

# Bulletin

NUMBER: M2013-4

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TO: Freddie Mac Multifamily Sellers and Servicers

July 31, 2013

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## SUBJECTS

With this Bulletin for the Multifamily Seller/Service Guide (Guide), we are:

- Clarifying that a foreign citizen may hold a direct or indirect interest in a United States-chartered Borrower Principal
- For CME Mortgages, requiring the original and three additional copies of the existing or prior survey to be included in the Final Delivery Package, even if Freddie Mac has waived its requirement for an updated survey
- Indicating that the new underwriting checklist requirements for Properties with problematic materials can be documented on the Appraisal and the ACORD

### Effective dates

All of the changes announced by this Bulletin are effective immediately.

### Conclusion

More details on these changes are provided on the pages that follow. Guide text for the changes in this Bulletin is highlighted in green on AllRegs. If you have any questions about this Bulletin, please call your Freddie Mac representative.

Sincerely,

David Brickman  
Senior Vice President  
Multifamily

## Borrower Principal Requirements

We have revised Section 9.2(h) to clarify that an entity formed in a foreign country or a foreign citizen may hold a direct or indirect interest in a United States-chartered Borrower Principal.

## Survey Documentation Required for the Final Delivery Package

We have clarified our survey requirements for CME Mortgages to indicate that we still require the original and three copies of the existing or prior survey for a CME Mortgage, even if Freddie Mac has waived the requirement for an updated survey to be included in the Final Delivery Package.

We have revised Section 32.4(i)(4) to reflect this change.

## Documentation for Problematic Materials in the Underwriting Package

In our June Guide Bulletin, for Properties where problematic materials, equipment or systems are detected, we added a requirement for Sellers to:

- Obtain certification from the appraiser that the problematic materials, equipment and systems were considered in the evaluation of the Property
- Provide evidence that there is no exclusion in the hazard insurance policy for damage caused by the problematic materials, equipment and systems

We are now indicating that the certification from the appraiser can be documented in the Appraisal itself, and the evidence of no exclusion in the hazard insurance policy can be documented on the ACORD, the certificate of insurance, or other equivalent documentation. No additional documents are needed to meet this requirement.

To accommodate these changes, we have revised the following underwriting checklists, which can be found in AllRegs or on FreddieMac.com:

- Section 1.1: Conventional Checklists
- Section 1.26: Targeted Affordable Housing Cash Mortgage Standard Delivery Full Underwriting & Early Rate-Lock Checklist
- Section 1.29: Targeted Affordable Housing Bond Credit Enhancement Mortgage Full Underwriting Checklist
- Section 1.31: Targeted Affordable Housing Cash Mortgage Conversion Underwriting Checklist
- Section 1.33: Targeted Affordable Housing Bond Credit Enhancement Mortgage Conversion Underwriting Checklist