



MFM Bulletin: 011-2026

Date: April 13, 2026

Subject: Freddie Mac updates

Freddie Mac has recently made changes to their guidelines, including updates to maximum mortgage terms for manufactured housing, clarification on optional flood insurance treatment, guidance on asset accounts held in Living Trusts, and more.

- **Maximum Mortgage Term for Manufactured Housing:**
For cash out refinances, the maximum Mortgage term has been increased from 20 years to 30 years for Accept Mortgages.

- **Optional Flood Insurance:**
The Freddie Mac Selling Guide has been updated to specify the premium for optional flood insurance is not required to be included in the monthly housing expense if the property is not in a flood hazard area.

- **Asset Accounts Held in the Name of a Living Trust:**
We have specified for assets used as a basis for repayment of obligations when asset accounts are held in the name of a Living Trust:
 - Such accounts are considered to be owned by the Borrower when the Borrower is the Settlor of the Living Trust.
 - When the Borrower is a Living Trust, the Settlor is considered to be the owner of the accounts held in the name of the Trust.

- **Automobile Lease Payments:**
Freddie Mac has added specificity for the treatment of an automobile lease payment to state that when the remaining balance is paid off/prepaid, the monthly lease payment may be excluded from the debt payment-to-income ratio.

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

Thank you