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Remaining Steady

Amid intense market volatility, we remain steady and open for business — ready to quote your deals, close and securitize. Given inflows, please note you may see a small delay in our responses to quote submissions.

Here's where you can help us respond as efficiently as possible: Check the thoroughness and quality of your packages carefully so we can provide accurate, timely pricing. Remember that joint underwriting is an especially good option right now — check with your relationship manager for details.

A complete package must include: all construction review materials for rehabs, copies of appraiser engagement letters signed shortly after taking an application, all required legal analyses, all LURAs, as well as complete and final organization charts.

Recent Announcements

There's a lot happening, and we didn't want you to miss any updates.

Yesterday, in our [business update](#) from Rich Martinez, we announced that we're:

- Taking a pause on **all Index Locks and early-rate locks**.

We previously implemented a suspension of Index Locks for specialty products, but due to current industry issues, both Index Locks and early-rate locks are temporarily paused for all products as we evaluate the market and our offering.

- **Eliminating the cap in the breakage fee formula for fixed-rate loans**, starting with commitments issued today; breakage will now be calculated without the 2% cap. As always, Freddie Mac will pursue the borrower for any breakage fee that is above the good faith deposit.
- **No longer waiving good faith deposits** for Select Sponsors.

A reminder:

- **Treasury floors are now the greater of 0.75% or 15 bps** below current Treasury for all products, except supplementals.
- We're also adding a **Treasury floor of 0.75% on all supplementals**, regardless of loan term.
- First quotes issued are valid for **five business days instead of 10**, and subsequent quotes will remain unchanged at five business days.

Inspections

We're developing solutions for situations where the complete due diligence requirements for a Freddie Mac loan can't be completed. Our teams will make decisions on a case-by-case basis on individual property inspection waivers and risk mitigation.

Customer Visits

We're now conducting all meetings virtually. Please contact your relationship manager if in-person meetings are business-critical.

Final Delivery Packages: Contingency Plan

Please see Friday's [announcement](#) on our contingency plan for final delivery packages in case of disruptions.

We have a vital mission and a critical role in the markets — all the more significant in times like these. We will continue to partner with all of you to strengthen your business. Thank you for your flexibility and support. And stay tuned.

