

# Bulletin

TO: Freddie Mac Sellers

March 4, 2026 | 2026-3

## SUBJECT: SELLING UPDATES

This Guide Bulletin announces:

- **Credit underwriting**
  - The removal of the [minimum Indicator Score](#) for certain second homes and Investment Property Mortgages
  - Simplified [required reserves](#) language for Loan Product Advisor® Mortgages
  - Added requirements when proceeds of a [gift of equity](#) exceed the amount needed for closing for purchase transaction Mortgages – **June 3, 2026**
  - The removal of the broad requirement for a [written analysis](#) of income and asset qualification sources and amounts
  - Specificity for [employment offers, contingencies and probationary periods](#) for income commencing after the Note Date
- **Automated collateral evaluation**
  - Updates to [Guide Exhibit 19, Credit Fees](#), to reflect previously announced changes related to the term “appraisal waiver”
- **Guide Topic 5600 title change**
  - The renaming of Topic 5600 to [“Property Eligibility and Valuation”](#)
- **Guide refactoring**
  - A correction related to the [refactoring](#) of Guide Chapter 3101

## EFFECTIVE DATE

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

## CREDIT UNDERWRITING

### Minimum Indicator Score for second homes and Investment Properties

We have removed the requirement for a Mortgage to have a minimum Indicator Score of 720 when the subject property is a second home or Investment Property and each Borrower individually, and all Borrowers collectively, will be obligated on seven to 10 financed properties, including the subject property and the Borrower’s Primary Residence.

Guide impacts: Sections 4201.12 and 4201.13

### ***Loan Product Advisor updates***

Loan Product Advisor has been updated to support this change.



## Required reserves

We have simplified the language for Loan Product Advisor Mortgages to state that the reserves required to be verified by the Seller is the amount indicated on the Feedback Certificate.

Guide impact: Section 5501.2

## Feedback messages

Loan Product Advisor feedback messages have been updated to support this change.

## Purchase transaction Mortgages and gifts of equity

**Effective for Mortgages with Application Received Dates on or after June 3, 2026; however, Sellers are encouraged to implement immediately**

For purchase transaction Mortgages, we are adding requirements when proceeds of a gift of equity exceed the amount needed for closing. The gift of equity may only be:

- Used to pay off or pay down the Borrower's debt at closing when paid by the property seller to the creditor, and/or
- Applied as a principal curtailment

Additionally, we are separating gift of equity and gift funds in Section 5501.4 to distinguish the eligibility and documentation requirements for each source of funds used to qualify the Borrower.

Guide impact: Sections 4305.1 and 5501.4

## Written analysis for income and asset qualification

We have removed the broad requirement for a written analysis of the income and asset qualification sources and amounts. As a result, updates were made to the employed income requirements; however, the written analysis requirement remains for rental income, self-employed income, income while on temporary leave and income with certain characteristics.

Guide impacts: Sections 3401.3, 5301.1, 5301.2 and 5303.1

## Employment offer contingencies

We have updated income commencing after the Note Date to specify that a probationary period of time after employment starts (e.g., 90-day probationary, training or orientation period) is not considered a contingency of the employment offer.

No requirements were changed as a result of this update.

Guide impact: Section 5303.2

## AUTOMATED COLLATERAL EVALUATION (ACE)

In Bulletin 2026-1, we announced that Exhibit 19 would be updated in a future Bulletin to reflect the removal of the phrase "appraisal waiver" where the terms "automated collateral evaluation (ACE) appraisal waiver" or "ACE appraisal waiver" were used. Exhibit 19 has now been updated to rename "Refi Possible® Mortgages without Appraisal Waiver (ACE) Credit for Credit Fee" to "Refi Possible® Mortgages Appraisal Cost Offset Credit for Credit Fee".

Guide impact: Exhibit 19

## TOPIC 5600 TITLE CHANGE

To improve ease of use of our Guide, we have updated the title of Topic 5600 to "Property Eligibility and Valuation" to better reflect the included requirements. No requirements were changed as a result of this updated title, although cross-references to the topic have been updated.

Guide impacts: Topic 5600, Sections 1301.6, 5306.1 and 5703.9



## GUIDE REFACTORIZING

**Effective February 4, 2026**

With the refactoring of Section 3101.1(a)(ii) announced in Bulletin 2025-H, we inadvertently changed the term “appraisal company” to “appraisal management company.” We have restored the original language. There are no requirement changes with this update.

Guide impact: Section 3101.1

## 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 2026-3 (Selling) Guide Updates Spreadsheet via the Download drop-down available at <https://guide.freddiemac.com/app/guide/bulletin/2026-3>.

## 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 'Kevin Kauffman', located below the 'Sincerely,' text.

Kevin Kauffman

Senior Vice President, Single-Family Seller Engagement