

Bulletin

NUMBER: M2025-7

TO: Freddie Mac Multifamily Sellers and Servicers
October 21, 2025



SUBJECTS

In the October 21, 2025, Guide Bulletin, we are updating the Guide as follows:

Conventional Forward Commitments

- Adding [Conventional Forward Commitment](#) requirements

Insurance requirements

- Revising our [flood insurance](#) requirements
- Updating our [earthquake insurance](#) requirements
- Clarifying our [Seniors Housing insurance](#) requirements
- Updating our [Co-op insurance](#) requirements
- Clarifying our [captive insurance and risk retention group](#) requirements
- Updating certain [general liability insurance](#) requirements

General Freddie Mac policies

- Updating our [information security](#) requirements
- Clarifying Freddie Mac Multifamily Software Applications content [ownership and usage of confidential information](#)

Escrow and settlement

- Updating certain [escrow and settlement](#) requirements

Additional Guide updates and housekeeping items

- Updating our [closing documentation](#) requirements
- Updating our [Servicing inspection](#) requirements
- Updating the [Borrower Certifications for completion and partial completion of repairs](#)
- Clarifying our [rent roll and financial statements](#) requirements
- Clarifying [tax abatement requirements](#)
- Updating the [Directory](#)

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.html> for the following resources to this Bulletin:

- **Appendix A to October 21, 2025, 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 21, 2025, 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,

Ian Ouwerkerk
Senior Vice President
Multifamily Underwriting and Credit

Erlita Shively
Vice President
Multifamily Counterparty Risk Management



Conventional Forward Commitments

We are updating the Guide to add Chapter 17A for the new Conventional unfunded Forward Commitments product. An unfunded Forward Commitment provides permanent financing for new construction or Substantial Rehabilitation of a Property that qualifies for the Multifamily Conventional Cash Mortgage Purchase Program. This product is substantially similar to the TAH Unfunded Forward product, but without the affordability restrictions. Seller/Service providers must read the Guide requirements and certify their understanding and implementation of the business changes to start conventional unfunded forward transactions. See the [Unfunded Conventional Forward Commitment Form](#) and [term sheet](#) for details.

We are creating Chapter 17A and updating Section 3.15(d), 8.16(a), 19A.2(a), 19A.10(a), 28A.1(c), 28A.2, 28A.12(b), 60.30, 63.3(c), 63.5(c), the Glossary and Exhibits [1.30](#), [1.31](#) and [1.33](#) to reflect this change.

Insurance requirements

The below changes are effective for all new loans under Seller Application on or after October 31, 2025, and for existing Mortgages, insurance policy renewals in Servicing on or after December 21, 2025.

Flood insurance

We are revising Section 31.8(f) to require that Service providers update the Insurance Compliance Tool (ICT) when discontinuing flood insurance for Properties no longer in a Special Flood Hazard Area (SFHA).

Earthquake insurance

We are updating our requirements for earthquake insurance in Section 31.9(b) as follows:

- Update insurance coverage and maximum deductible requirements for Properties that require earthquake insurance
- Revise minimum umbrella or excess liability coverage requirements

Seniors Housing insurance

We are clarifying our Seniors Housing insurance requirements as follows:

- Clarifying for Seniors Housing Properties that if any level of health care is provided at a Seniors Housing Property, the Borrower must maintain professional liability coverage for errors and omissions, medical malpractice, and abuse
- Specifying that for a Seniors Housing Property, the Service provider may approve an expanded deductible per Section 31.5(b) if a Borrower is unable to obtain a policy with the maximum deductible allowed

We are updating Sections 31.17(a) and 31.17(b) to reflect these changes.

Cooperative requirements

We are updating our requirements for Co-ops in Section 31.18(a) and 31.18(b) as follows:

- Updating the minimum fidelity bond/crime insurance coverage requirements
- Updating the directors' and officers' liability insurance maximum deductible requirements

Captive Insurance and risk retention groups

We are clarifying our requirements for captive insurance and risk retention groups in Section 31.27 as follows:



- Clarifying that the use of captive insurers and risk retention groups (RRGs) is acceptable for general and professional liability policies, property and liability policy deductibles, property policy layers (not for majority coverage) and terrorism policies backed by the Terrorism Risk Insurance Program
- Specifying the insurance rating requirements that the captive insurer or risk retention group must meet or, for captives or RRGs that are not satisfactorily rated, the documentation that Seller/Service providers must review to demonstrate financial stability

Additional general liability insurance requirements

We are updating the general liability insurance requirements in Sections 31.2(d), 31.3, and 31.16(a-b) to:

- Clarify requirements when a property management company provides insurance for a Borrower
- Remove requirements for common ownership when Properties are insured by a Blanket Insurance Policy
- Clarify that aggregate coverage limits may be satisfied with any combination of primary Commercial General Liability (CGL), umbrella, and/or excess liability limits, as long as the total coverage meets the minimum required limits
- Specify maximum deductible and self-insured retention (SIR) requirements for policies covering single and multiple Properties

For additional information, see the new Multifamily Insurance Compliance [web page](#).

General Freddie Mac policies

In alignment with Freddie Mac corporate and Single-Family standards, we are updating the Guide as follows.

Information security

The below changes are effective **January 1, 2026**.

We are updating our information security requirements in Section 2.26, including as follows:

- **Physical and environmental security control requirements**, including requiring the Seller/Service provider to create and maintain:
 - An ongoing and updated inventory of individuals gaining access to buildings and facilities containing information systems with periodic review of such access at least annually
 - A clean desk policy that ensures that Freddie Mac confidential information and Protected Information are stored securely
- **Data transmission and data loss prevention requirements**, to require the Seller/Service provider to:
 - Establish an incident response plan for data loss prevention policy violations
- **Network security requirements**, including to require Seller/Service providers to:
 - Implement mechanisms to monitor network traffic and detect anomalous network traffic
- **Configuration and patch management**, to require Seller/Service providers to:
 - Document a process to identify and respond to malicious domains, taking immediate action to block access to these domains across all network and endpoint security systems
- **Software and application development life cycle (SDLC) requirements**, including that Seller/Service providers must:



- Test to validate functional and non-functional requirements are met prior to production
- A process to manage, remediate and report on defects
- **Data Encryption** requirements to require Seller/Serviceirs to maintain encryption solutions that:
 - Enable the recovery of a compromised database administrator account
 - Allow privileged administrators to complete required actions without the ability to decrypt data
- **Authentication requirements and guidelines**, including requiring Seller/Serviceirs to:
 - Ensure that all access to Freddie Mac data requires multifactor authentication
 - Utilize password vaults with multifactor authentication and ensure that no passwords are stored in unsecured files

Additionally, we are updating the [Information Security Best Practices](#) manual to assist Seller/Serviceirs and its vendors in understanding our information security requirements.

Freddie Mac Multifamily Applications ownership and use of confidential information

We are clarifying Freddie Mac's irrevocable license to use all documentation delivered to Freddie Mac (i) in connection with a prescreen package or underwriting package, or (ii) via Freddie Mac Multifamily Software Applications (including the content in the applications and any enhancements to them)

We are also clarifying in Section 2.8(b) how Freddie Mac may use confidential information.

We are updating Sections 2.8(a), 2.8(b), 2.12(e), 55.1(f) and 55SBL.1(e) to reflect these changes.

Escrow and settlement

We are updating Section 29.1 to require that a Title Insurance Underwriter handle all escrow and settlement functions, not just acquisitions, for all loans taken under Seller Application on or after October 31, 2025.

Additional Guide updates and housekeeping items

Closing documentation

We are updating Section 32.3(c) to remove references to requirements now included in the [Closing Documentation Guidelines](#).

Servicing inspections

We are updating Section 40.7(d) to clarify that Serviceirs must include in the Annual Inspection Form (AIF) any item listed as a PR-90 Repair or Priority Repair in the "Repair Verification" tab until all repairs are finished. Any incomplete repairs at the time of inspection should also be reported in the Deferred Maintenance section of the form. The inspector must review the item(s) at the time of inspection, validate completion and add photographs of the item(s) to the inspection report.

Borrower Certifications: Completion and Partial Completion of Repairs

We are updating the [Borrower Certification: Completion of Repairs](#) and the [Borrower Certification: Partial Completion of Repairs](#) to align with the requirements in Section 39.4.



Rent roll and financial statements

We are clarifying Section 40.15 to state that within 90 days (instead of 100 days) after the end of each fiscal year, the statements, balance sheet and accounting of security deposits described in Section 40.15(1)(b) must be submitted.

This update aligns the Guide with the Loan Documents.

Tax abatements

We are updating the Guide to clarify our tax abatement requirements for Conventional and Small Balance Loans (SBL) in Sections 8.19(f) and 8SBL.19(e).

Directory

We are updating certain outdated contact information in the Directory.