

# Bulletin

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TO: All Freddie Mac Sellers

March 31, 2010

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## INTRODUCTION

The Florida Condominium market has been among the hardest hit by the current housing crisis. To increase the availability of financing for Condominium Units in Florida, we are announcing the Florida Condominium Effort in this *Single-Family Seller/Service Guide* (“Guide”) Bulletin.

We are also addressing certain Reciprocal Project Review requirements.

## FLORIDA CONDOMINIUM EFFORT

### Effective April 1, 2010

We are revising Guide Chapter 42, *Special Warranties for Condominiums* to exempt Sellers from Condominium Project requirements and certain representations and warranties for purchase transaction Mortgages secured by Condominium Units located in Florida, provided the following requirements are met:

- The Mortgage file contains documentation verifying that the existing First Lien conventional Mortgage on the unit being purchased is owned by Freddie Mac, in whole or in part, or securitized by Freddie Mac
- The Note Date of the existing Mortgage for the unit being purchased is on or before December 31, 2009. This date refers to the property seller’s Note Date.
- The Settlement Date for the new Mortgage is on or before March 31, 2011

Section 42.7 is being revised to reflect these requirements.

### Delivery requirements

#### *Freddie Mac Loan Number*

Sellers must deliver the 9-digit Freddie Mac loan number of the property seller’s Mortgage in the “associated FHLMC Loan #” field on the Form 11 or Form 13SF, as applicable.

#### *Special characteristics codes*

A Mortgage that is secured by a unit in a Florida Condominium Project and meets the requirements in Section 42.7(e) requires special characteristics code “H24” on Form 11, *Mortgage Submission Schedule*, and Form 13SF, *Mortgage Submission Voucher* at delivery.

Sellers are reminded that in addition to the special delivery requirements above, they must comply with all other Guide delivery requirements for Condominium Unit Mortgages and any other delivery requirements applicable to the specific Mortgage type required by their other Purchase Documents.

## **RECIPROCAL PROJECT REVIEWS**

### **Fannie Mae Special Approval Designation**

Section 42.9(a) of the Guide provides requirements for the sale of Condominium Unit Mortgages located in Condominium Projects accepted by Fannie Mae. We are revising that section to provide that Condominium Unit Mortgages secured by units in Fannie Mae-accepted Projects that receive the Fannie Mae Special Approval designation are not eligible for sale to Freddie Mac.

## **REVISIONS TO THE GUIDE**

The revisions included in this Bulletin impact the following:

- Chapters 17 and 42
- Form 11 and Form 13SF

## **CONCLUSION**

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

Sincerely,



Patricia J. McClung  
Vice President  
Offerings Management