

Bulletin

NUMBER: M2026-5

TO: Freddie Mac Multifamily Sellers and Servicers
October 20, 2026



SUBJECTS

In the October 20, 2026 Guide Bulletin, we are updating the Guide as follows:

Originating and underwriting

- Updating our requirements for [Forward Commitments](#)

Insurance

- Updating certain [insurance](#) requirements

Servicing and asset management

- Updating our [interest rate cap requirements](#)

Additional Guide updates and housekeeping items

- Clarifying our [Reserve collection](#) requirements
- Creating an [SBL Guide](#) Addendum for Servicers
- Clarifying our [Transfers of Ownership documentation](#) requirements
- Revising the [Wire Transfer Authorization form](#)
- Revising the [Forward Commitment Monitoring Report form](#)

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 October 20, 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 October 20, 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

Forward Commitments

We are updating Sections 17A.7 and 19A.7 to require Sellers to email their Freddie Mac Production relationship manager and cc Forward_Commitment_Monitoring@freddiemac.com within 5 Business Days if they become aware of the following during the construction phase:

- A material adverse change in the rental income, operation or physical condition of the Property, or title to the Property from that which was disclosed in writing to the Seller/Servicer or Freddie Mac; or
- Borrower or any Borrower Principal has notified the Seller that it is unable or unwilling to: (i) satisfy any Condition to Conversion or (ii) consummate the loan in accordance with the Forward Commitment by its Maturity Date

Insurance

The below changes are effective for all new loans under Seller Application on or after October 26, 2026, and for existing Mortgages, insurance policy renewals in Servicing on or after December 18, 2026.

Blanket insurance limits

We are updating Section 31.3 to clarify that the Seller/Servicer must confirm that the blanket insurance limits cover the largest Total Insurable Value (TIV) for single- or multi-building properties, per Section 31.5.

Named Storm coverage

We are updating Section 31.7(c) to clarify that the FEMA 500-year flood zone is designated as Zone B or Shaded X and is an area with a 0.2% annual chance of flooding.

Ordinance or Law insurance

We are updating Section 31.12, Ordinance or Law coverage, to refer to Section 31.5, allowing insurable value equal to 90% for multiple building properties for Coverage “A” – Loss to the undamaged portion of the Property.

Terrorism liability insurance

We are updating our terrorism liability coverage requirements in Section 31.16 to clarify that a Terrorism Risk Insurance Act (TRIA) endorsement or stand-alone policy is required and may be written on an Occurrence-based Policy Form or Claims Made Policy Form.

Professional liability (PL) insurance

We are updating our PL insurance in Section 31.17(a) to clarify the following:

- Licensed beds refer to those for which a seniors housing facility provides health care, commonly known as assisted living services; Independent living beds are not included when determining required umbrella/excess coverage
- If CGL and PL coverages are combined, the umbrella and/or excess liability limit is the higher of the two requirements, and the combined policies can be either Claims Made or Occurrence-based Policies



Co-op directors' and officers' liability insurance (D&O)

We are updating Section 31.18(b) to clarify that D&O policies may be written on a Claims Made or Occurrence-based Policy Form.

Servicing and asset management

Interest rate cap requirements

We are updating our requirements for interest rate caps to improve consistency between Cash and TAH transactions and modernize terminology and reserve escrow requirements. The updates include, but are not limited to:

- Updating requirements regarding the treatment of rate cap payments to permit, at the lender's option, such payments to be applied to accrued interest due under the Note. See Sections 11.3(e), 28.12(p) and 43.21(a).
- Revising Cap Escrow Reserve requirements to reference the Rate Cap Reserve Escrow Percentage specified in the Rate Cap Rider to the Loan Agreement. See Sections 11.3(f), 28.12(k), 28.18(a) and 43.22(a).
- Replacing references to "cap fee Reserve" with "Cap Escrow Reserve"

Review [Appendix A to October 20, 2026 Bulletin, Guide Updates Spreadsheet](#), for the full list of impacted Guide sections.

Additional Guide updates and housekeeping items

Reserve collection

We are clarifying that unless Freddie Mac has deferred its right to require a Reserve, the Reserve collection requirements in Section 39.2(a) apply.

Servicing SBL Mortgages

We are updating the Guide to refer Servicers to the new [SBL Guide Addendum](#), which provides the SBL Guide requirements of Chapters 8SBL, 9SBL and 55SBL for use in review, transaction approval, documentation, and post-origination administration for Servicing of previously originated SBL loans.

Review [Appendix A to October 20, 2026 Bulletin, Guide Updates Spreadsheet](#), for the list of impacted Guide chapters.

Transfers of Ownership documentation

We are clarifying the documentation requirements applicable to Transfers of Ownership in Sections 41.3(c), 41.4(a), 41SBL.3(c) and 41SBL.4(d).

Form 483M, Wire Transfer Authorization

We have revised [Form 483M](#) to recommend that Servicers have their IT Departments safe list <https://secure-mail.freddiemac.com/> and <https://secureappmail.freddiemac.com>. This will allow Seller/Servicers to access the Freddie Mac Secure Mail Portal. Before accessing the portal, register to use the portal in accordance with the Receiving and Decrypting Send-Secure Emails [instructions](#).



Form 5150, Forward Commitment Monitoring Report

We have revised [Form 5150](#) to include the field “Original Contingency.”