

Bulletin

NUMBER: 2002-8

TO: All Freddie Mac Sellers and Servicers

December 16, 2002

SUBJECTS

Requirements amended in this Bulletin:

- Selling and Servicing

Freddie Mac is:

- Increasing the maximum original loan amounts for Home Mortgages eligible for sale to Freddie Mac
- Revising our requirements for refinance Mortgages and our cash-out refinance postsettlement delivery fee rates
- Providing additional guidance regarding the treatment of installment debts, including those that are deferred or in a period of forbearance, when calculating a Borrower's monthly debt payment-to-income ratio
- Revising our Seller/Servicer eligibility requirements to permit us to establish a minimum Mortgage purchase amount
- Adding Minimum Gross Coupon Rate to our list of defined terms in the Glossary
- Announcing a change regarding the effective date for our revised construction/permanent Mortgage requirements
- Reminding Seller/Servicers of the updated requirements for A-minus, other Caution, and Non-Loan Prospector Mortgages, and our new and revised postsettlement delivery fees announced in our September 9 Bulletin that become effective for settlements on or after January 2, 2003
- Revising the delivery information for Exhibit 22, Additional Supplements for Fixed-rate Nonstandard Prepayment Protection Mortgages and Adjustable-rate Prepayment Protection Mortgages
- Reminding Sellers and Servicers of our commitment to purchase Mortgages secured by Manufactured Homes and our requirements for the purchase of these Mortgages
- Revising Form 1092, Broker's Price Opinion, to provide a place to indicate that the dwelling is a Manufactured Home
- Revising the GoldWorks® billing payment process to change the payment cycle and require remittance of payment via Automated Clearing House (ACH) draft
- Eliminating the requirement that a Seller/Servicer prepare a recordable assignment to Freddie Mac for each Mortgage that is serviced for us
- Revising *Single-Family Seller/Servicer Guide* (Guide) requirements to allow the use of an allonge when endorsing the Note for Mortgages delivered to us
- Introducing designated counsel/trustee in the State of Michigan
- Revising our reimbursement amounts for evictions and attorney fees for foreclosures
- Revising Exhibit 76, Loan Modification Agreement

EFFECTIVE DATES

All of these changes are effective immediately except:

- **January 1, 2003:** date after which you may deliver Mortgages up to the new loan limits to us
- **January 2, 2003:**
 - Revised reimbursement amounts for evictions become effective
 - Revised attorney reimbursement amounts become effective
 - Use of designated counsel/trustee in the State of Michigan is mandatory for all Servicers for referrals to foreclosure and bankruptcies on and after this date for Mortgages secured by 2-4 unit properties in accordance with Guide requirements. All Servicers may use the Michigan designated counsel/trustee for the referral to foreclosure and bankruptcy of Mortgages secured by 1-4 unit properties immediately.
- **March 16, 2003:** revised requirements for treatment of installment debts apply to Manually Underwritten Mortgages delivered to Freddie Mac on or after this date
- **April 1, 2003:**
 - Beginning with settlements on this date, revised requirements for "no cash-out" refinance Mortgages apply, the special purpose cash-out refinance Mortgage is eliminated, and the LTV ratio at which the minimum Indicator Score requirement applies to Manually Underwritten cash-out refinance Mortgages is reduced to 70 percent
 - Beginning with settlements on this date, all cash-out refinance Mortgages will be subject to the revised cash-out refinance postsettlement delivery fees, including cash-out refinance Mortgages previously categorized as special purpose cash-out refinance Mortgages
 - Effective with fees incurred on or after this date, all GoldWorks fees will be due and payable on the last Business Day of the month following the month in which the fees are incurred
- **July 1, 2003:** effective with fees billed on or after this date, all GoldWorks fees must be paid with an Automated Clearinghouse (ACH) draft

WHY WE'RE MAKING THESE CHANGES AND HOW THEY AFFECT YOU

Selling Changes

New Loan Limits

The new loan limits are tied to an increase in the average purchase price of one-family conventionally financed homes as reported by the Federal Housing Finance Board (FHFB). The index rose 7.33 percent this year, so we increased our loan limits by that percentage. The higher loan limits will make lower-cost Mortgages available to more homebuyers, particularly those purchasing homes in high-cost areas.

You may begin originating Mortgages with these new loan limits immediately and enter into commitments to sell these Mortgages to Freddie Mac. However, you may not deliver these Mortgages to Freddie Mac until after January 1, 2003.

We have revised Chapter 23 to reflect the new loan limits.

Changes to requirements for refinance Mortgages

During the past several years, the mortgage industry has seen an increased level of refinance transactions. Borrowers are not only seeking to reduce their monthly mortgage payments, but are also choosing to use the equity in their homes for a variety of purposes.

Freddie Mac is revising its requirements for “no cash-out” refinance Mortgages, eliminating the special purpose cash-out refinance Mortgage and reducing the LTV ratio at which the minimum Indicator Score requirement of 720 applies to Manually Underwritten cash-out refinance Mortgages. In addition, Freddie Mac is revising its cash-out refinance postsettlement delivery fee rates. These changes will allow Freddie Mac to continue supporting the refinance mortgage market and ensure that we more consistently classify the refinance Mortgages we purchase.

All of these changes are effective for deliveries with Settlement Dates on or after April 1, 2003, or after the Required Delivery Date of the Seller’s Master Commitment in effect as of December 16, 2002, whichever is later.

These revisions do not affect the eligibility or delivery requirements for the Texas equity First Lien refinance Mortgages originated under Section 50(a)(6) of Article XVI of the Texas Constitution. Seller/Servicers who are eligible to sell Texas equity First Lien refinance Mortgages to Freddie Mac must consult with their legal counsel to determine the applicability of Section 50(a)(6) to a particular Mortgage transaction.

“No cash-out” refinance Mortgages

Previously, as stated in Section 24.5, a “no cash-out” refinance Mortgage could include a Mortgage in which the loan amount was used to pay off *any* junior lien secured by the Mortgaged Premises at least one year old as of the Note Date of the refinance Mortgage.

Going forward, to be considered a “no cash-out” refinance Mortgage, the loan amount must be limited to the amounts used to:

- Pay off the first Mortgage, regardless of its age
- Pay off any junior liens secured by the Mortgaged Premises, that were used *in their entirety* to acquire the subject property
- Pay related Closing Costs, Financing Costs and Prepaid items
- Disburse cash out to the Borrower (or any other payee) not to exceed two percent of the new refinance Mortgage or \$2,000, whichever is less

When a junior lien is paid off as part of the “no cash-out” transaction, the Seller must maintain documentation in the Mortgage file that demonstrates that the full amount of the lien was used for the purchase of the subject property.

Cash-out Refinance Mortgages

Freddie Mac will no longer recognize as a special category of cash-out refinance Mortgages those Mortgages in which Borrowers take cash out for one of the “special purposes” described in existing Guide Section 24.7. Instead, a refinance Mortgage will be considered a cash-out refinance Mortgage if the loan amount is used for any purpose other than those listed for “no cash-out” or “streamlined” refinance Mortgages. All cash-out refinance Mortgages will be subject to the cash-out refinance postsettlement delivery fees found in Exhibit 19 if they have

Settlement Dates on or after April 1, 2003, or after the Required Delivery Date of the Seller's Master Commitment in effect as of December 16, 2002, whichever is later.

We announced in September 2002 that effective for settlements on or after January 2, 2003, Manually Underwritten Mortgages with LTV ratios greater than 75 percent would be subject to a minimum Indicator Score requirement of 720. We are now reducing the LTV ratio at which the minimum Indicator Score of 720 applies to 70 percent, effective for all Manually Underwritten cash-out refinance Mortgages with Settlement Dates on or after April 1, 2003.

At time of delivery to Freddie Mac, Sellers must continue to identify cash-out refinance Mortgages by using Special Characteristics Code (SCC) 003. Since special purpose cash-out refinance Mortgages will no longer be recognized as a special category, Sellers will no longer use SCC 203.

Cash-out Refinance Postsettlement Delivery Fees

Freddie Mac is revising the postsettlement delivery fee rates for cash-out refinance Mortgages as follows:

CASH-OUT REFINANCE MORTGAGES (that are <u>not</u> subject to CS/LTV Delivery Fees ("A-Minus Fees"))					
<i>Effective for Settlements on or after April 1, 2003</i>					
Product	Credit Score	LTV Ratios			
		> 70% & £ 75%	> 75% & £ 80%	> 80% & £ 85%	> 85% & £ 90%
All Eligible Product	n/a	R 0.50%	R 0.50%	R 0.75%	0.75%

CS/LTV = Credit Score / Loan-to-Value
R = Revised or new delivery fee rate

CASH-OUT REFINANCE MORTGAGES (that are <u>subject</u> to CS/LTV Delivery Fees ("A-Minus Fees"))					
<i>Effective for Settlements on or after April 1, 2003</i>					
Product	Credit Score	LTV Ratios			
		> 70% & £ 75%	> 75% & £ 80%	> 80% & £ 85%	> 85% & £ 90%
All Eligible Product	≥ 620 & £ 900	R 0.50%	R 0.50%	R 0.75%	0.75%
	≥ 580 & £ 619	R 0.50%	2.25%	2.50%	2.75%
	< 580 -or- not reported	R 0.50%	3.00%	3.25%	3.50%

CS/LTV = Credit Score / Loan-to-Value
R = Revised or new delivery fee rate

We will be revising Chapter 17, Chapter 24, Exhibit 19 and Exhibit 25 to reflect these changes. **Replacement pages for the updated Guide text for refinance Mortgages will be included with the February 7 Guide Bulletin.**

Installment Debt Payments

Freddie Mac is revising its underwriting requirements for installment debts to:

- emphasize the requirement that all installment debt is to be included in the Borrower's monthly debt payment if there are more than 10 months of payments remaining at the time of origination, including installment debts that are in a period of deferment or forbearance
- provide specifically that student loans for which the repayment period has not started or payment has been suspended with creditor approval must be considered part of the Borrower's debt structure at the time of loan origination
- provide direction related to determining the payment amount on installment debt in a period of deferment or forbearance when calculating the Borrower's monthly debt payment-to-income ratio as described in Section 37.16 of the Guide

These changes will allow you to underwrite Manually Underwritten Mortgages with more certainty. We have revised Chapter 37 to reflect these changes.

Minimum Gross Coupon Rate

We are adding a new term to the Glossary, Minimum Gross Coupon Rate, and we are modifying language in Chapters 10, 11, 29, and 30 and Form 13SF to refer to this definition.

Limitation on the number and amount of Mortgage purchases

Effective immediately, we are revising our Seller/Servicer eligibility requirements to provide that, in addition to limiting the dollar amount of Mortgage commitments from a Seller and establishing maximum Mortgage purchase amounts, we can establish a minimum Mortgage purchase amount. We have updated Chapters 2 and 5 to reflect this change.

Change regarding the effective date for our revised construction/permanent Mortgage requirements

In Bulletin 2002-6 (October 7, 2002) we announced changes to our eligibility and delivery requirements for construction to permanent Mortgages effective for settlements on or after January 2, 2003.

The updated eligibility and underwriting requirements for construction to permanent Mortgages will be effective for Mortgages with Note Dates on or after January 2, 2003.

There is no change to the effective date for revised delivery requirements or the implementation of the Seasoned Mortgage fee as applicable to construction to permanent Mortgages. As a reminder, for construction to permanent Mortgages with Settlement Dates on or after January 2, 2003, seasoning will be determined based on:

- the due date of the first monthly installment of principal and interest on the permanent Mortgage, for a one close construction to permanent Mortgage, or
- the Note Date of the new permanent Mortgage or modification agreement date, for a two closing construction to permanent Mortgage.

Therefore, compliance with the new delivery requirements is necessary to ensure that we determine seasoning accurately and assess postsettlement delivery fees only when appropriate. For more information regarding the delivery requirements applicable to construction to permanent Mortgages, see Bulletin 2002-6.

Reminder of new/revised postsettlement delivery fees

We are reminding Seller/Servicers that, as announced in Bulletin 2002-5 (September 9, 2002), beginning with settlements on or after January 2, 2003:

- All Mortgages that are identified as A-minus eligible by Loan Prospector and that meet the requirements in Guide Chapter C33 will be considered A-minus Mortgages by Freddie Mac, and will be subject to a Credit Score/Loan-to-Value (CS/LTV) postsettlement delivery fee.
- Caution Mortgages that do not receive A-minus eligible evaluation results and higher-risk Non-Loan Prospector Mortgages will be subject to a CS/LTV postsettlement delivery fee.
- Cash-out refinance Mortgages that are either Non-Loan Prospector Mortgages that have certain Credit Score and LTV ratio combinations or that are Caution Mortgages will be subject to revised postsettlement delivery fee rates.
- Investment Property Mortgages that are either Non-Loan Prospector Mortgages that have certain Credit Score and LTV ratio combinations or that are Caution Mortgages will be subject to revised postsettlement delivery fee rates.
- Seasoned Mortgages will be subject to a postsettlement delivery fee.
- Certain Mortgages secured by 3-4 unit properties will be subject to a postsettlement delivery fee.

For complete details on these changes and related revisions to delivery requirements, refer to Bulletin 2002-5.

Delivery Change for Guarantor Settlements

We have set up a new email address that Guarantor Sellers can use to deliver their Additional Supplements to us, if required by their contract or the Guide. This email address is **Additional_Supplement@freddiemac.com**. If a Seller is unable to email us required Additional Supplements, **we will also accept faxes at our new fax number, 571-382-4385**. We will continue to monitor the old fax number in case you use it by mistake.

We have revised Exhibit 22 to reflect this change.

Selling/Servicing Changes and Reminders

Reminder Concerning Manufactured Homes

Freddie Mac remains committed to the purchase of Mortgages secured by Manufactured Homes, which are playing a greater role than ever in helping to meet Borrowers' needs for affordable housing. We want to remind our Sellers and Servicers that Mortgages delivered to Freddie Mac that are secured by Manufactured Homes must meet the requirements of the Guide, including Section 22.21 (a), which states that the land and improvements securing the Mortgage must be real estate under applicable law. As required in Section 17.33, the Seller must also identify Manufactured Homes when such Mortgages are delivered by the use of Property Type Code 4 on the Form 11 or the Form 13SF.

In some States, Manufactured Homes are titled originally as real property; in other States Manufactured Homes are titled originally as personal property but can be converted to real property if certain procedures are followed. There may also be States in which Manufactured Homes cannot be converted from personal to real property; that is, they cannot be titled, foreclosed upon or conveyed in the same manner as real property. As a result, we've experienced

significant problems with foreclosures and REO sales in a number of States. These States include, but are not limited to, Florida, Georgia, Michigan, South Carolina and Tennessee.

As our purchase volume of Mortgages secured by Manufactured Homes has increased, we've seen an increase in the delivery of Mortgages secured by Manufactured Homes that are not titled as real estate. Under the Guide, it is the responsibility of the Seller/Servicer to ensure that the property securing the Mortgage delivered to Freddie Mac is titled as real estate. Failure to do so has resulted in an increase of repurchase requests from Freddie Mac on Mortgages secured by Manufactured Homes. Accordingly, we strongly encourage our Seller/Servicers to determine whether Manufactured Homes can be titled as real property in the States in which they originate Mortgages, and to follow any procedures required by the applicable local and State laws to ensure that Manufactured Homes are properly titled in accordance with Guide requirements.

Form 1092, Broker's Price Opinion

We have updated Form 1092 to add the property type Manufactured Home, so that Servicers can better identify these Mortgages.

Changes to GoldWorks Billing Payment Process

Payment Cycle Change

We are making some changes to our GoldWorks billing payment process. Effective with fees incurred on or after April 1, 2003, all GoldWorks fees will be due and payable on the last Business Day of the month following the month in which the fees are incurred, reflecting a 30-day payment cycle. We will continue to send you an invoice on or about the 10th day of each month for GoldWorks fees incurred the preceding month. The amount of the invoice will be due on the last Business Day of the month in which the invoice is sent.

As a result of this change, the payment for GoldWorks fees incurred in March 2003 will be due May 15th, and the payment for April fees will be due May 30, 2003. Depending on when you pay your March invoice, you may be remitting two payments in the month of May.

ACH Drafting

We are also changing the way you must remit payment of your GoldWorks invoice to us. Effective July 1, 2003, we will require you to remit payment of your monthly GoldWorks invoice via an Automated Clearing House (ACH) draft. When you receive your invoice, you should review it immediately and promptly contact us at (800) FREDDIE if you have any questions. We will submit an ACH draft from your designated account on the last Business Day of each month, beginning with the invoice due on July 31, 2003, for the amount of your statement. You must ensure there are sufficient funds in the draft account to cover the amount due.

To establish your ACH draft account you must:

- Complete Form 1132, Authorization for Automatic Transfer of Funds through the Automated Clearing House, and return it to us no later than June 15, 2003
- Designate a Demand Deposit Account other than a Custodial Account as your ACH draft account.

Existing GoldWorks Members

If you are not already remitting via an ACH draft, we encourage you to submit the necessary documentation to establish your ACH draft account as soon as possible. Upon receipt of the documentation, we will notify you of the first month in which we will begin processing your

payment via ACH draft. You must submit your documentation no later than June 15, 2003, in order for us to draft your payment due on July 31, 2003.

New GoldWorks Members

If you are not already a GoldWorks member, but begin using GoldWorks after December 16, 2002, you will be required to remit via an ACH draft effective the first month in which you incur GoldWorks fees.

Background

We are implementing this change in order to make the payment process more efficient. The ACH payment method lowers the overall cost of paying fees, reduces the payment cycle time, eliminates completely the risk of lost checks and eliminates finance charges for late or lost checks. Many of you have already taken advantage of the ACH payment option and have enjoyed the benefits and convenience of having your payments automatically drafted by us each month.

We have revised Chapter 8, Exhibit 14, and Form 1132 to reflect these changes. Because Exhibit 84 is a duplicate of Exhibit 14, we are removing Exhibit 84 from the Guide and are adding a copy of Exhibit 14 to Volume 2.

Important Information for Loan Prospector® Users – Elimination of Form 1132LP

In connection with the above changes, we are eliminating Form 1132LP, Authorization for Automatic Transfer of Funds through the ACH for Loan Prospector. The information captured on this form will now be collected on the revised Form 1132, Authorization for Automatic Transfer of Funds. Going forward, you will use the revised Form 1132 to establish a new draft account for the payment of Loan Prospector fees through the ACH system or to notify us of any changes to the ACH instructions you previously provided. We have revised Exhibit 15, Loan Prospector User Agreement, to reflect this change.

Elimination of recordable assignments

For each Mortgage purchased by Freddie Mac not registered with MERS that is serviced for Freddie Mac, a Seller/Servicer was required to prepare an assignment of the Security Instrument to Freddie Mac that was in recordable form, but was not recorded. Effective immediately, Freddie Mac will no longer require Seller/Servicers to prepare such an assignment. However, Freddie Mac continues to reserve the right, at its sole discretion and at any time, to require a Seller/Servicer, at the Seller/Servicer's expense, to prepare, execute, and record, where required, assignments of the Security Instruments to Freddie Mac, if Freddie Mac deems it necessary to protect its interests.

Notwithstanding this change, you or your Custodian may continue to retain the existing unrecorded assignments to Freddie Mac until the Mortgage is either paid off or transferred to another Servicer.

Pursuant to our January 5, 2002 Industry Letter regarding foreclosures on properties in the State of Oregon, a Servicer is required to destroy the recordable but unrecorded assignment to Freddie Mac no later than 10 days after the date the Servicer refers the foreclosure to its foreclosure attorney or trustee. Previously, if the Borrower reinstated their Mortgage after the referral to foreclosure, we required preparation and execution of a new assignment of the deed of trust to us. As a result of this change, you are no longer required to prepare and execute a new assignment to Freddie Mac if the Borrower reinstates the Mortgage.

We have revised Chapters 18, 22, 47, 52, 56, 66 and Exhibit 28 to reflect these changes.

Use of allonges

We are revising our Guide requirements to allow the use of an allonge when endorsing the Note for a Mortgage delivered to us. While we still prefer that the endorsement appear on the Note itself, we recognize that there may be situations when there is not enough space available on the Note to endorse in this manner. We also know that, in some situations, using an allonge may be a more efficient process for you and may serve to reduce the time and cost associated with Note endorsements. We will permit the use of an allonge provided:

- the allonge is permanently affixed to the Note
- the allonge references the Borrower's name, the property address, the date of the Note and the amount of the Note
- the Note references the attached allonge
- the form of the allonge, and its use, comply with all applicable laws
- the use of the allonge does not impair Freddie Mac's status as a "holder in due course" or any of Freddie Mac's rights under the Purchase Documents

We have revised Chapter 16 to reflect this change.

Servicing Changes

Designated Counsel for State of Michigan

Our designated counsel/trustee program continues to be successful for Servicers and Freddie Mac. Due to this success and based on statistical data, we have designated counsel/trustees in the entire State of Michigan. All Servicers must use the Michigan designated counsel/trustees for referrals to foreclosure and bankruptcies initiated on or after January 2, 2003 of Mortgages secured by 2-4 unit properties. All Servicers may use the Michigan designated counsel/trustees for referral to foreclosure and bankruptcy of Mortgages secured by 1-4 unit properties immediately.

Refer to Sections 66.15, 67.15 and Exhibits 57 and 79 for more information about this change.

Changes to reimbursable amounts for foreclosure and eviction expenses

We have completed a review of our reimbursable expenses for attorney fees for foreclosures and evictions. Our review showed that we needed to update these amounts in several States to make our reimbursements more equitable. Updating these expense amounts reduces the need for Servicers to seek our approval for amounts in excess of our current limits.

We have also revised the list of States in which we will pay for foreclosure re-starts.

All of these changes are effective January 2, 2003. We have updated Exhibit 57, 1-4 Unit Property Approved Expense Amounts, to reflect these changes.

Exhibit 76, Loan Modification Agreement

We are updating this agreement and reminding Sellers that this Modification Agreement form is to be used only for delinquent loan modifications in accordance with Chapter B65 of the Guide.

Foreclosure advertising fee in California

In Bulletin 97-2 (April 18, 1997) we established our requirements and expense limits for fees resulting from the publication of foreclosure advertising in California for foreclosures not processed by Designated Counsel/Trustees. In Bulletin 2000-2 (April 14, 2000) we notified you of a vendor that would publish the notice for \$210, the amount we reimburse for this expense. That vendor has increased its price. As a result of that price increase, we have negotiated with *Metropolitan News* to publish the notices in California for our reimbursable amount.

REVISIONS TO THE SINGLE-FAMILY SELLER/SERVICER GUIDE

Descriptions of all new or revised Guide chapters are located in Exhibit A of this Bulletin. The revisions include:

- Chapters 2, 5, 8, 10, 11, 16, 18, 22, 23, 29, 30, 37, 46, 47, 51, 52, 56, 66, 67 and 72
- Exhibits 14, 15, 22, 28, 57, 76, 79 and 84
- Forms 13SF, 105, 483, 1092, 1132, 1132LP and 1132S
- Glossary
- Directory

We've highlighted the changes on these pages by placing an arrow in the margin and double underscoring the revised text. Please follow the instructions on the page before the replacement pages so that you can update your Guide correctly.

ORDERING A PAPER GUIDE

If you currently do not receive a paper Guide and would like to order one or if you need to purchase additional paper copies of the Guide, please contact our print vendor Balmar directly at 877-874-9796 to purchase a subscription.

CONCLUSION

We believe that these changes support Freddie Mac's commitment to making the mortgage finance process simpler and more efficient. If you have any questions about the changes announced in this Bulletin, please call your Freddie Mac account manager or (800) FREDDIE.

Sincerely,



Paul T. Peterson
Executive Vice President, Single-Family Group

Exhibit A

Highlights of the Revisions in this Package

Bulletin 2002-8 incorporates changes to the following Chapters, Exhibits, Forms, Glossary and Directory of the Single-Family Seller/Servicer Guide (Guide).

- **Chapter 2 – General Freddie Mac Policies** – Adds language regarding Freddie Mac’s right to establish a minimum Mortgage purchase amount.
- **Chapter 5 – Disqualification or Suspension of a Seller/Servicer** – Adds language regarding the disqualification or suspension of a Seller for failure to deliver a minimum volume of Mortgages.
- **Chapter 8 – General Purchase Program Requirements and Characteristics** – Adds language regarding the payment of GoldWorks fees as not being subject to the general provisions of Section 8.8.2 regarding ACH drafting.
- **Chapter 10 – ARM Cash Purchase Program** – Adds language regarding Minimum Gross Coupon Rate as a defined term.
- **Chapter 11 – Home Mortgage Guarantor and MultiLender Swap Programs**– Adds language regarding Minimum Gross Coupon Rate as a defined term.
- **Chapter 16 – Documentation Delivery** – Adds language to permit the use of allonges.
- **Chapter 18 – Document Custody** – Revises language regarding requirement for assignments of Security Instruments to Freddie Mac in recordable form but not recorded.
- **Chapter 22 – General Mortgage Eligibility** - Revises language regarding requirement for assignments of Security Instruments to Freddie Mac in recordable form but not recorded.
- **Chapter 23 – Maximum Loan Amounts and LTV, TLTV and HTLTV Ratios** – Revises loan limit amounts.
- **Chapter 29 – Special Eligibility Requirements for Guarantor/MultiLender Swap Loans** – Adds language stating that unless otherwise provided in the Purchase Documents, ARMs with Minimum Gross Coupon Rates are not eligible for sale to Freddie Mac.
- **Chapter 30 – Special Eligibility Requirements for ARMs** - Adds language stating that unless otherwise provided in the Purchase Documents, ARMs with Minimum Gross Coupon Rates are not eligible for sale to Freddie Mac.
- **Chapter 37 – Underwriting the Borrower** – Revises language regarding the treatment of installment debts, including those in a period of deferment or forbearance.

- **Chapter 46 – Freddie Mac’s Postfunding Quality Control Review** – Adds language regarding the timeframe allowed for remedial action required by Freddie Mac.
- **Chapter 47 – Mortgage File Contents** – Revises language regarding requirement for assignments of Security Instruments to Freddie Mac in recordable form but not recorded.
- **Chapter 52 – Mortgage File Retention** - Revises language regarding requirement for assignments of Security Instruments to Freddie Mac in recordable form but not recorded.
- **Chapter 56 – Transfers of Servicing** - Revises language regarding requirement for assignments of Security Instruments to Freddie Mac in recordable form but not recorded.
- **Chapter 66 – Foreclosure** - Revises language regarding requirement for assignments of Security Instruments to Freddie Mac in recordable form but not recorded and adds language regarding designated counsel in the State of Michigan.
- **Chapter 67 – Adverse Matters** – Adds language regarding designated counsel in the State of Michigan.
- **Chapter 72 – Repurchases** – Adds language regarding repurchase timeframes as specified by Freddie Mac.

Exhibits

We have revised the following Exhibits:

- **Exhibit 14 – GoldWorks Member Subscription Agreement**
- **Exhibit 15 – Loan Prospector User Agreement**
- **Exhibit 22 - Form of Additional Supplement**
- **Exhibit 28 – Gold Cash Xtra Agreement**
- **Exhibit 57 – 1-4 Unit Property Approved Expense Amounts**
- **Exhibit 76 – Loan Modification Agreement**
- **Exhibit 79 – Designated Litigation Counsel/Trustee**

We are removing the following Exhibit:

- **Exhibit 84 – GoldWorks Member Subscription Agreement**

Forms

We have revised the following Forms:

- **Form 13SF – Mortgage Submission Voucher**
- **Form 483 – Wire Transfer Authorization**
- **Form 1092 – Broker’s Price Opinion**
- **Form 1132 – Authorization for Automatic Transfer of Funds**
- **Form 1132S – Authorization for Payment of Servicing Invoices through the Automated Clearing House**

We are removing the following Form:

- **Form 1132LP – Authorization for Automatic Transfer of Funds through Automated Clearing House (ACH) for Loan Prospector**

Glossary

We have added the following term:

- **Minimum Gross Coupon Rate**

Directory

We have revised the following:

- **Directory 1**
- **Directory 17**

We are removing the following:

- **Directory 18**