



# WHOLESALE ANNOUNCEMENT 2026-28

March 18, 2026

## Freddie Mac Update

### Effective Date

Effective Immediately

### Update:

#### **FHA Total Borrower Contributions Updates**

Freddie Mac has updated the Federal Housing Administration (FHA) Total Borrower Contribution calculation to align with the FHA Single Family Housing Policy Handbook 4000.1.

The calculation changes are as follows:

**Previous:** Total Borrower Contribution = Total Due from Borrowers (Excluding MI Premium) - Total Mortgage Loans (Including Financed MI) - Seller Credits - Other Interested Party Contributions - *Purchase Credits*

**Updated:** Total Borrower Contribution = Total Due from Borrowers (Excluding MI Premium) - Total Mortgage Loans (Including Financed MI) - Seller Credits - Other Interested Party Contributions - *Sweat Equity*

The updated calculation will no longer reduce the Minimum Required Investment (MRI) by what is considered to be the borrower's own funds.

When entering Purchase Credits into LPA, only use the values permitted by the LPA specifications for Purchase Credit Type and Purchase Credit Type Other Description (UID-186.00 PurchaseCreditType and UID-187.00-PurchaseCreditTypeOtherDescription). Using values outside the specifications may result in an overstatement of borrower's MRI.

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