



MFM Bulletin: 019-2024 UPDATE

Date: August 26, 2024

Subject: Freddie Mac Flood Insurance Effective Date

8/26/24 Update: Freddie Mac has extended the effective date for this policy to Note Dates on or after April 1, 2025.

Due to the emerging risk of the rising rates of flood insurance, Freddie Mac is updating their Seller Guide to state that if a flood insurance policy on the Mortgaged Premises shows a full risk premium and a discounted premium, **the full risk premium plus any fees and surcharges**, must be used to calculate the Debt-to-income Ratio for qualifying purposes. **Effective for Mortgages with Note Dates on or after ~~September 5, 2024~~ April 1, 2025.**

All Freddie Mac loans submitted for underwriting or resubmission must be qualified using the above parameters.

Fannie Mae has not notified of any changes with their policy on Flood Insurance.

Please contact the MFM Underwriting Dept. (underwriting@memberfirstmortgage.com) if you have any questions or concerns.

Thank you