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**TO: Freddie Mac Sellers**January 31, 2018 | 2018-1

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**SUBJECT: SELLING UPDATES**

This Guide Bulletin announces:

**Extension of effective date for rental income revisions announced in Bulletin 2017-12**

- [Extension of the effective date for rental income revisions](#) announced in Bulletin 2017-12 – **November 30, 2018**

**ULDD Phase 3**

- Guide updates to include [ULDD Phase 3 requirements](#) – **May 20, 2019**

**EFFECTIVE DATE**

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

**EXTENSION OF EFFECTIVE DATE FOR RENTAL INCOME REVISIONS ANNOUNCED IN BULLETIN 2017-12****Effective for Mortgages with Settlement Dates on and after November 30, 2018; however, Sellers may implement the changes in their entirety immediately if they have not already done so**

As announced in our [January 10, 2018 Single-Family News Center article](#), we are extending the effective date for the revised rental income requirements announced in Bulletin 2017-12 from Settlement Dates on and after February 9, 2018 to Settlement Dates on and after November 30, 2018.

The extension will provide us the opportunity to further review the Seller feedback we have received and consider if the requirements, format and/or language could be fine-tuned through additional specificity and/or revision for Seller ease of use.

Sellers may continue to originate, underwrite and deliver Mortgages based on either the rental income requirements announced in Bulletin 2017-12, in their entirety, or those in effect prior to Bulletin 2017-12, in their entirety.

The rental income requirement revisions announced in Bulletin 2017-12 had no impact on Loan Product Advisor® feedback messages; therefore, there is no impact as a result of this extension. The feedback message for rental income was updated on August 9, 2017, to specifically refer to Guide Chapter 5306 rather than refer broadly to the Guide.

Guide impacts: Guide Sections 3401.12, 4201.15, 4201.16, 4501.9, 5304.1, 5306.1 and 5401.2, Guide Forms 91, 92 and 998 and Glossary J-Q

**ULDD PHASE 3****Effective for Mortgages with Delivery Dates on and after May 20, 2019; however, Sellers may begin delivering the new ULDD Data Points beginning February 26, 2018**

As announced in the [January 30, 2018 joint Freddie Mac/Fannie Mae communication](#), Sellers must comply with the ULDD Phase 3 requirements effective for Mortgages with Application Received Dates on and after January 1, 2019 and Delivery Dates on and after May 20, 2019.

Per Bulletin 2017-28, we are updating the Guide to reflect the applicable dates and incorporate the ULDD Phase 3 requirements and clarifications for specific delivery programs, Mortgage products, information, attributes and

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characteristics. The ULDD Phase 3 requirements are reflected in the ULDD Phase 3 specification addendum included in Appendix A – Freddie Mac XML Data Requirements V.4.0.3. Sellers should review the ULDD Phase 3 Addendum in its entirety to determine impacts to their systems or processes.

Loan Selling Advisor<sup>SM</sup> will be updated on February 26, 2018. Therefore, the ULDD Phase 3 transition period will commence on February 26, 2018 and end on May 19, 2019. During the transition period, Sellers may begin delivering the applicable Phase 3 ULDD Data Points and valid values via manual entry or data import, as soon as they are operationally ready to do so.

To remain aligned with Loan Selling Advisor, Loan Quality Advisor<sup>®</sup> will also be updated on February 26, 2018 to accept submissions with the Phase 3 ULDD Data Points and valid values following the same transition period.

We're updating Guide Exhibit 34 to remove Investor Feature Identifier (IFI) 583 for a Mortgage with an Affordable Second<sup>®</sup>. This data will be required to be delivered through the Phase 3 ULDD Data Point *Loan Affordable Indicator* (Sort ID 513.1).

During the transition period Sellers may deliver either the Phase 3 ULDD Data Point or IFI 583, but must not deliver both. The Secondary Financing Credit Fee in Price for Mortgages with Affordable Seconds meeting the requirements of Section 4204.2 will not be assessed in either case.

For additional information, refer to the [ULDD Frequently Asked Questions](#). As a reminder, to help prepare for delivery of the Phase 3 requirements and evaluate potential impacts to systems and processes, Sellers may take advantage of the Customer Test Environment (CTE). The CTE is available to preview the updated version of Loan Selling Advisor and test readiness to deliver the Phase 3 data and extension schema.

Sellers can visit [The Learning Center](#) for more information on our training programs and reference the available [job aid](#) to better prepare for ULDD Phase 3 implementation.

Guide impacts: Sections 6302.1, 6302.5, 6302.8, 6302.9, 6302.10, 6302.14, 6302.20, 6302.26, 6302.31 and 6302.34 and Exhibit 34

## **Loan Product Advisor terminology updates**

### **Effective for Mortgages with Delivery Dates on and after February 26, 2018**

In Bulletin 2016-12 we updated the Guide to replace references to Loan Prospector with Loan Product Advisor, but at that time did not update references in Chapter 6302 since Loan Selling Advisor (formerly the Selling System<sup>®</sup>) was not yet updated to reflect this change. We are updating Loan Selling Advisor on February 26, 2018 to accept both Loan Prospector and Loan Product Advisor. We are updating the delivery requirements in the Guide to accept both terms in most instances and replacing other Loan Prospector references with Loan Product Advisor, as applicable.

Guide impacts: Sections 6302.10, 6302.11, 6302.14, 6302.25, 6302.26 and 6302.34

## **ARMS**

We are updating Section 4603.3 to reflect the change of 5-year ARMs to 5/5 ARMs as announced in Bulletin 2017-26.

Guide impact: Section 4603.3

## **GUIDE UPDATES SPREADSHEET**

For a detailed list of the Guide updates associated with this Bulletin and the topics with which they correspond, refer to the Bulletin 2018-1 (Selling) Guide Updates Spreadsheet available at [http://www.freddiemac.com/singlefamily/guide/docs/bl1801\\_spreadsheet.xls](http://www.freddiemac.com/singlefamily/guide/docs/bl1801_spreadsheet.xls).

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## CONCLUSION

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 cursive script, appearing to read "Christina K. Boyle".

Christina K. Boyle  
Senior Vice President  
Single-Family Sales and Relationship Management