



Single-Family News

Online Updates from Your Freddie Mac Team

May 2009

What's New

- **Freddie Mac leaders discuss efforts to sustain homeownership and promote responsible lending**

Last month, our Single-Family leadership video series continued with Senior Vice President of Default Asset Management Ingrid Beckles discussing the key role Freddie Mac plays in sustaining homeownership and stabilizing communities. We also heard from Don Bisenius, senior vice president of Single-Family Credit Guarantee, who shared how responsible lending standards position our customers for the future. Check out these videos today on FreddieMac.com to hear what our leaders have to say.

- **New FAQ resource on Freddie Mac Relief Refinance MortgageSM**

We recently posted answers to some of your most frequently asked questions about the Freddie Mac Relief Refinance MortgageSM, our business implementation of the Home Affordable Refinance. Use this new FAQ resource to learn more about how you can help borrowers refinance into mortgages that better position them for a successful and long-term homeownership experience.

Recent Guide Updates

- **Important selling and servicing requirement changes announced in April**

In April we issued the following *Single-Family Seller/Service Guide* (Guide) Bulletins:

- [Bulletins 2009-8 and 2009-10 announced updates to eligibility guidelines for the Home Affordable Modification Program.](#)
- [Bulletin 2009-9 announced expanded eligibility for the Relief Refinance Mortgage, revised credit requirements for super conforming mortgages and temporary increased loan limits for super conforming mortgages](#) in high-cost areas.
- [Bulletin 2009-11 announced changes to our delivery instructions and updated forms in the Guide to assist you in meeting our eligibility and delivery requirements.](#)

Originate and Underwrite Loans

- **Loan Prospector® updates reflect recent Guide changes and revised FHA requirements**

We've updated Loan Prospector to align with requirement changes announced in recent Guide Bulletins. Loan Prospector has also been updated to support changes recently announced by the Federal Housing Administration (FHA).

- **Changes to Condominium Unit Mortgage requirements reflect higher risks**

On March 31, 2009, we announced revisions to our credit requirements for Condominium Unit Mortgages that reflect the higher risk and continued deterioration in loan performance of these mortgages and condominium projects.

Sell and Deliver Loans

- **New details on meeting delivery requirements for FHFA-required loan-level origination data**

We've been working with the Federal Housing Finance Agency (FHFA) to develop a plan for implementing FHFA's new loan-level origination data requirements. Get more details regarding how to provide this required data at delivery.

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Easy-to-Print Version & Archive

Print and read this edition of Single-Family News.

[PDF Version \[PDF 148K\]](#)

Read previous issues:

April 2009

[New delivery requirements for Condominium Unit Mortgages](#)

As part of the requirement changes for Condominium Unit Mortgages that we announced in March, Sellers will be required to deliver new special characteristic codes (SCCs) to indicate how property eligibility was determined.

[Get the Issue](#)

Service Loans

- [Designated Counsel/Trustee Program update](#)

We've expanded our Designated Counsel/Trustee Program to include three firms in Arizona. We are also reminding Servicers of the critical role they play in assisting borrowers seeking foreclosure prevention options through the Designated Counsel Program.

Important Reminders

- [Deadline for submission of certificate of incumbency is fast approaching](#)

Freddie Mac must receive a completed certificate of incumbency package from all Sellers **no later than May 31, 2009**. If we do not receive your package by the May 31, 2009, deadline, your access to the selling system will be terminated on June 1 and your organization will be unable to commit or deliver loans.

- [Home Valuation Code of Conduct now in effect](#)

We are reminding you that the Home Valuation Code of Conduct (Code) went into effect on May 1, 2009, and Freddie Mac will no longer purchase mortgages from Sellers who have not adopted the Code with respect to single-family mortgages delivered to Freddie Mac. Read more about the Code and an update on the Independent Valuation Protection Institute.

- [Upcoming pricing and credit requirement changes at-a-glance](#) [PDF 217K]

Guide Bulletins released in March and April announced several changes to our underwriting and purchase requirements. Use this overview, in conjunction with the referenced Guide Bulletins, to become familiar with key changes and effective dates, including requirement changes for super conforming mortgages, condominium projects, the Relief Refinance Mortgage and more.

Valuable Tools, Resources and Training

- [Resources to help you with Freddie Mac collateral requirements](#)

Take advantage of several valuable educational opportunities to gain insights and tips on meeting Freddie Mac collateral requirements.

- [Updated resources to help you with Condominium Unit Mortgages](#)

Learn more about selling and delivering Condominium Unit Mortgages, including requirement changes that we announced recently.

- [Updated resources on super conforming mortgages](#)

Take advantage of our updated educational resources to become familiar with our purchase and delivery requirements for super conforming mortgages, including requirements we've updated through a recent Guide Bulletin.

- [Resources to help guide you on investor accounting](#)

Learn more about our Investor Accounting ManagerSM, one of Freddie Mac's servicing management applications designed to make servicing our loans easier.

- [Freddie Mac Campus® Live](#)

We've scheduled another round of classroom training sessions that you can take advantage of. Plan to join us at upcoming Freddie Mac Campus Live events in Burlington, Mass. and Oak Brook, Ill., and learn more about what's new at Freddie Mac, investor reporting, alternatives to foreclosure, underwriting with Loan Prospector, custodial accounts, appraisal and inspection reports and more.

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Important selling and servicing requirement changes announced in April

Last month we issued several *Single-Family Seller/Servicer Guide* (Guide) Bulletins that announced several important updates to our selling and servicing requirements.

- [Updates to the Home Affordable Modification Program](#)
- [Expanded eligibility for the Freddie Mac Relief Refinance MortgageSM](#)
- [Changes to super conforming mortgage requirements](#)
- [More information to help you deliver eligible loans to Freddie Mac](#)

Updates to the Home Affordable Modification Program

In recent weeks we announced important updates to the Home Affordable Modification program, the loan modification program announced on March 4, 2009, that supports the Making Home Affordable Program.

With [Guide Bulletin 2009-8 issued on April 7, 2009](#) [PDF 130K], we:

- Revised eligibility requirements to include a requirement that a borrower must have a monthly housing expense-to-income ratio greater than 31 percent to be eligible for the program.
- Introduced the Home Affordable Modification Borrower Qualification Worksheet and added it to the secure Home Affordable Modification Web page.
- Announced that the name of Form 3156, *Home Affordable Modification Program Workout Plan* has been revised to *Home Affordable Modification Program Trial Period Plan* and provided the authorized changes that must be made to the Trial Period Plan.
- Updated the Logo Terms of Use to include guidelines around using the Making Home Affordable logo.

With [Guide Bulletin 2009-10 issued on April 21, 2009](#) [PDF 159K], we announced further updates to our program requirements, including:

- Criteria for determining whether a borrower who is current or less than 31 days delinquent is in imminent default.
- The requirement that all mortgages that meet program eligibility criteria must be evaluated using the Net Present Value (NPV) test, and announcing the NPV Calculator developed for Servicers to submit loans for the NPV test. We also provided information regarding the NPV test and availability of the NPV Calculator.
- Other changes to eligibility and borrower underwriting requirements.
- Further guidance on program incentives as related to the Servicer "pay for success" fee and borrower "pay for performance fee."
- Credit bureau reporting requirements.
- Incorporation of requirements for reporting data to the Financial Agent in its capacity as financial agent for the U.S. Department of the Treasury (Treasury).
- Incorporation of Servicer requirements provided by Freddie Mac, the Compliance Agent for the Treasury.

As a reminder, Servicers must continue to:

- Suspend all foreclosure sales on owner-occupied properties for borrowers who may be eligible for a modification under the Home Affordable Modification program.
- Report the prior week's Home Affordable Modification activity each Monday using the Program Performance Reporting Spreadsheet.

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For more information:

- Visit Freddie Mac's Home Affordable Modification program Web site.
- Review [Guide Chapter C65](#) [PDF 403K].
- Visit our [Learning Center](#) for educational resources on the Home Affordable Modification program.
- Review information for consumers about the federal [Making Home Affordable Program](#) on the U.S. Department of the Treasury Web site.

Expanded eligibility for the Freddie Mac Relief Refinance MortgageSM

The [April 16 Guide Bulletin 2009-9](#) [PDF 104K] expanded eligibility for the Freddie Mac Relief Refinance MortgageSM to make it easier for qualified borrowers to take advantage of this offering. These changes to our requirements were effective upon publication of the Guide Bulletin on April 16, 2009, and include:

- Clarifying our requirements for the use of Relief Refinance Mortgage proceeds to provide that the amount to pay off the mortgage being refinanced includes accrued interest through the payoff date.
- Permitting up to \$250 cash back to the borrower.
- Removing the requirement that the amortization term of the Relief Refinance Mortgage not be longer than the amortization term of the existing mortgage. For example, a 15-year fixed-rate mortgage may now be refinanced as a 30-year fixed-rate Relief Refinance Mortgage.
- Clarifying that if a mortgage being refinanced was underwritten and sold to Freddie Mac as a second home and investment property mortgage and the property is now an owner-occupied primary residence, the Relief Refinance Mortgage is eligible for sale as a primary residence mortgage.
- Permitting the transfer of property insurance from the mortgage being refinanced to the Relief Refinance Mortgage, if permitted by the insurance carrier and certain requirements are met.

Additionally, when using Home Value Explorer® to determine property value, we are not requiring you to complete the "Year Built" and "Number of Bedrooms" fields on Form 11, *Mortgage Submission Schedule* and Form 13SF, *Mortgage Submission Voucher*.

For more information on the Relief Refinance Mortgage

- Read Guide Bulletin [2009-5](#) [PDF 134K] and Guide Bulletin [2009-9](#) [PDF 104K].
- Review our Relief Refinance Mortgage [FAQs](#) on our Web site.
- Visit the [Learning Center](#) for courses and educational resources on the changes announced today.

Changes to super conforming mortgage requirements

The [April 16 Guide Bulletin 2009-9](#) [PDF 104K] announced revisions to our requirements for super conforming mortgages and incorporated into the Guide the temporary increase to our [maximum loan limits](#) as permitted under the *American Recovery and Reinvestment Act of 2009* (ARRA).

The key changes to our super conforming mortgage requirements include:

- Introducing LTV/TLTV/HTLTV ratio requirements for super conforming mortgages with original loan amounts greater than the permanent *Housing and Economic Recovery Act of 2008* (HERA) maximum loan limits and up to the temporary ARRA maximum loan limits.
- Reducing existing maximum LTV/TLTV/HTLTV ratios by 5 to 15 percent for certain mortgages with original loan amount at or below the permanent HERA loan limits with higher risk characteristics, including:
 - Cash-out refinance mortgages
 - Mortgages secured by second homes
 - Mortgages secured by investment properties
- Removing restrictions on cash proceeds for cash-out refinance mortgages.
- Requiring a field review (Form 1032) when the LTV/TLTV/HTLTV ratio is greater than 80 percent and the loan amount is \$625,500.

Additionally, we are allowing products and offerings included in a Seller's purchase documents to be used with super conforming mortgages with certain restrictions.

To provide you with pipeline coverage we are allowing super conforming mortgages with original loan amounts at or below the permanent county-level maximum loan limits established by HERA to be originated in accordance with our existing requirements provided they have application dates on or before May 15, 2009, and Freddie Mac settlement dates on or before July 31, 2009.

All super conforming mortgages with application dates **after May 15, 2009**, and/or settlement dates after July 31, 2009, must be originated in accordance with these updated credit requirements.

Super conforming mortgages with original loan amounts greater than the permanent county-level maximum loan limits established

by HERA and up to the temporary county-level maximum loan limits allowed by ARRA, must be originated in accordance with updated credit requirements, have note dates on or after October 1, 2008, and delivery dates **on or after May 4, 2009**.

For more information on super conforming mortgages

- Read our [Guide Bulletin 2009-9](#) [PDF 104K] for complete details on these changes.
- Learn more about [super conforming mortgages](#) on our Web site.
- View [maximum loan limits](#) [PDF] in designated high-cost areas.
- Read a [training article](#) in this issue of *Single-Family News* for courses and educational resources on changes to super conforming mortgages

More information to help you deliver eligible loans to Freddie Mac

[Guide Bulletin 2009-11 issued on April 23, 2009](#) [PDF 135K], provided additional instructions, modifications, and revisions to our delivery instructions, updated forms in the Guide to assist Seller/Servicers in meeting our eligibility and delivery requirements, and made changes to our servicing requirements in response to today's market conditions.

Guide Bulletin 2009-11 included the following important changes:

- **Additional instructions, modifications and revisions to our delivery instructions.** The revisions affect the delivery of certain loan data required by Form 11, *Mortgage Submission Schedule* or Form 13SF, *Mortgage Submission Voucher*.
- **Latest version of FEMA Form 81-93 incorporated into the Guide.** We have incorporated the latest version of Federal Emergency Management Agency (FEMA) Form 81-93, *Standard Flood Hazard Determination* into the Guide, which FEMA approved for use in December 2008.
- **Extended timeframe for submitting Form 104SF and Form 104DC.** In response to the unprecedented volume of workouts that Servicers are processing, we temporarily extended the timeframe for submitting expense reimbursement claims for both non-REO and REO expenses.
- **Form 981 updated to include special provisions for modified mortgages.** Form 981 *Agreement for Subsequent Transfer of Servicing of Single-Family Mortgages*, has been updated to add fields for a Transferor Servicer to indicate that the transferring portfolio includes mortgages modified under the Home Affordable Modification Program, and also indicate whether the transfer includes modified mortgages that have a step-rate provision (i.e., the interest rate is subject to incremental increases beginning in year 6 of the modification) or a partial principal forbearance.
- **Title work expenses limit increased in North Dakota and South Dakota.** Due to rising title costs in these states, we've increased the limits for title work expenses to \$300 in North Dakota and \$350 in South Dakota.

Review the entire [Guide Bulletin 2009-11](#) [PDF 135K] to become familiar with all Guide updates announced with this bulletin.



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Loan Prospector® updates reflect recent Guide changes and revised FHA requirements

In recent weeks, we've updated Loan Prospector® to align with requirement changes announced in *Single-Family Seller/Service Guide* (Guide) Bulletins we issued this year. Loan Prospector has also been updated to support changes recently announced by the Federal Housing Administration (FHA).

Loan Prospector April 26 release

On April 26, we updated Loan Prospector to align with postsettlement delivery fee changes announced in our [Guide Bulletin 2009-3](#) [PDF 110K] issued on January 30, 2009. To help you identify these changes at origination, we updated Loan Prospector with new and revised feedback messages.

[Review details of the Loan Prospector April 26 release.](#)

Upcoming Loan Prospector releases to reflect revised requirements for super conforming mortgages

On April 16, Loan Prospector was updated to reflect the higher *American Recovery and Reinvestment Act of 2009* (ARRA) maximum loan limits for super conforming mortgages as announced in our [Guide Bulletin 2009-9](#) [PDF 104K] issued on April 16.

Further updates to Loan Prospector reflecting the additional credit and collateral changes for super conforming mortgages announced in our [Guide Bulletin 2009-9](#) [PDF 104K] will take place in the following phased approach:

- [Loan Prospector May 21 Release](#): On May 21, we will update Loan Prospector to reflect the revised LTV/TLTV/HTLTV ratio requirements.
- [Loan Prospector June 14 Release](#): On June 14, we will implement new and revised Loan Prospector feedback messages that align with requirement changes in [Guide Bulletin 2009-9](#) [PDF 104K] issued on April 16.

Until these updates are implemented in Loan Prospector, you must complete a manual review of the mortgage file to ensure the mortgage meets the revised requirements for sale to Freddie Mac. To aid you in this process, please review our [Super Conforming Processing Reminders for Loan Prospector Mortgages](#) [PDF 141K] job aid.

[Review complete details of the upcoming Loan Prospector releases.](#)

Read more about the [revised credit requirements for super conforming mortgages](#).

Loan Prospector now reflects recent FHA changes

To support changes recently announced by the Federal Housing Administration (FHA), Loan Prospector was updated to:

- Reflect the revised 2009 FHA loan limits as announced in the [February 24 Mortgagee Letter 2009-07](#) [DOC], on February 25.
- Align with the decrease of the maximum LTV/TLTV/HTLTV ratios for cash out refinances from 95 percent to 85 percent, as announced in the [March 12 Mortgagee Letter 2009-08](#) [DOC], on April 1.

[Review details of these updates.](#)

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Changes to Condominium Unit Mortgage requirements reflect higher risks

The March 31 [Single-Family Seller/Servicer Guide \(Guide\) Bulletin 2009-7](#) [PDF 102K] announced revisions to our credit and delivery requirements for Condominium Unit Mortgages. These changes reflect the higher risk and continued deterioration in loan performance of Condominium Unit Mortgages and condominium projects, and are effective for Freddie Mac settlements on and after July 1, 2009.

Key changes to condominium requirements

As announced in the Guide Bulletin, Freddie Mac will purchase mortgages secured by 1-unit residential dwellings in condominium projects approved through Fannie Mae's Project Eligibility Review Service (PERS).

Also, effective July 1, 2009, to address the higher default rates of Florida Condominium Unit Mortgages, attached Condominium Unit Mortgages secured by units in new and newly converted attached condominium projects located in Florida will only be eligible for sale to Freddie Mac if the condominium project is approved through the Fannie Mae PERS process. The comprehensive PERS process will ensure that the condominium project is thoroughly reviewed.

We also introduced requirements for live-work and mixed-use condominium projects, and added new requirements for projects on leasehold estates.

Given the scope of changes to our Condominium Unit Mortgage requirements, it is important that you carefully review Guide Bulletin 2009-7 and Guide Chapter 42 to prepare for these changes.

Read a [related article on new delivery requirements](#) for Condominium Unit Mortgages

Condominium Unit Mortgage resources

- Read Guide Bulletin [2009-7](#) [PDF 102K]
- Learn more about [Condominium Project Reviews](#) on our Web site
- Review [Overview of Recent Pricing and Credit Changes At-a-Glance](#) [PDF 217K]
- See a [training article](#) on updated courses and educational resources for Condominium Unit Mortgages

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New details on meeting delivery requirements for FHFA-required loan-level origination data

We've been working with the Federal Housing Finance Agency (FHFA) to develop a plan for implementing [FHFA's new loan-level origination data requirements](#) [PDF]. Specifically, we will be required to collect the following unique identifiers for **mortgages with application dates on or after January 1, 2010**:

- **Loan originator identifier** – The loan originator's unique identifier as assigned by the [Nationwide Mortgage Licensing System \(NMLS\)](#).
- **Loan origination company identifier** – The loan origination company's identifier as assigned by NMLS. The loan origination company is the company the loan originator is employed by or is representing as an independent contractor.
- **Appraiser's state license number** – The field appraiser's state license number (or state certification number in the absence of a license number) issued by the state in which the subject property is located.
- **Supervisory appraiser's state license number, if applicable** – If the field appraiser is either a subcontractor or an employee of the supervisory appraiser or appraisal firm and the field appraiser's work was directly supervised, the supervisory appraiser's license number (or state certification number in the absence of a license number) issued by the state in which the subject property is located.

Delivering the unique identifiers

To meet this new requirement, we will update Form 11, *Mortgage Submission Schedule*, and Form 13SF, *Mortgage Submission Voucher*, to enable you to include the following data in the appropriate fields:

- The **loan originator identifier** and **loan origination company identifier** are up to 12 numeric characters.
- The **appraiser's state license number** and the **supervisory appraiser's state license number**, if applicable, are up to 21 alphanumeric characters. In cases where an automated valuation model is permitted and used, the word "Other" must be delivered in the **appraiser's state license number** field.

In addition to updating Form 11 and Form 13SF, we will update Form 65, *Uniform Residential Loan Application*, to include fields for the **loan originator identifier** and the **loan origination company identifier**. We will provide more information about changes to Form 65 at a later date.

Freddie Mac will require Sellers to begin delivering the four data elements for **mortgages with application dates on or after January 1, 2010**. The selling system will be updated to accept delivery of this data on January 1, 2010.

State requirements for obtaining a loan originator identifier

The [Conference of State Bank Supervisors](#) (CSBS) can provide guidance on obtaining unique identifiers through NMLS. If you are originating loans in a state that requires you to obtain a unique identifier, you must provide the number to Freddie Mac for mortgages with application dates on or after January 1, 2010. If you are in a state that has not yet required loan originators to obtain a loan originator identifier, you will not be required to deliver this information.

Guidance for federally regulated institutions for delivering loan originator and loan origination company identifiers

The [Federal Financial Institutions Examination Council](#) and the [Farm Credit Administration](#) are expected to publish guidance for

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institutions under their supervision on obtaining a loan originator identifier and loan origination company identifier. Once that guidance has been issued, Freddie Mac will provide you with guidance on how to deliver this data.

Appraisal numbers *must* be delivered regardless of whether state law requires you to have a loan originator identifier or loan origination company identifier.

Updating your loan origination system (LOS) to deliver the four data elements

- If you use a LOS vendor, please contact your vendor to find out when the system build to include the required updates to Form 11 and Form 13SF will be available.
- If your organization designs its own system interface, please contact 800-FREDDIE or your selling system representative for details on technical specifications for updating your LOS system.

We will provide you with more details on this new requirement in a future *Single-Family Seller/Service Guide* Bulletin.

For more information:

- Visit www.csbs.org for guidance on obtaining unique identifiers through NMLS.
- Go to www.stateregulatoryregistry.org to find out how to register with NMLS.
- View [FHFA's January 15 press release](#) [PDF], FHFA Announces New Mortgage Data Origination Requirements.
- Read our March 2009 *Single-Family News* article, [New origination data requirements for mortgages you deliver to Freddie Mac](#).

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New delivery requirements for Condominium Unit Mortgages

In [Single-Family Seller/Servicer Guide \(Guide\) Bulletin 2009-7](#) [PDF 102K], we announced a variety of updates to our requirements for Condominium Unit Mortgages as a result of the continued deterioration of loan performance of these mortgages. **The changes we announced are effective for Freddie Mac settlement dates on and after July 1, 2009.**

As part of these changes to our requirements for Condominium Unit Mortgages, Sellers will be required to deliver the following new special characteristic codes (SCCs) to indicate how property eligibility was determined:

- **SCC H10:** Condominium evaluated using the streamlined review process
- **SCC H09:** Condominium approved through Fannie Mae's PERS process

These new SCCs must be delivered for Condominium Unit Mortgages with **Freddie Mac settlement dates on and after July 1, 2009.**

For more information

- Refer to [Guide Bulletin 2009-7](#) [PDF 102K] issued on March 31
- Read a related article on requirement changes for Condominium Unit Mortgages
- See a [related training article](#) on updated courses and educational resources on Condominium Unit Mortgages

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Designated Counsel/Trustee Program update

Expansion of program to Arizona

On April 13, Freddie Mac announced the addition of the following three Arizona firms to our Designated Counsel Program: Malcolm Cisneros; McCarthy, Holthus & Levine; and Tiffany & Bosco, P.A. As of April 15, 2009, you will receive designated counsel credit on all new referrals to these firms.

The Designated Counsel Program makes use of highly qualified counsel and trustees across the country to help improve foreclosure and bankruptcy timeline management in 20 states. The program is either optional or mandatory, depending on the location of the property, the number of units in the property, and our evaluation of a Servicer's foreclosure and bankruptcy management performance in a particular state.

Please view the complete [Designated Counsel/Trustee list](#) for details about the documentation you are required to provide to the firms with your referral.

The Designated Counsel Program and foreclosure prevention

Last year, Freddie Mac's Designated Counsel Program began playing an important role in foreclosure prevention by reaching out to borrowers in foreclosure and informing them of options that may be available to them. The Designated Counsel borrower outreach process includes the following:

- Upon receipt of a foreclosure referral from a Servicer, designated counsel firms send the Freddie Mac borrowers an informational letter about alternatives to foreclosure. The letter instructs the borrower to complete and return Form 1126, *Borrower Financial Statement* to the firm to receive further information.
- If a borrower expresses interest in exploring a foreclosure avoidance option with the return of Form 1126, the designated counsel firm gathers additional documentation and forwards this information to Freddie Mac's Designated Counsel Loss Mitigation Team.
- The Freddie Mac team evaluates the borrower's situation and works to find a possible alternative to foreclosure.
- Our designated counsel firms are then responsible for preparing any required documents and communicating our decision to the borrower. In the case of a modification, if a recording of the modification is required, the designated counsel firm will also send the modification for recording. Finally, the signed modification documents and related funds are sent to the Servicer for closing.

As a Servicer, you play a vital role in assisting borrowers seeking foreclosure prevention options through the Designated Counsel Program. We will alert you by e-mail when a borrower is exploring an alternative to foreclosure and request information from you about the mortgage.

As a reminder, it is a Servicer's responsibility to respond to our request for information in a timely manner, and to ensure the borrower's records are updated to reflect that an alternative to foreclosure is being processed.

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Deadline for submission of certificate of incumbency is fast approaching

May 31 is just around the corner and Sellers want to be sure they've completed [Freddie Mac's certificate of incumbency requirement](#) [PDF 138K]. If you have not met this requirement by the **May 31, 2009**, deadline, your **access to the selling system will be terminated on June 1** and your organization will be unable to commit or deliver loans. In addition, if you have an active loan pipeline, your pipeline will be closed.

Here are a few key points to remember as you prepare to meet the May 31, 2009, deadline for Freddie Mac to receive your certificate of incumbency package:

- All Freddie Mac Sellers are required to complete a certificate of incumbency. This requirement was announced with [Single-Family Seller/Servicer Guide Bulletin 2009-4](#) [PDF 138K] (issued February 20).
- **Effective June 1, 2009**, the authorized persons executing the following forms you use must be designated as one of the authorized persons on your certificate of incumbency and board of directors resolution or other governing body resolution:
 - Form 483, *Wire Transfer Instructions*
 - Form 987 and 987E, *Wire Transfer Authorization for a Cash Warehouse Delivery*
 - Form 1132, *Authorization for Automated Transfer of Funds Through the Automated Clearing House*
- We strongly recommend that the forms be completed under the supervision of your organization's corporate secretary and reviewed by your legal counsel.
- **If you have not met this requirement by the May 31, 2009, deadline, your access to the selling system will be terminated on June 1 and your organization will be unable to commit or deliver loans.** In addition, if you have an active loan pipeline, your pipeline will be closed.

The completed certificate of incumbency and additional forms package should be mailed to:

Freddie Mac
Attn: Counterparty Authorization
Mail Stop A2B
8250 Jones Branch Drive
McLean VA, 22102-3110

For more information

- Review [Bulletin 2009-4](#) [PDF 138K].
- Refer to Guide Chapter 16.10.1 for certificate of incumbency requirements.
- Contact 800-FREDDIE.
- Access our [Checklist for Counterparty Authorization Forms](#). [PDF 76K]

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Home Valuation Code of Conduct now in effect

We are reminding you that the Home Valuation Code of Conduct (Code) went into effect on May 1, 2009, and Freddie Mac will no longer purchase mortgages from Sellers who have not adopted the Code with respect to single-family mortgages that are delivered to Freddie Mac. Additionally, for all mortgages with application dates on or after May 1, you must represent and warrant that the appraisal report is obtained in a manner consistent with the Code.

If you have any questions regarding the Code, please submit them through our [online form](#) and we will respond as quickly as possible.

Update on Independent Valuation Protection Institute

Plans for creating the Independent Valuation Protection Institute (IVPI) are ongoing and we will keep you informed on the timing for its establishment.

When established, the IVPI will offer, among other services, a telephone and e-mail hotline to receive and process complaints from appraisers, individuals and entities on noncompliance with the Code. In the interim, a temporary process for reporting and registering complaints will be available. We will provide information on this interim process in an upcoming announcement.

Until the IVPI is established, the provisions regarding it in the Code are not effective.

For more information

- Review the [Code](#).
- Find answers to [frequently asked questions](#) on our Web site.
- Visit the [Learning Center](#) for courses and educational resources on the Code.

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Resources to help you with Freddie Mac collateral requirements

Take advantage of these valuable educational opportunities to learn more about the forms you'll need and your responsibilities to review these forms to meet Freddie Mac collateral requirements.

Collateral Assessment Review live webinar

Need a refresher on reviewing appraisal and inspection reports you receive? [Register for this live webinar](#) where we'll review Loan Prospector's Minimum Assessment Feedback results and your responsibilities when reviewing appraisal and inspection reports.

We'll discuss key areas of focus and common issues, including the implementation of the Home Valuation Code of Conduct, which took effect on May 1, 2009, and the new *Market Conditions Addendum Form*, which we announced in November 2008. The goal of this session is to help you determine if a report is acceptable and the mortgages secured by the subject property is eligible for sale to Freddie Mac.

Recorded webinar on the Market Conditions Addendum Form

We invite you to listen to a [newly recorded webinar, How to Use the Market Conditions Addendum Form](#), to help you understand Freddie Mac Guide Form 71, *Market Conditions Addendum* (Fannie Mae's Form 1004MC) that appraisers complete. Organized to address the completion of this new appraisal report addendum, this 26-minute session will also help you gain an understanding and recognize the sources of market information necessary to analyze market conditions.

In our [November 24 Single-Family Seller/Service Guide \(Guide\) Bulletin](#) [PDF 133K], we introduced the *Market Conditions Addendum Form* required for all mortgages that have appraisals with effective dates on or after April 1, 2009. Form 71 is designed to enhance the transparency of the conclusions made by the appraiser.

Appraisal review reminders

Use this [list of reminders](#) [PDF 70K] to assist you when underwriting an appraisal report. The tool will help you determine if the appraisal report was completed in a manner that correctly depicts or describes the neighborhood, site and improvements.

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Updated educational resources on Condominium Unit Mortgages

Learn more about selling and delivering Condominium Unit Mortgages, including requirement changes regarding these mortgages that we announced recently.

[Live Condominium Unit Mortgages webinar](#)

Looking for a high-level overview of Freddie Mac's requirements for Condominium Unit Mortgages? This 90-minute webinar will take a look at the eligible project types and required warranties a Seller must make to sell these mortgages to Freddie Mac, and will cover all the recently announced changes.

[Freddie Mac Condominium Unit Mortgages](#) [PDF 102K]

This easy-to-print summary provides essential information about Condominium Unit Mortgages to help you understand streamlined reviews, general warranties, ineligible properties, and review requirements by condo project type, and more.

[Condominium Unit Mortgages – Project Analysis](#) [PDF 133K]

This tool will help you determine the minimum documentation you'll need to gather and review for condominium projects to ensure the project is acceptable and that the requirements and warranties are met for streamlined, reciprocal and full project reviews.

Read about the changes in our [sale requirements](#) and [loan delivery requirements](#) for Condominium Unit Mortgages in this issue of *Single-Family News*.

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Updated educational resources on super conforming mortgages

Take advantage of our updated educational resources to become familiar with our purchase and delivery requirements for super conforming mortgages, including requirements we've updated and announced recently.

[Live super conforming mortgages webinar](#)

Do you have loans that may qualify for Freddie Mac's super conforming mortgage offering? These are mortgages with original loan amounts equal to or less than the higher permanent maximum loan limits in certain high-cost areas established by the *Housing and Economic Recovery Act of 2008* (HERA) and, mostly recently, greater than the HERA loan limits up to the temporary higher maximum loan limits established by the *American Recovery and Reinvestment Act of 2009* (ARRA). Register for a 60-minute live session and learn more about the requirements of this offering.

[Super conforming processing reminders for Loan Prospector® mortgages](#) [PDF 141K]

Loan Prospector is being updated with the latest super conforming requirements in a phased approach beginning in late May 2009. Until all updates are complete, you must complete a manual review of the mortgage file to ensure the mortgage meets the revised requirements for sale to Freddie Mac. Use this job aid as a tool to help in your manual review process.

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Resources to help guide you in investor accounting

Join us for our new [Investor Accounting Manager Overview webinar](#) designed for those who perform investor reporting and remitting activities. This 90-minute live session covers the reports available through the Investor Accounting ManagerSM (IAM), one of Freddie Mac's servicing technology tools developed to make servicing our loans easier. You'll learn how to create your own customized report, synchronize your data files with ours, reduce your reporting errors, monitor your daily cash position and remit online.

Plus download our quick reference, [Getting Started with Investor Accounting](#) [PDF 220K], which we've recently updated.

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