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WHOLESALE ANNOUNCEMENT 2026-98
November 17, 2026
Freddie Mac Update

Effective Date
Effective Immediately

Update:
Rental Income

Freddie Mac has updated Section 5306.1 to make rental income requirements easier to find based on the transaction type, property type, unit count and loan purpose. No requirements were changed as a result of the enhanced navigation and new formatting.

Additionally, Freddie Mac has updated requirements when documenting rental income with an appraisal report as follows:

- For a non-subject property, the appraisal report is not required to be a UAD 3.6 appraisal report
- For a property converted from a Primary Residence to an investment property (i.e., departure residence), the appraisal report is not required to be a UAD 3.6 appraisal report
- For a subject 2- to 4-unit Primary Residence, a UAD 3.6 Traditional Appraisal Report is required. Freddie Mac removed the reference to Hybrid Appraisal Reports as the Guide does not permit Hybrid Appraisal Reports for 2- to 4-unit properties.

For Sellers approved to submit appraisal reports using UAD 2.6, each reference to "Traditional Appraisal Report" in Section 5306.1 must be substituted with "interior and exterior appraisal report."

Finally, Freddie Mac has added flexibility to the documentation and delivery requirements for subject 2- to 4-unit Primary Residences and subject Investment Properties when rental income is not used to qualify. When the appraisal report does not include the gross monthly rental income, the Seller may deliver the estimated gross monthly rental income as documented on either:

- A written statement from the Borrower, or
- The monthly income disclosed on Guide Form 65, *Uniform Residential Loan Application*, in Section 3a, Property You Own.

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

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