

Bulletin

TO: Freddie Mac Sellers

April 1, 2026 | 2026-4

SUBJECT: SELLING UPDATES

This Guide Bulletin announces:

- **Credit underwriting**
 - Simplified requirements for [age of tax returns](#)
 - A specification related to the premium for [optional flood insurance](#)
 - Specifications related to accounts held in a [Living Trust](#) when the asset is used as a basis for repayment of obligations
 - Added specificity for the treatment of [automobile lease payments](#)
 - An update related to the examples in the [employed income](#) chapter
- **Manufactured housing**
 - An increase in the [maximum Mortgage term](#) for cash-out Mortgages secured by Manufactured Homes
 - Additional specificity for the use of [junior liens](#) in “no cash-out” Mortgages
- **Mortgages with capitalized balances**
 - The removal of eligibility of [Mortgages with capitalized balances](#) to align with other current Guide requirements – **July 1, 2026**
- **Information security**
 - A new effective date for previously announced requirements related to [organizations’ business impact analyses](#) – **May 11, 2026**
 - Updated requirements for Seller/Service’s [software and applications](#) – **July 1, 2026**
- **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.

CREDIT UNDERWRITING

Age of tax return requirements

We have simplified our requirements for age of tax returns in Guide Section 5302.4 as follows:

- References to specific tax return calendar years have been replaced with more general references to the Note year (i.e., the year of the Note Date) in the table. As such, Section 5302.4(b)(ii) was removed, which specified how to apply the requirements of the table when the Note Date was outside of the time period in the table.
- The table in this section has been modified so that Note Dates only span a period of 12 calendar months
- Examples have been added to illustrate the required documentation based on the Note Date



- Requirements for Internal Revenue Service (IRS) Form(s) 4868 and 7004, when applicable, for documenting filing extensions for automated income assessment using tax data for self-employed and/or rental income have been added

With the removal of references to specific calendar years, this section will no longer be updated annually to reflect current and previous tax years.

Guide impact: Section 5302.4

Optional flood insurance

We have updated the Guide to specify the premium for optional flood insurance is not required to be included in the monthly housing expense if coverage is not required in Section 4703.3. Previously, Section 5401.1 stated that the flood insurance premium must be included “when applicable.”

Guide impact: Section 5401.1

Asset accounts held in the name of a Living Trust

We have specified for assets used as a basis for repayment of obligations in Section 5307.1, when asset accounts are held in the name of a Living Trust:

- Such accounts are considered to be owned by the Borrower when the Borrower is the Settlor of the Living Trust
- When the Borrower is a Living Trust, the Settlor is considered to be the owner of the accounts held in the name of the trust

Guide impact: Section 5307.1

Automobile lease payments

We have added specificity for the treatment of an automobile lease payment to state that when the remaining balance is paid off/prepaid, the monthly lease payment may be excluded from the debt payment-to-income ratio.

Guide impact: Section 5401.2

FAQs

The FAQ associated with this topic has been retired. FAQs are not part of, or a substitute for, the Guide or other Purchase Documents.

Employed income examples

We have updated the Guide to state that the employed income examples in Guide Chapter 5303 are illustrative and not the only allowable scenario(s). No requirements were changed as a result of this update.

Guide impact: Section 5303.1

MANUFACTURED HOUSING

Maximum Mortgage term

In support of sustainable homeownership, for cash-out transaction Mortgages secured by Manufactured Homes, we have increased the maximum Mortgage term from 20 years to 30 years for Accept Mortgages.

Guide impact: Section 5703.8

Loan Product Advisor® updates

Loan Product Advisor will be updated on April 12, 2026 to support this change.

Junior liens

For “no cash-out” refinance Mortgages secured by Manufactured Homes and Manufactured Homes on leasehold estates, we have restated the existing requirements for all “no cash-out” refinance Mortgages related to the use of proceeds for paying off or paying down junior liens. Junior liens secured by the Mortgaged Premises that are paid off or paid down



must have been used in their entirety to acquire the subject property. No requirements were changed as a result of this update.

Guide impacts: Sections 5703.6, 5703.12 and 5706.3

MORTGAGES WITH CAPITALIZED BALANCES

Effective for Mortgages with Settlement Dates on or after July 1, 2026

We are updating the Guide to state that Mortgages with capitalized balances are ineligible for sale to Freddie Mac. Capitalization occurs when unpaid amounts (e.g., interest, taxes, hazard insurance premiums and/or late payments) are added to the Mortgage's principal balance when the Borrower is delinquent. This update aligns with Section 4201.6, which requires that the Borrowers' monthly installment must not be 30 days or more delinquent.

As these Mortgages are ineligible for sale to Freddie Mac for all offerings, all references to Mortgages with capitalized balances as ineligible Mortgages are being removed.

Guide impacts: Sections 4403.1, 4406.1, 4408.1, 4501.1, 4502.3, 4504.4, 4605.1, 4607.2, 6302.5 and 6302.22

INFORMATION SECURITY

Freddie Mac Critical Data

Effective May 11, 2026

In Bulletin 2026-1, we defined the term "Freddie Mac Critical Data" and introduced requirements related to organizations' business impact analyses. With this Bulletin, we are updating the effective date for these requirements from January 1, 2027 to May 11, 2026.

Guide impacts: Sections 1302.2 and 1302.3

Software and application requirements

Effective July 1, 2026

We are updating the requirements for Seller/Servicers' software and applications. The updates include, but are not limited to, requirements related to:

- The separation of non-production, testing and production environments
- Adherence to formal and industry-recognized security standards
- Quality assurance practices
- Documentation and change management processes

Guide impact: Section 1302.2

ADDITIONAL GUIDE UPDATES

System-Specific Licenses

Effective April 8, 2026

We are updating the System-Specific Licenses for Loan Product Advisor and Loan Quality Advisor[®] to specify that the Systems (as defined in Section 2401.1(b)) may use certain Consumer Credit Data in addition to Credit Reports (both as defined in Section 2402.2(b)(iv) and Section 2402.2(c)(iv), respectively). To align with these updates, we are specifying in the Glossary definition of a Related Third Party that it includes a consumer reporting agency and credit reporting company.

Guide impacts: Section 2402.2 and Glossary



Payoff Draft Date 18 Mortgages

Effective July 1, 2026

Mortgages delivered under Freddie Mac Guarantor and MultiLender Swap Purchase Contracts with contract accepted dates on or after July 1, 2026, will be referred to as Payoff Draft Date 18 Mortgages (indicating Mortgages delivered that are pre-populated with an “18” in the “prepayment remittance due days” data field in Loan Selling Advisor®), as described in Section 8303.1. Mortgages delivered under Freddie Mac Guarantor and MultiLender Swap Purchase Contracts with contract accepted dates prior to July 1, 2026 will continue to be pre-populated with a “5” in the “prepayment remittance due days” data field in Loan Selling Advisor.

Guide impact: Form 15/A/C

Lender-paid mortgage insurance

Effective April 8, 2026

In an effort to simplify our approach with Seller/Servicers entering into Voluntary Partial Cancellation (VPC) of Servicing Contract Rights Agreements with Freddie Mac, lender-paid mortgage insurance payments pertaining to VPC Mortgage Loans are being removed from the closing payment structure. This adjustment is intended to facilitate smoother transactions and enhance the overall client experience.

Guide impact: Exhibit 30

eNote certifications

Effective April 8, 2026

The Bank of New York, NA, a Designated Custodian, has successfully completed its testing to participate in Freddie Mac’s eMortgage program. Lenders wishing to engage with this Designated Custodian for eNote certifications will need to sign new Guide Form 1035DCA, *Addendum to Designated Custodial Agreement: Single-Family Mortgages (Freddie Mac Form 1035DC) for Electronic Documents Related to Single-Family eMortgages*, as an addendum to Form 1035DC, *Designated Custodial Agreement: Single-Family Mortgages*.

Guide impact: Form 1035DCA (**new**)

Guide refactoring

During the refactoring of automated income assessments using tax data for self-employed income in Section 5304.2, we inadvertently removed the requirement for documenting IRS Form(s) 4868 and 7004, if applicable, when the Borrower is on a tax filing extension.

We have restored this requirement and added to automated income assessment using tax data for rental income in Section 5306.2 the requirement for documenting IRS Form 4868 when the Borrower is on a tax filing extension.

Guide impacts: Sections 5304.2 and 5306.2

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 2026-4 (Selling) Guide Updates Spreadsheet via the Download drop-down available at <https://guide.freddiemac.com/app/guide/bulletin/2026-4>.



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 'K. Kauffman', is positioned below the word 'Sincerely,'.

Kevin Kauffman

Senior Vice President, Single-Family Seller Engagement