

You must adhere to the following response times when a Freddie Mac Standard Short Sale ("short sale") is being considered as a solution to the delinquency for either a mortgage that is not secured by a primary residence or a mortgage that is secured by a primary residence and you are evaluating the borrower for a short sale using a Borrower Response Package received after the First Complete Borrower Response Package.

If you have any questions after reviewing this reference, contact your Freddie Mac representative or Customer Support at 800-FREDDIE.

## Receiving the Borrower Response Package & Communicating the Evaluation Decision

Timeframe	Activity
<p>Within <b>five business days</b> of receiving the Borrower Response Package</p>	<p>Notify the borrower in writing that you have received the Borrower Response Package, regardless of whether it is complete or incomplete.</p> <p>You must include the following information in your notification to the borrower:</p> <ul style="list-style-type: none"> <li>▪ Outline your evaluation process and timeline.</li> <li>▪ Provide an explanation of the foreclosure process, including that the foreclosure process may continue during the evaluation and that if you extend an offer for an alternative to foreclosure and the borrower's deadline to respond has not expired, you will not refer the mortgage to foreclosure.</li> <li>▪ For borrowers who submit a complete Borrower Response Package less than 37 days prior to a scheduled foreclosure sale, explain your plans for evaluating the borrower for an alternative to foreclosure and suspending the foreclosure sale, if appropriate.</li> <li>▪ Provide a description of those situations where a court with jurisdiction over the foreclosure proceeding, if any, or public official charged with carrying out the activity could fail or refuse to halt a scheduled foreclosure sale, if applicable.</li> </ul> <p>You must document the date you received the Borrower Response Package in your records.</p> <p>At the same time or prior to the time you acknowledge receipt of the Borrower Response Package, you must also notify the borrower when you receive an incomplete Borrower Response Package.</p> <p>You must include the following in your incomplete information notice to the borrower:</p> <ul style="list-style-type: none"> <li>▪ A list of documents or information needed to evaluate the borrower for an alternative to foreclosure</li> <li>▪ A reference to the HUD website for HUD-approved counseling agencies as resources available to help the borrower complete the package: <ul style="list-style-type: none"> <li>– The U.S. Department of Housing and Urban Development (HUD) at (800) 569-4287 or <a href="http://www.hud.gov/counseling">www.hud.gov/counseling</a></li> <li>– The Consumer Financial Protection Bureau (CFPB) at (855) 411-2372 or <a href="https://www.consumerfinance.gov/mortgagehelp/">https://www.consumerfinance.gov/mortgagehelp/</a>.</li> </ul> </li> <li>▪ A reminder that if the borrower does not submit all required documentation or information, you may determine the borrower to be ineligible for an alternative to foreclosure and foreclosure proceedings will continue, including referral to foreclosure if the mortgage was not previously referred.</li> </ul>



Timeframe	Activity
Within <b>five business days</b> of receiving the Borrower Response Package (continued)	<ul style="list-style-type: none"><li>▪ A statement indicating that, depending on when the necessary information or documentation is received, there is no guarantee that you may be able to evaluate the borrower for alternatives to foreclosure and halt foreclosure proceedings</li><li>▪ A toll-free telephone number the borrower may contact for questions on the necessary documentation</li></ul> <p>You may, but are not required to, send an incomplete information notification to a borrower who submits an incomplete Borrower Response Package less than 37 days prior to a scheduled foreclosure sale. However, we strongly encourage you to work with the borrower in these instances to complete the Borrower Response Package and expedite a decision.</p>
Within <b>30 days</b> of receiving the Borrower Response Package	<p>Evaluate the borrower for all alternatives to foreclosure in accordance with the evaluation hierarchy in <i>Single-Family Seller/Service Guide</i> (Guide) Section 9201.2. You may only consider the borrower for a Freddie Mac short sale in accordance with Guide Chapter 9204 after you determine he or she is ineligible or unwilling to accept any home retention option, including a Freddie Mac Flex Modification.</p> <p>You must send the borrower the appropriate Borrower Evaluation Notice within five days of making an evaluation decision, and no later than 30 days following the receipt of a complete Borrower Response Package.</p> <p>If the borrower submits a purchase offer without previously submitting a Borrower Response Package, you must not consider the purchase offer until you receive a complete Borrower Response Package and evaluate the borrower in accordance with the evaluation hierarchy in Guide Section 9201.2.</p>



## Receiving the Purchase Offer and Communicating the Decision

Timeframe	Activity
Within <b>five business days</b> of receiving the purchase offer	Notify the borrower that you have received the purchase offer. Determine if the purchase offer has been submitted with sufficient information. If it has not, notify the borrower of the additional information you need to evaluate the purchase offer.
Within <b>30 days</b> of receiving the purchase offer	You must respond to the borrower with a decision within 30 days of receiving the purchase offer. If the purchase offer does not meet the minimum acceptable net proceeds requirement and/or we deny the request, you must notify the borrower and communicate a counteroffer in your response. If a borrower submits a complete Borrower Response Package and purchase offer simultaneously, you must evaluate both the complete Borrower Response Package and the purchase offer within the 30-day time period.

## Counteroffers

Timeframe	Activity
Within <b>five business days</b> of the date the borrower receives the counteroffer	The borrower must respond to your counteroffer.
Within <b>10 business days</b> of receiving the borrower's response to the counteroffer	You must respond to the borrower.

You must maintain documentation of all communications to the borrower, whether verbal or written, and including status updates, either in the mortgage file or in your servicing system.

Refer to Guide Section 9101.4 for foreclosure suspension requirements when the First Complete Borrower Response Package is received more than 37 days prior to a scheduled foreclosure sale. Refer to Guide Sections 9102.5 and 9301.44 for foreclosure suspension requirements for a mortgage that has been referred to foreclosure and is either not secured by a primary residence or secured by a primary residence and you are evaluating the borrower for a short sale based on a complete Borrower Response Package received after the First Complete Borrower Response Package.

This information is not a replacement or substitute for the requirements in the *Freddie Mac Single-Family Seller/Service Guide* and your other Purchase Documents

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