

Payoff Draft Date 18 Mortgages

Mandatory Implementation Date: July 1, 2026

May 2026

Readiness Checklist

Seller/Servicers

- The *Single-Family Seller/Servicer Guide* (Guide) has been reviewed and applicability to our organization has been confirmed.
- Our organization delivers Guarantor loans and is within scope for this requirement.
- Staff have been trained, including teams responsible for contract execution and delivery. [Visit this page for helpful training and technical resources.](#)
- Our organization understands this change is driven by contract acceptance date (not settlement date), and that loans with remittance days of both “5” and “18” may exist during the transition period.
- Contract execution teams are aware of Loan Selling Advisor® updates, including the new Prepayment Remittance Due Day value of “18,” and have reviewed applicable Guide examples and outputs.
- All relevant teams (Selling, Secondary Market Officers and other delivery/secondary marketing teams) have been trained or registered for Freddie Mac readiness sessions.

Servicers/Servicing Agents

- The Guide has been reviewed, applicability has been confirmed and servicing and accounting teams have been trained on Payoff Draft Date 18 requirements.
- Systems can identify loans subject to Payoff Draft Date 18, tracking them throughout their lifecycle (including transfers) and incorporating the “Payoff Draft Day” indicator into reporting and monitoring processes.
- Systems supporting payoff processing on the 18th calendar day (or prior business day, as applicable) are aligned with required payoff reporting timelines.
- End-to-end interest handling is implemented, including the ability to calculate and remit a full month of interest, account for exception and compensating interest, ensure



compensating interest is not charged to the borrower and manage associated funding impacts.

- ❑ Awareness of new and updated reporting (including loan-level indicators and draft/adjustment reporting) has been established, and processes are in place to monitor and reconcile payoff activity.
- ❑ Coordination has been completed with Seller and Servicing partners, including confirmation of readiness and alignment of expectations.
- ❑ Servicing transfer processes identify Payoff Draft Date 18 mortgages, and servicing contract valuation models and onboarding processes reflect the updated requirements.
- ❑ Reporting timelines and payoff eligibility (matured and prepaid loans, including applicable exclusions) are understood and incorporated into our processes.

Servicing Technology Bureau/Platform Providers

- ❑ The Guide has been reviewed and platform readiness to support Payoff Draft Date 18 requirements have been confirmed.
- ❑ The platform supports loan identification, lifecycle tracking, payoff draft timing (18th calendar day) and required reporting for impacted loans.
- ❑ The platform supports full monthly interest processing, including exception interest and compensating interest calculations and reporting.
- ❑ Implementation timelines and required updates have been communicated to Servicer clients, and client readiness has been confirmed.
- ❑ Internal teams have been trained and are prepared to support implementation and post-launch activities.

If one or more of the statements above cannot be confirmed, please contact your Freddie Mac representative to discuss your readiness.