

**FEDERAL HOME LOAN MORTGAGE CORPORATION  
SINGLE-FAMILY UNIFORM INSTRUMENTS  
2020 NEWS & UPDATES**

**July 2020**

**Redesigned Uniform Residential Loan Application**

At the direction of FHFA, Freddie Mac and Fannie Mae redesigned the Uniform Residential Loan Application (URLA) (Form 65/1003) to collect application information relevant and useful to the industry and update the physical format and layout to improve form usability.

As announced in Bulletin 2020-26, Loan Originators may begin using the redesigned Form 65/1003 for Mortgages with Application Received Dates on or after January 1, 2021 but must use for Mortgages with Application Received Dates on or after March 1, 2021.

The redesigned URLA tagline will show a version date of Form 65/1003 (effective 01/2021).

Pursuant to Guide Section 4101.1, Loan Originators must use the version of the Form 65/1003 that is current as of the date of the loan application. Mortgages with Application Received Dates on or after January 1, 2021 *may* be originated using the redesigned Form 65/1003, effective 1/2021. Mortgages with Application Received Dates on or after March 1, 2021 *must* be originated using the redesigned Form 65/1003, effective 1/2021. For Mortgages originated using the Form 65/1003, 07/05 (rev.06/09) the Form 65A/1003A, Statement of Assets and Liabilities, may be used to supplement Form 65/1003, if needed. The Form 65A/1003A may *not* be used to supplement the Form 65, effective 1/2020.

**Use of Uniform Residential Loan Application Instructions**

In addition to the redesigned URLA (Form 65/1003 (effective 1/2021), Freddie Mac added the Uniform Mortgage Data Program joint Freddie Mac/Fannie Mae URLA Instructions (revised 5/2020) and Rendering Options for the URLA Document (revised 1/2020) (“Rendering Options”) to the Uniform Instrument website.

For more information on the implementation of Form 65/1003, please refer to [Bulletin 2019-11](#).

**April 2020**

**Updates to the SOFR Notes**

The recently published SOFR Notes included a static format for NMLS related information; this has been removed from the bottom of the SOFR Notes. Loan Originators must continue to comply with applicable law and provide the NMLS related information in accordance with our existing authorized change.

See the authorized changes to notes.

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**New 30-day Average SOFR indexed ARM Notes and Riders**

In Guide Bulletin 2020-1, we announced Freddie Mac's purchase of ARMs that use an index based on a 30-day average of the Secured Overnight Financing Rate (SOFR) applicable to residential ARMs (SOFR Index). Freddie Mac has added to our suite of ARM Notes and Riders 30-day Average SOFR-index loan instruments developed jointly with Fannie Mae. Loan originators may begin using the new ARM Notes and riders immediately and may take out contracts for the sale of SOFR ARMs in Loan Selling Advisor beginning on November 16, 2020. For more information on SOFR ARM eligibility requirements see Bulletin 2020-9.

**Authorized Changes to Notes**

Freddie Mac has updated the authorized changes to Notes to reflect state specific mandatory requirements for the new 30-day Average SOFR ARM Notes.

Also, Freddie Mac has deleted state specific mandatory requirements related to Balloon Notes and Convertible/ARMs since these Notes are not eligible for sale to Freddie Mac.

**Authorized Changes to Riders**

Freddie Mac has deleted state specific mandatory requirements related to Convertible/ARMs since these Notes are not eligible for sale to Freddie Mac.

**February 2020**

**Effective for ARMs with Note Dates on or after June 1, 2020**

Following a public consultation and its review of the comments received, the Alternate Reference Rate Committee (ARRC) published its final recommended fallback language for new closed-end, residential adjustable rate mortgages on November 15, 2019. The ARRC is responsible for helping ensure the U.S. financial markets successfully transition from the use of London Interbank Offered Rate (LIBOR) as LIBOR is anticipated to cease being available beyond 2021. In our November 15, 2019 Single-Family News Center article, Freddie Mac advised Originators that we intended to use this recommended fallback language for all ARMs, regardless of what index is used, and that we would work with Fannie Mae and the FHFA to revise our uniform ARM Notes and Riders in the first quarter of 2020.

Originators must use the updated Uniform Instruments for ARMs with Note Dates on or after June 1, 2020 but may begin using immediately. If an Originator begins using the revised ARM Notes and ARM Riders prior to June 1, 2020, it must do so for all ARMs that it intends to deliver to Freddie Mac. In addition, such Originators must maintain a record of the earliest Note Date it transitions to the revised ARM Notes and ARM Riders and provide such information to Freddie Mac and any Transferee Servicer upon request.

The revised suite of ARM Notes and Riders will have a tagline revision date of 2/20

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\* Please note the Spanish translation documents have not been revised.

**Lifetime Floor**

We also are revising the Lifetime Floor language in our ARM Notes and Riders. Instead of stating that the interest rate will never be “less than the Margin,” the revised ARM Notes and Riders state that the interest rate will never be “less than \_\_\_\_%.” As a result, Originators will need to complete this new Lifetime Floor field in the revised ARM Notes and Riders. As a reminder, the Lifetime Floor must equal the Margin for ARMs sold to Freddie Mac.

**Retirement of Biweekly Mortgages**

Due to lack of demand and an increase in associated operational costs, Freddie Mac is retiring the eligibility for sale of Mortgages originated with a biweekly payment schedule, previously eligible for sale only on a negotiated basis as biweekly Mortgages.

We have removed the Biweekly Notes and Riders used to document biweekly Mortgages from the Uniform Instrument webpage.