



Freddie Mac Announces CHOICERenovation; The Latest Solution for Financing Home Improvements

June 19, 2019

New offering is another component of Freddie Mac's All For Home initiative to reimagine the mortgage experience for both lenders and borrowers

McLEAN, Va., June 19, 2019 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB:FMCC) today announced its CHOICERenovationSM loan offering, which provides homebuyers a flexible choice to purchase a home and finance the cost of renovations with a single-close mortgage, saving them both time and money.

The [CHOICERenovation](#) mortgage is designed to help address the nation's aging housing supply, support the need for affordable housing, and offer renovation, repair, improvement or refinance options to support the increasing demand for cost-effective financing solutions. The Freddie Mac CHOICERenovation mortgage is available immediately to all eligible lenders nationwide.

"Research indicates a large number of older homes need repair and renovation, either to meet the needs of current owners or as a viable option for new homebuyers," said Danny Gardner, Freddie Mac's Senior Vice President, Single-Family Affordable Lending and Access to Credit. "The CHOICERenovation solution gives borrowers the opportunity to make improvements, renovations and upgrades to a home using a purchase or no cash-out refinance loan that will be eligible for sale to Freddie Mac. This provides the borrower with a convenient cost saving option for financing renovations."

The CHOICERenovation offering is unique in that the program proceeds may also be used to renovate or repair a property that has been damaged in a natural disaster or for renovations that will help the borrower prevent damage from a future disaster, such as work on storm surge barriers, foundation retrofitting, or retaining walls.

The renovation market has grown by more than 50% since the Great Recession ended in 2009. The U.S. market for home improvement and repairs is more than \$400 billion annually, according to the Harvard Joint Center for Housing Studies. Nearly 80% of the nation's 137 million homes are at least 20 years old and 40% are at least 50 years old.

"Given the increasing age of existing housing stock, the growing number of millennial and other first-time homebuyers looking for more affordable homebuying options, and the increase in retirees opting to age in place, the Freddie Mac CHOICERenovation mortgage is a flexible solution to finance or refinance these fixer-uppers," added Gardner.

Freddie Mac is excited to announce this offering during National Homeownership Month and on the heels of the launch of the [All For Home](#) initiative. All For Home is driving industry change through insights, education, mortgage products and business solutions that address the changing dynamics in the housing market which are creating new challenges to fulfilling the dream of homeownership.

Lenders can sell CHOICERenovation loans to Freddie Mac where the loan proceeds are used to pay for the renovations. If lenders deliver the loans after the renovations are complete, they can sell these loans to Freddie Mac without recourse. If lenders want to deliver the loans during the construction period, prior to completion of the renovations, they will be able to do so with recourse but must obtain prior approval from Freddie Mac.

CHOICERenovation is an example of how Freddie Mac is creating opportunities to empower its clients to make home possible for more Americans. Finance options are available through Freddie Mac's Home Possible® and other conventional, low down-payment mortgage offerings. Interested borrowers should contact their lender for additional details.

About Freddie Mac

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders, investors and taxpayers. Learn more at [FreddieMac.com](#), Twitter [@FreddieMac](#) and Freddie Mac's blog [FreddieMac.com/blog](#).

MEDIA CONTACT: Chad Wandler
703-903-2446
Chad_Wandler@FreddieMac.com