

Announcement # 23-34

Date: June 07, 2023

Freddie Mac Bulletin 2023-9 Property Appraisals and Condominium Project Updates

Pennymac is aligning with Freddie Mac's selling guide updates on property appraisals and condominium projects, announced in Bulletin 2023-9. The following updates are *effective immediately*.

Property Appraisals

- Warranty of Completion of Construction – Freddie Mac is providing an additional completion report flexibility for appraisals on proposed or newly constructed properties where the appraisal report was completed "subject to completion per plans and specifications. Freddie Mac will now accept the new Selling Guide Form 400, *Warranty of Completion of Construction*, or a substantially similar form, confirming completion of the property. (Selling Guide section 5605.8)
- CHOICEHome Mortgage Site-Built Comparable Sales – Freddie Mac has updated their selling guide to specify the use of site-built homes as eligible comparable sales by appraisers for CHOICEHome. Appraisers must use site-built comparable sales when appraising a CHOICEHome, if no other CHOICEHome sales are available, due to their construction and architectural design standards consistent with site-built homes. (Selling Guide section 5703.9)

Condominium Projects

- Reciprocal Project Reviews: Fannie Mae-approved and Certified Projects – Freddie Mac reminds sellers that Fannie Mae's "Full Review" requirements when the CPM status designation is "Certified by Lender" includes retaining all documentation reviewed to support the decision to approve the condominium project and for providing it upon request. (Selling Guide section 5701.9)

Please refer to the above referenced Freddie Mac Selling Guide sections for additional details.

Please contact your Sales Representative with any questions.