



WHOLESALE ANNOUNCEMENT 2024-26

March 21, 2024

Freddie Mac Updates

Effective Date

Effective with new loans on or after April 1, 2024

Update/Summary

Rental Income Requirements

- Freddie Mac is updating their rental income requirements, including but not limited to:
 - Removing the requirement that a lease must have a minimum original term of one year
 - Specifying that for newly executed leases, the first rental payment due date must be no later than the first payment due date of the Mortgage
 - Updating documentation requirements for receipt of two months' rental income to require evidence that the payments were cashed or deposited into the Borrower's depository account at a financial institution or transferred into a third-party money transfer application account owned by the Borrower
 - Permitting documentation of receipt of the security deposit plus first month's rental payment, in lieu of receipt of two months' rental payments
 - Removing the appraisal requirement that at least one comparable sale must have an ADU that is rented, when rental income generated from an ADU on a subject 1-unit Primary Residence is used to qualify the Borrower
 - Reformatting the documentation requirements table for rental income generated from an ADU on subject 1-unit Primary Residence "no cash-out" refinance transaction

Uniform Property Dataset (UPD)

- Transition To Uniform Property Dataset (UPD)
Freddie Mac and Fannie Mae published the UPD on July 26, 2023, and are now announcing the implementation dates for transitioning from the Freddie Mac Property Dataset (PDR v2.0) to the UPD, as well as the requirements for submission to Freddie Mac's Beyond ACE application programming interface (bACE API).
- For Mortgages with Application Received Dates on or after December 1, 2023, the UPD will be available for use in completing PDRs, and the enhanced bACE API will also be available to support submission of a PDR using either the Freddie Mac Property Dataset (PDR v2.0) or the UPD.
- For Mortgages with Application Received Dates on or after April 1, 2024, Sellers will be required to use the UPD and must submit PDRs to Freddie Mac using the bACE API. The Freddie Mac Property Dataset (PDR v2.0) will no longer be accepted.
- As a reminder, the PDR must always be retained in the Mortgage file

Should you have any questions, please reach out to your Account Executive or Client Manager