



WHOLESALE ANNOUNCEMENT 2024-70

October 16, 2024

Freddie Mac Updates

Effective Date:

Immediately

Updates

Automated Employment Assessment Using Loan Product Advisor

- Freddie Mac is enhancing automated employment assessment with Loan Product Advisor, which is part of asset and income modeler (AIM). This enhancement will enable the use of a Borrower's account and employed income data for Loan Product Advisor to determine whether the Seller is eligible for relief from enforcement of certain representations and warranties related to the Borrower's current employment. Eligibility for relief from enforcement of representations and warranties related to the Borrower's employment will be included on the Feedback Certificate.

Effective Date:

Effective October 27, 2024

Updates

Non-arm's Length Employment Message Update

- Freddie Mac is implementing a new feedback message that will inform you of documentation requirements when the LPA submission indicates that the borrower is employed by an interested party to the transaction or family.

New Defaults for Self-Employed Field

- For the Self-Employed field (*UID-297.00 Employment Borrower Self Employed Indicator*), **Freddie Mac is defaulting values** to prevent hard stops for submissions if a value is not provided. If the self-employment income is provided or if the Percent Ownership is greater than 25%, the indicator will default to "true." Otherwise, the indicator will default to "false."
- A new message (FEI0330) will be returned to let you know when the defaulting has occurred. With the implementation of this default, Freddie Mac is also retiring several data quality messages related to self-employment indication.

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