



# WHOLESALE ANNOUNCEMENT 2024-65

September 18, 2024

## Freddie Mac Updates

### Effective Date

Effective immediately

### Updates

#### Disaster Policy Clarifications

- As a result of Servicer feedback, Freddie Mac has made several clarifications to the disaster policy. Freddie Mac has updated the Glossary definition of “Eligible Disaster” to remove the requirement that the impacted property or place of employment be in an Eligible Disaster Area as defined by the Guide. As long as the impacted property has an insured loss, the Borrower is eligible for disaster relief. Default Reason Code 034 to report all Mortgages that are 31 or more days delinquent and affected by a disaster
- Additionally, Freddie Mac has updated Guide Section 9206.5(e) to clarify that the section requirements apply to Borrowers who were current or less than 60 days delinquent as of the date the Eligible Disaster occurred and removed the reference to Eligible Disaster Areas in this context.

#### Flood Insurance Premiums Used for Qualifying

- Due to the emerging risk of the rising rates of flood insurance, Freddie Mac is updating the Guide to state that if a flood insurance policy on the Mortgaged Premises shows a full risk premium and a discounted premium, the full risk premium, plus any fees and surcharges, must be used to calculate the housing expense-to-income and debt payment-to-income ratios.

### Effective Date

September 29, 2024

### Updates

#### New Condo Project Advisor PAR Status Integration Messages

- Freddie Mac is integrating additional Condo Project Advisor Project Assessment Request (PAR) statuses for condo projects directly into LPA. This integration will give earlier insight into why a particular condo project status has been assigned. A message will alert you when the condo project may be eligible for a Project Certified submission. These new messages will apply to all condo loans and aren't limited to new LPA submissions. If the project isn't found in the Condo Project Advisor database, you'll receive a message that the address cannot be matched. In addition, Freddie Mac is adding another message to support the update to the condo project policy.

#### New Condo Project Not Eligible Status message

- Freddie Mac is also adding a new feedback message to help identify earlier in the origination processes when condo projects do not meet requirements. As a reminder, when a loan is submitted to LPA and the Project Legal Structure type is “Condominium,” LPA will run an internal check to identify whether the project has a Not Eligible status in Condo Project Advisor. If the project has this status, LPA will return a message identifying the reason for the ineligibility and indicating that Freddie Mac will not purchase the loan secured by the condo unit in the condo project. This new message will apply to all condo loans and isn't limited to new LPA submissions.

Freddie Mac Updates - 9.2024



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# WHOLESALE ANNOUNCEMENT 2024-65

September 18, 2024

Freddie Mac Updates

## Effective Date

September 30, 2024

## Updates

### **Condo Project Advisor Project Assessment Request (PAR)**

- Freddie Mac is enhancing the Condo Project Advisor and Loan Product Advisor to provide more information on the Loan Product Advisor Feedback Certificate regarding Condo Project Advisor's Project Assessment Request (PAR) findings. The Feedback Certificate currently provides information regarding the Not Eligible status PAR finding. Beginning September 30, 2024, the Feedback Certificate will include information on certain other PAR statuses and their related feedback messages. A project's PAR findings will be available on both the Condo Project Advisor Feedback Certificate and the Loan Product Advisor Feedback Certificate, and Sellers are responsible for ensuring compliance with the project review requirements specified in the last PAR findings as defined in Section 5701.10(d)(vii). The Note Date must be within 120 days of the date of the Condo Project Advisor Feedback Certificate or the Loan Product Advisor Feedback Certificate, as applicable, with the last PAR findings.

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