From the Additional Underwriting Details section of Loan Selling Advisor, obtain the **Total Monthly Proposed Housing Expense Amount** (Sort ID 292).
- Step 3** Take the total **Lender Submitted Reserves**, divide it by the **Total Monthly Proposed Housing Expense Amount** and round down to the nearest number of full month(s).
- Step 4** Enter this figure in the **Borrower Reserves Monthly Payment Count** (Sort ID 287) in Loan Selling Advisor.

Loan Product Advisor - Excerpt of a Loan Product Advisor Feedback Certificate

Mortgage Details				
PRODUCT TYPE 30 Year Fixed Rate	AMORTIZATION TYPE Fixed	AMORTIZATION MONTHS 360	LOAN AMOUNT \$194,000.00	INTEREST RATE 4.0000%
LOAN PURPOSE Purchase	PURCHASE PRICE \$200,000.00	ESTIMATED PROPERTY VALUE N/A	APPRAISED PROPERTY VALUE \$200,000.00	NUMBER OF UNITS 1
PROPERTY TYPE Site Built	OCCUPANCY Primary Residence	REFINANCE TYPE N/A	CASHOUT AMOUNT N/A	NEW CONSTRUCTION N/A
OFFERING IDENTIFIER HFAAdvantage	INTEREST RATE BUYDOWN No	SALES CONCESSIONS N/A	ARM QUALIFYING RATE N/A	ARM QUALIFYING PITI N/A
AFFORDABLE SECOND \$16,000.00	SECONDARY FINANCING \$16,000.00	HELOC BALANCE N/A	HELOC LIMIT AMOUNT N/A	1 LENDER SUBMITTED RESERVES \$16,753.00

Loan Selling Advisor - Excerpt of the Additional Underwriting Details Section

☐ Additional Underwriting Details

Total Monthly Income Amount: **2** Total Monthly Proposed Housing Expense Amount:

Borrower Reserves Monthly Payment Count: **4** Total Liabilities Monthly Payment Amount:

Total Mortgaged Properties Count: **3** $\$16,753.00 \div \$681 = 24.60$
or 24 monthly payments in reserves

Tip: HFA Advantage mortgages do not require borrower reserves unless Loan Product Advisor determines borrower reserves are necessary; however, because borrower reserves are a compensating factor, it is advisable to deliver the number of Borrower Reserves Monthly Payment Count in Loan Selling Advisor.



Resources

- [HFA Advantage Mortgages](#)
- [Freddie Mac Learning](#)
- [Summary of ULDD Phase 4a Updates](#)
- [ULDD Business Resources](#)

Customer Support Contact Center (800-FREDDIE) and/or 800FREDDIE@freddiemac.com

- ✓ **Specialists trained in HFA Advantage**
- ✓ **Review individual loan scenarios**
- ✓ **Assist with Loan Product Advisor Feedback**

Customer Service Menu Guide

1-800-FREDDIE [373-3343]
EFFECTIVE APRIL 1, 2021

SUPPORT FOR:

1 All login, password or other access related issues	<ul style="list-style-type: none"> 1 Loan Advisor applications 2 Servicing Gateway 3 All other applications
2 Underwriting guidelines	<ul style="list-style-type: none"> 1 Affordable lending, HFA Advantage, or Home Possible 2 All other questions
3 Loan Advisor tools	<ul style="list-style-type: none"> 1 Loan Product Advisor 2 Loan Selling Advisor or Delivery 3 Loan Closing Advisor, Loan Quality Advisor or Correspondent Assignment Center 4 Condo Project Advisor 5 All other Loan Advisor tools
4 Loan Servicing	<ul style="list-style-type: none"> 1 COVID-19 guidelines and updates 2 Investor reporting and edits 3 All other servicing-related questions

This information is not a replacement or substitute for the requirements in the Freddie Mac *Single-Family Seller/Service Guide* and your other Purchase Documents.

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