

Bulletin

TO: Freddie Mac Servicers

October 8, 2025 | 2025-14

SUBJECT: SERVICING UPDATES

This Guide Bulletin announces:

- **Payoff funds**
 - Updates to [Payoff Draft Date 18 Mortgages](#) – **November 3, 2025**
- **Resolve®**
 - Updates to [System-Specific Licenses](#) - Limited liability waiver
 - New capabilities when submitting [repayment plans and forbearance agreements](#)– **December 8, 2025**
- **Information Security**
 - A new requirement for certain [Seller/Servicers to complete a service organization controls 2 Type 2 examination](#) – **January 1, 2027**
 - Additional updates related to [information security](#) – **January 1, 2026**
- **Low interest-bearing balance**
 - Clarification of Servicing requirements for [low-interest bearing UPB Mortgages](#)
- **Community Land Trust Mortgages**
 - Servicing clarifications to excess proceeds for [Community Land Trust Mortgages](#)
- **Additional Guide updates**
 - Further updates as described in the [Additional Guide updates](#) section of this Bulletin

EFFECTIVE DATE

All of the changes announced in this Bulletin are effective immediately unless otherwise noted.

PAYOFF FUNDS

Effective November 3, 2025

Certain Sellers will be authorized to deliver loans (Payoff Draft Date 18 Mortgages) with payoff remittance requirements that differ from requirements currently outlined in Guide Chapter 8303. These loans are identified by a prepayment remittance due day of 18 in the contract details user interface, export contract details, guarantor settlement summary and guarantor funding details in Loan Selling Advisor®.

For matured and prepaid payoffs and repurchases, under the Payoff Draft Date 18 requirements, the UPB of the loan and one full month of interest will be drafted on the 18th calendar day of the following cycle or the prior Business Day if the 18th is a non-Business Day.

There are no changes to investor reporting requirements.

The Payoff Draft Date 18 requirements will remain with the loan if it is transferred through either a Concurrent or Subsequent Transfer of Servicing. The Transferor Servicer must disclose that the transfer population includes Payoff Draft Date 18 Mortgages, identify such loans and provide all data related to each Mortgage during the transfer process.



Servicing Transfer Manager will be updated with a new checkbox for Payoff Draft Date 18 Mortgages to ensure the Transferee Servicer is aware that the population includes loans with the new payoff draft date requirement. The Transferee Servicer must ensure that the new Payoff Draft Date 18 requirement is reflected for the impacted loans in its Servicing system when on boarding the specific loans with the new payoff draft date.

Should a Payoff Draft Date 18 Mortgage transfer pursuant to a Voluntary Partial Cancellation, these loans will revert to the standard Guide payoff draft date that is five Business Days after the payoff date, and Freddie Mac will only collect exception interest and not a full month of interest.

Guide impacts: Sections 7101.1, 7101.2, 8303.1 and 8303.3

RESOLVE

System-Specific Licenses

Freddie Mac is announcing key updates to Chapter 2404, including the revision of an existing Specifications System-Specific License and the addition of a Resolve System-Specific License in new Section 2404.9. This new section includes a limited liability waiver associated with Servicers' use of Resolve as well as a limited agency designation in connection with Servicers' exchange of consumer credit data in Resolve.

Servicers should review the updated license in its entirety.

Consumer Messages

The System-Specific License for Specifications has been updated to reflect that Seller/Servicers from time to time may be provided with technical specifications that permit them to provide consumer-accessible messages through their integrated platforms and allocates the risk of their doing so.

Limited liability waiver

This new waiver essentially limits Servicers' liability when using Resolve to generate a recommended loss mitigation workout solution, provided a number of conditions set forth in the license are met.

Limited agency designation

In connection with the exchange of consumer credit data via Resolve, including through the retrieval of credit reports, Resolve is designated as the Seller/Servicer's limited agent, as is currently the case for other applications in which consumer credit data is exchanged and/or retrieved, such as Loan Product Advisor®.

Servicers are reminded that, as with reports and other output from Freddie Mac applications such as Loan Product Advisor, reports and other output from Resolve are not, and should not be construed as, consumer credit reports or evidence of Freddie Mac's participation in any credit determination.

Guide impacts

Sections 2404.1, 2404.2, 2404.9, 9203.4, 9204.2, 9206.2, 9206.4, 9208.2, 9208.3, 9209.2, 9209.5, 9210.1 and 9301.9 have been updated to reflect these changes.

Resolve functionality

Effective December 8, 2025

Through our commitment to Servicing Excellence, we continue to iteratively provide new capabilities to the Resolve platform. Beginning on December 8, 2025, Servicers may submit repayment plans and forbearance agreements through the Resolve application programming interface (API) functionality. Servicers should refer to [Resolve Online Help](#) for details on the use of the Resolve API to report repayment plans.

Guide impacts: Sections 9203.2 and 9203.3



INFORMATION SECURITY

Service organization controls 2 Type 2 examination

Effective January 1, 2027

To enhance our data and information security posture, improve operational efficiency and mitigate risk, we are instituting a requirement for certain Seller/Service providers to complete a service organization controls (SOC) 2 Type 2 examination in accordance with the standards established by the American Institute of Certified Public Accountants. By completing this annual assessment, Seller/Service providers can identify and remediate potential vulnerabilities and help mitigate the likelihood of security breaches, protecting their organization and Freddie Mac from potential threats and ensuring continuity and stability of operations. Additionally, regular assessments ensure security controls are aligned with Freddie Mac guidelines and expectations and reduce compliance risk.

Seller/Service providers whose Servicing portfolio equals or exceeds \$150 billion annually must conduct a SOC 2 Type 2 examination annually and ensure the assessment includes all systems and networks that store, process or transmit Freddie Mac data. Seller/Service providers whose annual sales volume or Servicing portfolio does not meet this threshold are encouraged to implement the SOC 2 Type 2 requirement.

Seller/Service providers shall provide Freddie Mac with a full, unredacted copy of the SOC 2 Type 2 report, management response and remediation plans within 30 days of report issuance. Any issues identified that could impact the confidentiality, integrity or availability of Freddie Mac's data or systems must be remediated in a timely manner.

Additionally, Freddie Mac reserves the right to perform its own assessment or to designate a third-party assessor to evaluate a Seller/Service provider's security and compliance practices, including data handling, financial transaction controls and the Seller/Service provider's business operations.

Seller/Service providers must ensure that any Related Third Party that processes, stores or transmits Freddie Mac's proprietary information, data and Protected Information or supports critical services also maintains SOC 2 Type 2 compliance and provides such reports to Freddie Mac upon request.

Guide impact: Section 1302.2

Information security updates

Effective January 1, 2026

In Sections 1302.2 and 1302.4, we are making updates to the following topics related to information security:

- Vendor risk management
- Physical and environmental controls
- Immutability of backups
- Privacy policies
- Encryption of data in transit and at rest
- Encryption of databases and restriction of access
- Information security awareness and training
- Security incident reporting
- Cloud computing risk governance
- Managing system vulnerabilities
- Documenting due diligence responsibilities
- Data loss prevention

Guide impacts: Sections 1302.2 and 1302.4



LOW INTEREST-BEARING BALANCE LOANS WITH DEFERRED UPB

We have clarified certain Servicing requirements for Mortgages that have a low interest-bearing UPB and a deferred UPB and are either approaching the Mortgage maturity date or projected payoff date of the interest-bearing UPB (“projected payoff date”).

Regarding Mortgages with outstanding deferred UPBs at maturity/payoff:

- As a reminder, deferred UPB (also referred to as non-interest bearing UPB) is due upon the earliest of the (i) transfer or sale of all or a portion of the property, (ii) payoff of the interest-bearing UPB or (iii) Mortgage maturity date (as modified) and must be reported in accordance with the requirements in Section 8303.2(a)(ii)
- If the Servicer does not receive the full payoff, including the deferred UPB, or the Borrower is not in active review for a workout by the end of the Accounting Cycle of the month of the earliest of the (i) transfer or sale of all or a portion of the property, (ii) payoff of the interest bearing UPB or (iii) Mortgage maturity date (as modified), the Servicer must proceed with collections and default activities, as applicable, in compliance with the requirements set forth in Chapters 9101 and 9102 and applicable law

Regarding the application of payments:

- For each Mortgage, all payments received must equal or exceed the monthly principal, interest and Escrow, if applicable. If there is a deficiency of \$50 or greater, refer to Section 8103.3(b).
- For each Mortgage with a deferred UPB that is due in accordance with Section 8303.2(a), if the Servicer receives a payment with a deficiency that exceeds \$50, the partial payment must be either credited to unapplied or suspense funds until a full payment is received or returned to the Borrower consistent with the requirements outlined in Section 8103.3

Regarding outreach requirements and notifications:

- Outreach requirements for Mortgages that have a low interest-bearing UPB and an outstanding non-interest bearing UPB that are either approaching the Mortgage maturity date or projected payoff date of the interest-bearing UPB can be found in Section 8504.1
- In accordance with Section 8303.2, it is recommended that the Servicer include the amount of the deferred UPB and the total UPB (interest-bearing and deferred UPBs) on the Borrower's monthly statement, in accordance with applicable law

Guide impacts: Sections 8103.3 and 8303.2

COMMUNITY LAND TRUST MORTGAGES

In Bulletin 2025-13, we announced the removal of the restriction on using negotiated provisions with Community Land Trust Mortgages and added clarifications in Sections 4502.1, 4502.3, 4502.7 and 4204.2 for ease of use. With this update, we have added the same clarifications to Chapter 8701 around excess proceeds for Community Land Trust Mortgages.

Guide impact: Section 8701.1

ADDITIONAL GUIDE UPDATES

Servicing Transfer Manager

We have updated the timeline for Servicers to submit intra-Servicer portfolio transfers to align with requirements in Servicing Transfer Manager. Servicers must submit requests for intra-Servicer portfolio transfers at least 30 days but not more than 60 days prior to the requested effective date change.

Guide impact: Section 7101.1

Custodial Accounts

We have updated our Custodial Account designation requirements to include the Servicing Agent's name, when applicable.

Guide impacts: Section 8302.1, Forms 1057SF, 1058CR, 1058SF, 1059SF, 1060CR and 1060SF



Fraud and Suspicious Activity

Effective October 13, 2025

We are updating Guide requirements related to anti-money laundering (AML) compliance and reporting AML non-compliance and Suspicious Activity for all Seller/Service providers, including those not subject to the AML provisions of the Bank Secrecy Act. We are also adding guidance for detecting red flags and reporting possible fraud and Suspicious Activity. Finally, we are notifying Seller/Service providers that the Freddie Mac Exclusionary List will be accessible via Freddie Mac Gateway.

Guide impacts: Sections 1301.2, 2408.5, 3101.1, 3201.1 and 3201.5

Co-Issue XChange®

Effective January 1, 2026

In Bulletin 2025-10, we introduced Co-Issue XChange All-In Funding for Cash. We are adding additional guidance related to entering Escrow deposits, temporary subsidy buydowns and Credit Scores. The accuracy of this data is important in order to receive pricing certainty at the time of Freddie Mac funding and avoid manual settle ups with Servicing partners.

Guide impacts: Sections 6302.51 and 6307.1

eMortgage onboarding process

We have streamlined the onboarding process for Seller/Service providers interested in delivering eMortgages. Seller/Service providers need to contact their account teams, who in turn will engage appropriate internal teams to complete the onboarding process. Additionally, Seller/Service providers are no longer required to provide written eMortgage Servicing procedures covering life of loan updates to the MERS® eRegistry. Instead, in the eMortgage onboarding questionnaires, Sellers/Service providers are now required to confirm the existence of such procedures.

Guide impacts: Sections 1402.3 and 1402.9

Seller contracts

We have updated the Guide to clarify the differences between contracts taken out in Loan Selling Advisor (Purchase Contracts) and other Purchase Documents.

Additionally, we have updated information about Seller contracts to better reflect current processes. This includes revisions to multiple Glossary definitions, including "Purchase Contract" and "Purchase Documents," and the deletion of "Cash Purchase Contract."

Guide impacts: Sections 1201.2, 1301.6, 1501.1 through 1501.6, 1501.8, 6101.5, 6101.8, 6102.2, 6102.3, 6302.2, 6303.1, 6401.1, 7101.1, 8101.3, 8302.3 and Glossary

Guide refactoring

In alignment with our ongoing commitment to update and enhance the Guide, we have eliminated Servicing requirements that are no longer relevant. Accordingly, we have retired Chapter 9502, which included requirements related to Freddie Mac Default Legal Matters referred prior to August 1, 2013.

GUIDE UPDATES SPREADSHEET

For a detailed list of the Guide updates associated with this Bulletin and the topics with which they correspond, access the Bulletin 2025-14 (Servicing) Guide Updates Spreadsheet via the Download drop-down available at <https://guide.freddiemac.com/app/guide/bulletin/2025-14>.

CONCLUSION

If you have any questions about the changes announced in this Bulletin, please contact your Freddie Mac representative or call Customer Service at 800-FREDDIE.

Sincerely,



A handwritten signature in black ink, appearing to read "Mike Reynolds", followed by a long horizontal line extending to the right.

Mike Reynolds

Senior Vice President, Head of Servicing