

# Bulletin

TO: Freddie Mac Sellers

September 24, 2020 | 2020-37

## SUBJECT: UPDATES TO MARKET CONDITION CREDIT FEE IN PRICE AND COVID-19-RELATED REQUIREMENTS FROM PREVIOUS BULLETINS

This Guide Bulletin announces additional exclusions from the previously announced [Market Condition Credit Fee in Price](#).

In addition, under the guidance and direction of the FHFA and in alignment with Fannie Mae, we are also announcing the following:

- The extension of the effective dates for previously announced [temporary flexibilities](#)
- The extension of the effective dates for the [purchase of Mortgages in forbearance](#)
- The extension of the effective date for Sellers' temporary [postfunding quality control requirements](#)

### Freddie Mac Market Condition Credit Fee in Price update

We are updating Guide Exhibit 19 to exclude additional Mortgages from the Market Condition Credit Fee in Price such that the fee will not be charged for the following Mortgages:

- Mortgages with an original Note amount of less than or equal to \$125,000, or
- Construction Conversion Mortgages that are documented using either Integrated Documentation (single closing) or Modification Documentation without a new Note as described in Guide Section 4602.3

### Extension of temporary flexibilities from previous Bulletins

In Bulletin 2020-35, we extended the effective date for some previously announced temporary flexibilities for Mortgages with Application Received Dates through September 30, 2020. We are further extending the effective date for Mortgages with Application Received Dates through **October 31, 2020** for the following:

- Employed income – 10-day pre-closing verification flexibilities announced in Bulletin 2020-5
- Appraisal and GreenCHOICE Mortgage® flexibilities announced in Bulletins 2020-5, 2020-8 and 2020-11
- Condominium Project flexibilities announced in Bulletin 2020-11
- Power of attorney flexibilities announced in Bulletin 2020-8

As a reminder, the temporary Selling requirements and guidance announced in Bulletins 2020-5 and 2020-8 and extended until further notice in Bulletin 2020-35 remain in effect.

### Extension of temporary requirements for purchase of Mortgages in forbearance

We are extending the temporary requirements for the purchase of Mortgages in forbearance announced in Bulletin 2020-12 and subsequently extended in Bulletins 2020-17, 2020-23, 2020-30 and 2020-35. These requirements are now effective for Mortgages with Note Dates on or after February 1, 2020 and on or before **October 31, 2020**, and Settlement Dates on or after May 1, 2020 and on or before **December 31, 2020**.

The chart below has been revised to reflect these changes.

Contract type	Additional effective date requirements
<b>Guarantor and MultiLender Contracts</b>	<ul style="list-style-type: none"> <li>Mortgages with Note Dates on or after February 1, 2020 and on or before March 31, 2020 must have Settlement Dates on or before May 31, 2020</li> <li>Mortgages with Note Dates on or after April 1, 2020 and on or before <b>October 31, 2020</b> must have Settlement Dates on or before <b>December 31, 2020</b> (Revised)</li> </ul>
<b>Cash Contracts</b>	
<b>Additional Requirements for Cash Contracts:</b> Mortgages that are in forbearance, that are no more than 30 days delinquent	<p>The Cash Settlement Date must be no later than the 20th of the month after the month the Mortgage became 30 days delinquent, as defined in Bulletin 2020-12.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>Notes with a first payment Due Date of September 1: If the Borrower does not pay the September payment, the Mortgage will become 30 days delinquent at the close of business on September 30. For these loans, the Settlement Date must be on or before October 20. (Revised)</li> <li>Notes with first payment Due Dates of September 2–30: If the Borrower did not pay the September payment, the Mortgage will become 30 days delinquent at the close of business on October 31. For these loans, the Settlement Date must be on or before November 20. (Revised)</li> </ul>

### Extension of temporary flexibilities regarding Seller’s postfunding quality control requirements – targeted sampling

In Bulletin 2020-11, we announced temporary flexibilities for Sellers related to postfunding quality control reviews. The quality control flexibilities announced in Bulletin 2020-11 were effective immediately for all Mortgages currently in the process of a post-closing Seller in-house quality control review and were to remain in place for all Mortgages selected through June 2020 for post-closing Seller in-house quality control reviews. Bulletin 2020-35 extended this flexibility for Mortgages selected through September 2020.

These flexibilities will now remain in place for all Mortgages through **October 31, 2020** for post-closing Seller in-house quality control reviews.

### ADDITIONAL RESOURCES

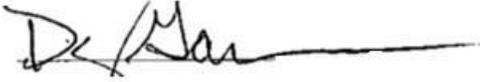
We encourage Sellers to review the following resources:

- Freddie Mac Single-Family web page on [COVID-19](#)
- Freddie Mac [Selling FAQs](#) related to COVID-19
- The Center for Disease Control’s web page on [COVID-19](#)
- The Appraisal Foundation’s [Appraiser Qualifications and Standards Q&As](#)
- The Appraisal Institute’s [Coronavirus-related Direction for Appraisers](#)
- National Association of Realtors [Coronavirus Guide for Realtors](#)

## CONCLUSION

We appreciate the support that Sellers continue to extend to Borrowers coping with hardships attributed to COVID-19. If you have any questions about the changes announced in this Bulletin, please contact your Freddie Mac representative or call the Customer Support Contact Center at 800-FREDDIE.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Gardner', followed by a long horizontal flourish.

Danny Gardner  
Senior Vice President, Client and Community Engagement