



New Freddie Mac Enhancements Give Lenders Greater Certainty While Streamlining Condo Originations

December 6, 2023

MCLEAN, Va., Dec. 6, 2023 – [Freddie Mac](#) (OTCQB: FMCC) announced today further enhancements to its [Condo Project Advisor](#)[®] allowing lenders of all sizes to bring greater efficiency to the financing of condominiums. Specifically, in just minutes lenders can determine whether a specific loan to finance the purchase of a condo unit meets Freddie Mac's guidelines.

This designation, known as "Project Certified" status for Project Assessment Requests (PAR), confirms that condo properties meet certain project review and general eligibility requirements for financing. Once reaching this status, lenders only need to do minimal project underwriting, which may save lenders time and borrowers money. Additionally, lenders can also now submit to have a condominium receive Project Certified status for certain projects at no cost for loans secured by units in condo projects that don't already carry this status.

"Condominiums provide a key path to homeownership, particularly for first-time and low-income homebuyers. Considering the challenges facing the housing market currently, it should come as no surprise that condo financing is especially critical," said Tanya DeLia, Single-Family Vice President of Collateral Risk Management at Freddie Mac. "We are committed to continuing to find ways to help streamline condo loan originations, while helping lenders ensure that condo homebuyers are put on a path of sustainable and successful homeownership in condo communities."

Freddie Mac-authorized lenders using Condo Project Advisor will automatically have access to request Project Certified Status review beginning December 8, 2023.

Lenders can submit PARs in 3 easy steps - type in a zip code, select the project name and street and hit enter. Within seconds, details are delivered on whether the project meets the requirements assessed by Condo Project Advisor or if there are potential issues that may make a project ineligible, such as having condominium hotel characteristics, excessive commercial space or single investor concentration.

A PAR finding consists of the status Condo Project Advisor assigns to the project including Project Certified, Green, Yellow, Incomplete Assessment or Not Eligible indicating that a project does not meet certain project review and general eligibility requirements. When issues are identified, feedback messages let lenders know where to focus their review early in the origination process.

In the rare instance where Condo Project Advisor assigns a "Not Eligible" status to a condominium project, an appeal process will be available for authorized homeowner association (HOA) representatives and lenders. In addition to providing clarity around issues impacting condo loan delivery, this enhancement may reduce condo-related repurchase requests for lenders.

DeLia added, "These new Condo Project Advisor enhancements provide immediate, transparent and actionable feedback so lenders and HOA representatives can take the necessary steps to ensure more individuals and families can achieve long term sustainable homeownership."

Additionally, Freddie Mac aims to proactively communicate with authorized HOA representatives if their condo project will be impacted and the steps they may take prior to the effective date. The appeal process for a Not Eligible status determination will be effective for condo loans beginning February 26, 2024.

For more information, visit the *Single Family Seller/Service Guide Bulletin* and the Condo Project Advisor [FAQs](#).

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders, investors and taxpayers. Learn more at [FreddieMac.com](#), Twitter [@FreddieMac](#) and Freddie Mac's blog [FreddieMac.com/blog](#).

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