

Bulletin

NUMBER: M2026-3

TO: Freddie Mac Multifamily Sellers and Servicers
June 23, 2026



SUBJECTS

In the June 23, 2026 Guide Bulletin, we are updating the Guide as follows:

Originating and underwriting

- Adding requirements for [Properties subject to Energize Denver](#)
- Updating our [liquidity verification](#) requirements
- Updating certain [Forward Commitment](#) requirements
- Updating our [lease audit](#) requirements for Properties with 30 units or less

Insurance

- Updating certain [insurance](#) requirements

General Freddie Mac Policies and Seller/Servicer eligibility

- Updating the [Structured Transaction Seller/Servicer designations](#)
- Updating our [Seller/Servicer financial eligibility](#) requirements
- Updating our [broker/correspondent Web Search](#) requirements
- Clarifying our [legal fee](#) requirements
- Updating our [information security and business continuity](#) requirements

Servicing and asset management

- Removing [Loan Management Form](#) requirements
- Delegating approval authority to Servicers to waive [default interest](#) for non-monetary events of default

Additional Guide updates and housekeeping items

- Clarifying our [Borrower requirements](#) for limited liability limited partnerships
- Updating our [Conversion Appraisal](#) requirements
- Clarifying our [Equity Conflict of Interest](#) requirements for property inspections
- Notifying Seller/Servicers of upcoming [SBL retirement](#) updates

EFFECTIVE DATES

All revisions announced by this Bulletin are effective immediately unless otherwise noted below.

GUIDE UPDATES SPREADSHEET AND REDLINED GUIDE CHAPTER CHANGES

Visit <https://mf.freddiemac.com/lenders/guide/bulletins> for the following resources to this Bulletin:

- **Appendix A to June 23, 2026, Guide Updates Spreadsheet** – a detailed list of the Guide updates associated with this Bulletin and the topics with which they correspond
- **Appendix B to June 23, 2026, Redlined Guide Chapter Changes** – a PDF showing the redlined changes announced in this Bulletin to each revised Guide chapter, Glossary and Directory



CONCLUSION

More details on these changes are provided on the pages that follow. Guide text additions made in this Bulletin are color-coded in green on AllRegs®. If you have any questions about this Bulletin, please call your Freddie Mac representative.

Sincerely,

Kevin Palmer
Executive Vice President
Head of Multifamily

Erlita Shively
Vice President
Multifamily Counterparty Risk Management



Originating and underwriting

Properties subject to Energize Denver

We are updating the Guide to require documentation related to Properties subject to the Energize Denver program, including:

- Property documentation from the Energize Denver Management Portal or Building Look Up Tool
- Borrower's retrofit plan, including estimated cost of improvements and timeline
- Borrower's business plan and intent related to Energize Denver

Documentation requirements differ based on building size (5,000–24,999 square feet versus 25,000 square feet or larger).

We are updating Section 55.2 and the [Interactive Conventional and TAH Cash UW Checklist](#) to reflect this change.

Liquidity verification

We are updating our liquidity verification requirements for applicable Key Borrower Principals (see Section 55.2) as follows:

- Requiring Seller/Serviceicers to verify the lesser of:
 - The liquidity reported in each applicable Key Borrower Principal's certified financial statement, or
 - Two times the minimum Liquidity required in the Quote or the minimum Liquidity required for an assumption, as applicable
- Clarifying that each applicable Key Borrower Principal must independently satisfy this requirement (no combined verification)
- Clarifying that verified liquidity, supported by bank or brokerage statements, will be used for all liquidity determinations, including, but not limited to, the assessment of the funds needed to close for an acquisition, which may require verified liquidity in excess of the requirement noted above

As a reminder, Seller/Serviceicers must submit a [Liquidity Verification Worksheet](#) with the underwriting package summarizing the verification analysis, along with an explanation, acceptable to Freddie Mac, if verified liquidity does not meet the required amount.

We are updating Section 55.2, the [Interactive Conventional and TAH Cash UW Checklist](#) and the [Liquidity Verification Worksheet](#) to reflect these changes.

Forward Commitments

TAH Forward Commitment and Conventional Forward Commitment alignment

We are updating Chapter 19A to align with Chapter 17A. The material differences between the two chapters are those required by the different programs for TAH Forward Commitments and Conventional Forward Commitments.

Seller/Serviceicers should review the updated chapter to understand the aligned requirements.

We are additionally updating Sections 11.2(e), 32.1(k), Chapter 25A and the Glossary to reflect these changes.



Conditions to Conversion

We are updating Sections 17A.10(c) and 19A.14(c) to clarify that a Forward Commitment does not automatically terminate upon the failure of a Condition to Conversion, but instead terminates upon receipt of all applicable fees.

Affordable Forward Commitments

We are updating references in the Guide from Non-LIHTC Forward Commitments to Affordable Forward Commitments.

We are updating Sections 19A.2(b), 19A.6(d) and the Glossary to reflect this change.

Lease audits for Properties with 30 units or less

We are updating our lease audit requirements for Properties with 30 units or less in Section 8.15(b) to require a lease audit of 50 percent of total units, with no fewer than 10 units and no more than 15 units, *except for Properties with 10 units or less*, in which a lease audit of 100 percent of units is required.

Insurance

The below changes are effective for all new loans under Seller Application on or after July 6, 2026, and for existing Mortgages, insurance policy renewals in Servicing on or after August 24, 2026.

Cancellation clause

We are updating Section 31.2(f) to clarify that general liability and umbrella or excess liability insurance policies must provide that the liability insurers will notify the lender as an additional insured before cancellation of the policy.

Acceptable insurers

We are updating the Guide to require a minimum AM Best Financial Strength Rating of A- and to remove the minimum Financial Size Category requirement for acceptable insurers.

We're also updating Sections 3.16(a), 11.5, 31.4 and 62SBL.17(d) to reflect these changes.

Forced placed insurance

We are updating our forced placed insurance requirements in Section 31.24 as follows:

- Clarifying the information Seller/Servicers must send to Freddie Mac when providing notice of force placed insurance
- Requiring Seller/Servicers to submit a monthly report of all force placed insurance in effect for Mortgages serviced on Freddie Mac's behalf. We are providing a [Force Placed Insurance Reporting Template](#) for the monthly reporting.

General Freddie Mac Policies and Seller/Servicer eligibility

Structured Transaction Seller/Servicer designations

We are updating the Structured Transaction Seller/Servicer designation requirements by:



- Adding the designation **Approved Structured Lender**: A Seller/Servicer approved by Freddie Mac with the ability to complete Structured Transactions on a continuous basis with rolling term sheets and market themselves as having this designation. See the [announcement](#) for more details.
- Updating the designation for **Structured Transaction Seller/Servicer**: A Seller/Servicer approved by Freddie Mac for a one-time structured transaction securitization that is comprised of seasoned collateral originated by the Seller/Servicer. If approved, the Seller/Servicer will be an approved Freddie Mac Multifamily Structured Transaction Seller/Servicer for that specific deal. Structured Transaction Seller and Structured Transaction Servicer approvals are separate approvals. Receiving one approval does not guarantee the applicant will receive the other.
- Adding requirements in Section 2.10 for Approved Structured Lenders related to co-marketing with the Freddie Mac Multifamily name, logos and offerings

We are updating Section 2.10, 3.1(b) and the Glossary to reflect these changes.

Seller/Servicer financial eligibility

We are updating our minimum Seller/Servicer liquid assets requirements in Section 3.3(a) to align with industry practices and the market environment as follows:

- The minimum Liquid Assets requirements are:
 - Minimum of \$2 million in Liquid Assets, AND
 - Cash-over-expenses (COE) ratio equal to or greater than 5%
- COE is calculated as the ratio of rolling four-quarter average of unrestricted cash and cash equivalents over total gross non-interest expenses that are reported in [Form 1055, Mortgage Bankers Financial Reporting Form](#)
- Eligible Liquid Assets are defined as:
 - Unrestricted cash and cash equivalents, and unpledged Treasury bills, money market investments or certificates of deposit with maturities of one year or less, or allowable unpledged marketable securities which include short-term, investment-grade securities either held for sale or trading, such as agency mortgage-backed securities, obligations from Government Sponsored Enterprises, and Treasury obligations.

These requirements will be effective for financial reporting for the period ending **December 31, 2026**.

Broker/correspondent Web Searches

We are updating the requirements for broker/correspondent policies and searches, as follows:

- The Seller/Servicer must complete Web Searches on the broker/correspondent firm and the individuals employed at the broker/correspondent firm who are involved in the applicable Mortgage transaction (the “Broker Parties”) in accordance with the [Public Records Search Requirements](#)
- The Seller/Servicer must maintain evidence that such Web Searches were performed, including the date the searches were conducted and screenshots or copies of the searches

We are updating Section 3.15(c) and the Glossary definition for Web Searches to reflect these changes.



Legal fees

We are updating Section 6.9 to state that we have the right to require Seller/Service providers to pay Freddie Mac's outside counsel fees on certain transactions and certain matters, as described in [Freddie Mac Outside Counsel Legal Fees – Guidance](#).

Information security and business continuity

Effective September 1, 2026

We continue to assess information security and related requirements to mitigate risk.

Credit reports for individual Guarantors

We are requiring Seller/Service providers to redact Social Security Numbers from credit reports for individual Guarantors before submitting them to Freddie Mac.

We are updating Section 55.2 and the [Interactive Conventional and TAH Cash UW Checklist](#) to reflect this change.

Software and application development life cycle (SDLC)

We are updating our information security requirements in Section 2.26 for Seller/Service providers' 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

Business continuity

We are adding business continuity requirements in Section 2.20 for Seller/Service providers to have a business impact analysis of the organization's critical processes.

Servicing and asset management

Loan Management Form

Effective August 1, 2026

As previously [announced](#), watchlist reporting will replace Loan Management Form reporting requirements for assessing Borrower compliance with Loan Documents and identifying potential risks or emerging issues.

We are updating Sections 40.2, 40.6 and the Glossary to remove Loan Management Form requirements.

Waiver of default interest for non-monetary defaults

We are updating Section 43.7 to delegate authority to Service providers to waive default interest assessed in connection with certain non-monetary events of default. Subject to certain conditions, Service providers will have delegated authority to waive up to 60 days of accrued default interest for a non-monetary event of default if the Borrower cures the event of default within 60 days of its occurrence.



Additional Guide updates and housekeeping items

Limited liability limited partnerships Borrower requirements

We are updating Section 9.2(a) to classify limited liability limited partnerships as a Borrower type which may be acceptable in limited circumstances and may be subject to additional requirements.

Conversion Appraisals

We are clarifying when a new or updated Appraisal is required at Conversion for a Forward Commitment Mortgage.

We are updating Section 60.30 and the Glossary to reflect this change.

Equity Conflict of Interest – property inspections

We are updating Section 2.25 to clarify that an Employee-Level Owner may not be the sole Seller/Service representative participating in the property inspection due to a potential conflict of interest.

Small Balance Loans

As previously [announced](#), we are no longer accepting SBL applications as of April 30, 2026. We will update the Guide to remove originating and underwriting requirements for SBL Mortgages in an upcoming Bulletin.