

# Chapter 4101: Uniform Instruments

## 4101.1: The Mortgage application (03/05/25)

This section contains requirements related to:

- [Required use of Form 65, Uniform Residential Loan Application](#)
- [Completion instructions](#)
- [Electronic and fax copies of loan applications](#)

### (a) Required use of Form 65

Form 65 must be used for all Mortgage applications.

The Seller is required to use the version of Form 65 that is current as of the loan application date. (See Exhibit 4A, Single-Family Uniform Instruments.)

Seller may make changes to the style and formatting of the Form 65 and its components – Borrower Information, Additional Borrower, Continuation Sheet, Lender Loan Information and the Unmarried Addendum, if applicable, in accordance with the [UMDP Rendering Options for the Uniform Residential Loan Application, Document revised 1/2020](#) (the “Rendering Options”). However, the fields names, descriptions and order of sections may not be altered in anyway. Form fields within a section may be moved within that section if additional field length is needed. Any adjustments made to the format of the form must be made pursuant to all applicable law.

Translation aids for Form 65 and its components are available on Freddie Mac’s [Multi-language Resources for Lenders and Other Housing Professionals webpage](#). These translation aids complement the applicable English-language documents and may be provided to consumers as supplemental education material when originating single-family residential Mortgages. The translation aids are for reference only and are not to be executed.

### (b) Completion instructions

A completed Form 65 is used to begin the process of determining the Borrower’s credit reputation and capacity to repay the Mortgage. If a residential mortgage credit report (RMCR) is ordered, the information on the Form 65 must be provided to the consumer reporting agency that is to issue the RMCR. The Seller may elect to complete the liabilities portion of the application directly from the credit reports either manually or through an automated process.

- If the credit reports identify fewer than three open Tradelines (except for Accept Mortgages), the Seller should ask the Borrower if any additional Tradeline references

exist (see Section 5202.1 for requirements relating to establishing Borrower credit reputation for Manually Underwritten Mortgages)

- The final Form 65 must reflect accurate and complete information as of the Note Date. All of the Borrower's debts incurred through the Note Date must be included on the final Form 65 and must be considered in the calculation of the Borrower's monthly debt payment-to-income ratio (see Section 5401.2). The final Form 65, if used, must be complete, legible, dated and signed by the Borrowers signing the Note.

Information on the initial application must be entered as originally provided by the Borrower and/or, if applicable, as listed on the credit reports, whether handwritten or typed. The information given by the Borrowers on the application must be consistent with both the identifying information in the credit reports as well as with the verifications in the Mortgage file. For any Mortgage in which there is a material discrepancy, the Seller must prepare a written statement explaining the discrepancy.

### **(c) Electronic and fax copies of loan applications**

Freddie Mac agrees that the Seller may receive an initial Form 65 from a Borrower as an Electronic Record (as defined in Section 1401.2) or fax copy. The Freddie Mac Form 65 contains language in the Acknowledgements and Agreements Section in the Borrower Information component that permits the Borrower to:

- Physically sign a paper Form 65 with pen and ink and deliver a fax copy of the signed Form 65 to the Seller via facsimile transmission or
- Electronically sign an electronic Form 65 using an Electronic Signature (as defined in Section 1401.2) and deliver the electronic Form 65 to the Seller as an Electronic Record via the internet or other form of electronic transmission

The Seller represents and warrants that any initial Form 65 received from a Borrower as an Electronic Record or fax copy has been duly signed by the Borrower and complies with the federal Electronic Signatures in Global and National Commerce Act ("E-Sign") and all other applicable State and federal laws and regulations, including, without limitation, all State and federal consumer disclosure laws and regulations. The Seller agrees that the initial Form 65 received from a Borrower as an Electronic Record or fax copy are subject to the representations, warranties, covenants, agreements and requirements contained in Section 1401.11 or Section 1401.12, as applicable.

The final loan application delivered by the Borrower to the Seller at loan closing must be an original paper Form 65 if necessary, either physically signed by the Borrower using a pen or signed electronically by the Borrower at closing (settlement) using an Electronic Signature that meets the requirements in Chapter 1401.

The Seller may maintain copies of the original signed paper Form 65 in accordance with the requirements of Section 3302.2.

## 4101.2: Home Mortgage Uniform Instruments (06/04/25)

This section contains requirements related to:

- [Use of Uniform Instruments](#)
- [Additional Mortgage documentation](#)
- [Mortgage instruments for ARMs](#)

### (a) Use of Uniform Instruments

The Security Instrument and Note must be executed on the Uniform Instruments (1-4 Family) for the jurisdiction where the Mortgaged Premises is located. The Uniform Instruments used for a Mortgage must be the versions current as of the Mortgage Note Date. See Exhibit 4A, Single-Family Uniform Instruments, for the current dates of revisions of all Uniform Instruments.

For any Mortgage secured by one of the following types of property, Freddie Mac requires both:

- The single-family Fannie Mae/Freddie Mac Uniform Security Instrument for the jurisdiction where the Mortgaged Premises is located, and
- One of the following types of riders, as applicable:

Required riders by property type	
Property Type	Form
Condominium Unit	Condominium Rider Form 3140
Planned Unit Development (PUD) unit	Planned Unit Development Rider Form 3150
1- to 4-unit Investment Property	1- to 4-Family Rider Form 3170
2- to 4-unit Primary Residence	1- to 4-Family Rider Form 3170

Required riders by property type	
Property Type	Form
Second home	Second Home Rider Form 3890

**(b) Additional Mortgage documentation**

In addition to the Uniform Instruments required by this Section 4101.2, certain Mortgage products have additional loan documentation requirements stated elsewhere in the Guide as follows:

Additional loan documentation requirements by product	
Guide provision	Guide location
Texas Equity Section 50(a)(6) Mortgages	Section 4301.7
Seller-Owned Converted Mortgages	Section 4402.3
Mortgages secured by Manufactured Homes	Sections 5703.4(c) and 5703.4(d)
Construction Conversion and Renovation Mortgages	Section 4602.3
Government Funded, Guaranteed or Insured Mortgages	Chapter 4205
Community Land Trust Mortgages	Chapter 4502

**(c) Mortgage instruments for ARMs**

When closing ARMs, the Uniform Instruments used must be based on the applicable ARM product. Below are the required instruments and instructions for completing them.

**(i) Required ARM Uniform Instruments**

ARMs must be closed using the Uniform Instruments for the applicable ARM product, consisting of:

- **ARM Note and ARM rider** – The Seller must use the most current version of the ARM Note and ARM rider.

The most current version of the Uniform Instruments is the version in effect as of the Note Date of the Mortgage. See Exhibit 4A for the current dates of revisions of all

Uniform Instruments. See Exhibit 5A, Authorized Changes to Notes, Riders, Security Instruments and the Uniform Residential Loan Application, for authorized changes to the Uniform Instruments.

The ARM Note and ARM rider must be completed in accordance with the terms of the applicable ARM product. See Section 4101.2(c)(iii) for instructions for completion of Section 4(D) of an ARM Note.

- **Fannie Mae/Freddie Mac Security Instrument** – The Seller must use the most current version of the State-specific Fannie Mae/Freddie Mac Single Family Security Instrument prepared for use in the jurisdiction in which the Mortgaged Premises is located and the most current version of any applicable property type riders.

For certain ARM products, State-specific versions of the ARM Note have been prepared for Alaska, Florida, New Hampshire, Puerto Rico, Vermont, Virginia, West Virginia and Wisconsin. If a State-specific version of an ARM Note has been prepared, it must be used for ARMs secured by Mortgaged Premises located in that State. The multistate version of the ARM Note, with the required changes stated in Exhibit 5A, must be used in all other States.

Freddie Mac makes available Uniform Instruments for use with ARM products with various features.

The Uniform Instruments have the following features embedded in the form itself (hard-coded):

- Index
- Lookback Period
- Assumability

The Uniform Instruments have blanks to be completed by the Seller for the following features (soft-coded):

- Maturity Date (determines the term)
- First Interest Change Date (determined by the Initial Period)
- Maximum interest rate at the first Interest Change Date (determined by the Initial Cap)
- Maximum increase or decrease in the interest rate at each adjustment after the first Interest Change Date (Periodic Cap); the Periodic Cap is hard-coded 1% for 30-day Average SOFR Index (SOFR)-indexed Assumable Life of Loan and Assumable after Initial Period with 45-day Lookback Period

- Maximum interest rate for the life of the loan (Lifetime Ceiling, determined by the Life Cap)
- Minimum interest rate for the life of the loan (Lifetime Floor, which must equal the Margin stated in the Note)

In determining which Uniform Instrument to use with each ARM product, the Seller must select the form with the applicable hard-coded information and complete the soft-coded information as appropriate. Because many of the features of an ARM product are soft-coded, the same Uniform Instrument may be used for different ARM products.

The 6-Month SOFR-indexed ARM Note and rider may be used with a 3/6-Month, 5/6-Month, 7/6-Month, and 10/6-Month SOFR-indexed ARM with the same Lookback Period and assumability period.

The Uniform Instruments may be used for ARM products that do not meet the eligibility requirements for sale to Freddie Mac. Freddie Mac encourages the Seller to use Uniform Instruments, if available, for originating ARM loans even if the ARM product is not eligible for sale.

The following table describe the Uniform Instruments available for different hard-coded features for ARM products:

<b>Uniform Instruments for 6-Month SOFR-indexed ARM products by assumability period</b>		
<b>Assumability period</b>	<b>Rider</b>	<b>Note</b>
Assumable for life of loan	3141*	3441*
Assumable after Initial Period	3142*	3442*
<b>Lookback = 45 Days Preceding the Interest Change Date</b>		

\*Hard-coded with a 1% Periodic Cap

All ARM Uniform Instruments are available on Freddie Mac's website at <https://sf.freddiemac.com/tools-learning/uniform-instruments/overview>.

## (ii) Use of Fannie Mae ARM instruments

The Seller may use Fannie Mae's ARM instruments only in accordance with the provisions of this subparagraph. The Seller must consult its own legal counsel when using a Fannie Mae instrument for a particular Freddie Mac ARM product.

The Seller originating ARMs on Fannie Mae instruments represents and warrants that the Fannie Mae instrument, when completed, is appropriate for the applicable Freddie Mac ARM product and can be serviced in accordance with the Guide.

**(iii) Instructions for completing Section 4(D) of an ARM Note**

The Seller must complete Section 4(D), Limits on Interest Rate Changes, of an ARM Note as follows:

1. Insert in the first blank of the first sentence, referring to the Initial Cap (the maximum interest rate on the first Interest Change Date), the interest rate that is equal to the sum of the initial Note Rate for the Mortgage, plus the applicable Initial Cap for that ARM program
2. Insert in the second blank of the first sentence, referring to the minimum interest rate on the first Interest Change Date, the interest rate that is equal to the initial Note Rate for the Mortgage, minus the applicable Initial Cap. If this difference is less than the Margin stated in the Note, insert the value of the Margin.
3. Insert in the first blank in the last sentence, referring to the Lifetime Ceiling (the maximum interest rate during the life of the Mortgage), the initial Note Rate plus the applicable Life Cap for that ARM product
4. In the second blank in the last sentence, referring to the Lifetime Floor (the minimum interest rate during the life of the Mortgage), insert the Margin stated in the Note

## **4101.3: Master Form and Short Form Security Instruments (03/05/25)**

This section contains requirements related to:

- [Master Form and Short Form Security Instruments](#)
- [Instructions for use of Master Form Security Instrument; Short Form Security Instrument](#)

**(a) Master Form and Short Form Security Instruments**

Certain States have statutes that allow originating lenders to record a Master Form Security Instrument in a given county and then to record a Short Form Security Instrument for each subsequent Mortgage originated and recorded in that county. The Short Form Security Instrument contains the loan-specific information (e.g., Borrower name, lender name, loan amount, description of property) and identifies the provisions of the Master Form Security Instrument that are being incorporated into the Short Form Security Instrument.

The State-specific Fannie Mae/Freddie Mac Uniform Master Form Security Instrument and Short Form Security Instrument are available from Freddie Mac's website at <https://sf.freddiemac.com/tools-learning/uniform-instruments/2021-updated-instruments>. See Exhibit 4A, Single-Family Uniform Instruments, for the list of currently available Master Form Security Instruments and Short Form Security Instruments and the current dates of these instruments.

Freddie Mac will purchase Mortgages originated on a Short Form Security Instrument provided the requirements stated in this Section 4101.3 are satisfied.

The Seller must not use or record a Short Form Security Instrument unless it has already recorded a Master Form Security Instrument in the recorder's office serving the recording jurisdiction in which the Mortgaged Premises is located. In North Carolina, a Master Form may not be recorded in certain designated counties stated in the North Carolina statute.

A copy of the recorded Master Form Security Instrument must be provided to the Borrower.

#### **(i) Master Form Security Instrument**

The Master Form Security Instrument is the Master Form Mortgage or Deed of Trust that is permitted under certain State statutes to be recorded by originating lenders in a given recording jurisdiction in the State. The Master Form Security Instrument for each State (with the exception of Ohio) consists of:

- A title page (the name of the title page differs in different States), which contains the information required under the State statute to record the Master Form Security Instrument in that State and
- The current Fannie Mae/Freddie Mac Uniform Security Instrument for that State

In Ohio, there is no title page; the Master Form Security Instrument is the current Fannie Mae/Freddie Mac Ohio Mortgage with the required Master Form information provided on the first page of the Ohio Mortgage form itself.

#### **(ii) Short Form Security Instrument**

The Short Form Security Instrument is the Mortgage or Deed of Trust recorded for each individual Mortgage made and recorded in the recording jurisdiction where the Master Form Security Instrument is recorded.

The Short Form Security Instrument contains loan-specific information and incorporates by reference the provisions of the previously recorded Master Form Security Instrument.

A Seller must not use or record a Short Form Security Instrument unless the Seller has already recorded a Master Form Security Instrument in the recorder's office serving the recording jurisdiction in which the Mortgaged Premises is located.



## **(b) Instructions for use of Master Form Security Instrument; Short Form Security Instrument**

### **(i) Master Form Security Instrument**

The Seller must:

1. Complete the title page by inserting the names and relevant information in the applicable places and have the title page signed and acknowledged, if required
2. Attach the title page to the front of the current Security Instrument for the State
3. Record the title page and Security Instrument together in the recorder's office serving the recording jurisdiction(s) in which the Seller anticipates subsequently recording Short Form Security Instruments
4. In Ohio, complete the information in the box at the top of the first page of the Master Mortgage Form by inserting the names and relevant information in the applicable places and have the first page signed in the box at the top of the first page. Do not complete information outside of the box other than "Return to" information.

The Security Instrument to which the title page is attached (or, in Ohio, on which the Master Form information is provided) should not have any information completed and should not be signed or acknowledged.

In the event Freddie Mac revises the Uniform Security Instrument for the applicable State, the Seller must record the revised Master Form Security Instrument in all applicable local recording offices. The previously recorded Master Form Security Instrument must not be released or superseded.

Mortgages originated after the effective date of a revised Uniform Security Instrument must be originated using a Short Form Security Instrument that references the new recorded Master Form Security Instrument.

### **(ii) Short Form Security Instrument**

The Seller must:

1. Insert the recording information from the Master Form Security Instrument in the first paragraph of the "Definitions" section. (The recording information must be that of the Master Form Security Instrument that was recorded in the recording jurisdiction in which the Mortgaged Premises is located.)
2. Insert information for all blank spaces in the "Definitions" section

3. Check the applicable Rider boxes
4. Insert the property description information
5. Provide the Borrower with an exact copy of the recorded Master Form Security Instrument (the completed title page with recordation information and the applicable current Fannie Mae/Freddie Mac Uniform Security Instrument for the State)
6. Arrange for the Short Form Security Instrument to be executed by the Borrower(s) and acknowledged
7. Arrange for any applicable Riders to be executed by the Borrower(s). In Pennsylvania, attach a copy of the Fannie Mae/Freddie Mac Pennsylvania Uniform Mortgage under the caption: “General Provisions Incorporated by Reference and Not to be Recorded with this Document” after the Rider(s), if any.
8. Record the Short Form Security Instrument and any applicable Riders in the recorder’s office serving the recording jurisdiction in which the Mortgaged Premises is located

## **4101.4: Authorized changes to Uniform Instruments (03/05/25)**

This section contains requirements related to:

- [Uniform Instrument changes and modifications](#)
- [Addendums or riders](#)
- [Modifications for Construction Conversion and Renovation Mortgages](#)

### **(a) Uniform Instrument changes and modifications**

The Seller must not make any changes or additions to the Uniform Instruments that have any force or effect after purchase of the Mortgage by Freddie Mac, except for changes and modifications that:

- Are accomplished by use of Fannie Mae/Freddie Mac Uniform Instrument Riders
- Pertain to an assumption or an alteration of the principal, Note Rate, payment amount or date, or maturity date of the Mortgage, or
- Are required or permitted by the provisions in Exhibit 5A, Authorized Changes to Notes, Riders, Security Instruments and the Uniform Residential Loan Application

### **(b) Addendums or riders**

If a change or addition permitted under this section is made to the instrument in the form of an addendum or rider, the addendum or rider must:

- Be referenced in the instrument it is modifying
- Reference the instrument, and
- Be firmly attached to the instrument

The Seller agrees that no changes or additions to the Uniform Instruments otherwise permitted here will be made if such changes or additions would adversely affect the negotiability of the Note.

### **(c) Modifications for Construction Conversion and Renovation Mortgages**

The Uniform Instruments may require modification for use with Construction Conversion Mortgages and Renovation Mortgages. Sellers that use the Uniform Instruments for construction or renovation loans may make changes or additions necessary for that purpose.

These changes and additions should be provided in a Note addendum or Security Instrument rider. The changes or additions do not need to contain a statement that they become void upon purchase by Freddie Mac if the changes or additions are necessary to assure the first priority of the Mortgage lien or if, by their terms, the changes or additions cease to be effective before the Settlement Date.

Note: See Section 4602.3 for information on documenting Construction Conversion Mortgages and Renovation Mortgages.

## **4101.5: Availability of Uniform Instruments (03/05/25)**

Fannie Mac/Freddie Mac Uniform Instruments (including condominium rider and Planned Unit Development (PUD) rider forms) and Freddie Mac-specific Uniform Instruments are available from Freddie Mac's website at <https://sf.freddiemac.com/tools-learning/uniform-instruments/2021-updated-instruments>.

Sellers may reprint the Uniform Instruments on their own letterhead, by computer or in any other way that Sellers may choose. However, the text of the Uniform Instruments must remain unchanged and the tagline that identifies the instrument as a Uniform Instrument must remain part of the document and be included on each page.

## **4101.6: Signatures required (03/05/25)**

The Security Instrument must be signed by all individuals with an ownership interest in the Mortgaged Premises. (See Exhibit 5A, Authorized Changes to Notes, Riders, Security Instruments, and Form 65, Uniform Residential Loan Application, for permissible changes to the Fannie Mae/Freddie Mac Uniform Instruments.)

The Security Instrument must also be signed by each individual whose signature is necessary under the applicable statutory or decisional law of the State to create a valid lien, pass clear title, waive inchoate rights to property or assign earnings.

The Note or applicable assumption agreement must be signed by any individual whose income or financial strength is needed to meet the Freddie Mac credit underwriting guidelines.

If the Mortgage is delivered as an owner-occupied Mortgage, the Note must be signed by an Owner-Occupant.

Note: Refer to Section 5103.5(5) for information on signatures required and forms of signature if a Borrower is a Living Trust and Section 5103.7(b) for a Land Trust Mortgage.

## **4101.7: Seller's duties regarding Uniform Instruments (03/05/25)**

The Seller agrees that any action taken when enforcing its rights under the Mortgage documents will not violate the terms of any covenant in the Mortgage documents. The Seller also agrees to enforce its rights under the Uniform Instruments based on instructions or guidance provided by Freddie Mac.

## **4101.8: Execution, acknowledgment and recordation of the Security Instrument (03/05/25)**

The Security Instrument must be properly executed, acknowledged, delivered and recorded in all places necessary to perfect a First Lien security interest in the Mortgaged Premises in favor of the mortgagee.

If a Mortgage is registered with MERS® and is originated naming MERS as the original mortgagee of record, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns, the Seller must ensure that the Security Instrument is properly executed, acknowledged, delivered and recorded in all places necessary to perfect a First Lien security interest in the Mortgaged Premises in favor of MERS, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns.

Note: Refer to Section 1301.7 for specific representations and warranties with respect to MERS registration for Mortgages purchased by Freddie Mac.

## 4101.9: Due-on-sale provisions (04/02/25)

This section contains requirements related to:

- [Description of due-on-sale clauses](#)
- [Types of due-on-sale clauses](#)
- [Summary of due-on-sale characteristics](#)
- [Exceptions for applicable laws and certain circumstances](#)

### (a) Description of due-on-sale clauses

The “due-on-sale” clauses in the Uniform Instruments include provisions governing whether the loan will be accelerated if the Borrower sells or transfers the Mortgaged Premises or any interest in the Mortgaged Premises, or whether instead the loan may be assumed by a third party who acquires the Mortgaged Premises or any interest in the Mortgaged Premises by sale or transfer.

Uniform Instruments for different Mortgage products may have different due-on-sale clauses. The type of due-on-sale clause set forth in the Uniform Instruments used to originate a particular Mortgage determines whether the Mortgage is assumable by the party to whom the Mortgaged Premises is transferred.

The Uniform Instruments used in connection with the origination of ARMs contain due-on-sale provisions governing whether the loan will be accelerated if the Borrower sells or transfers the Mortgaged Premises or any interest in the Mortgaged Premises, or whether instead the loan may be assumed by a third party who acquires the Mortgaged Premises or any interest in the Mortgaged Premises.

### (b) Types of due-on-sale clauses

Due on sale clauses	
Type	Description
Nonassumable during the life of the loan	<p>Some due-on-sale clauses provide that the lender will require immediate payment in full of all sums secured by the Security Instrument (generally referred to as accelerating the loan) if the Borrower sells or transfers the Mortgaged Premises.</p> <p>The effect of this type of due-on-sale clause is that the Mortgage is nonassumable for the life of the loan. The Uniform Instruments used with fixed-rate Mortgages include this type of due-on-sale clause.</p>
Assumable during the life of the loan	<p>Some due-on-sale clauses state that the lender will not accelerate the loan if the lender evaluates the proposed sale or transfer as if a new loan were being made to the intended transferee, and if the lender determines the lender's security would not be impaired by the loan assumption.</p> <p>The effect of this type of due-on-sale clause is that the Mortgage is assumable for the life of the loan. Freddie Mac makes available ARM Uniform Instruments for all ARM indices that include this type of due-on-sale clause.</p>
Assumable until a specified event, then nonassumable	<p>Some due-on-sale clauses provide that the loan is assumable until the occurrence of a specified event, but after that specified event has occurred, the loan is nonassumable.</p>
Nonassumable during a specified period of time and assumable thereafter	<p>Some due-on-sale clauses provide that during an initial specified period of time, the loan is nonassumable, but after that specified period of time, the loan is assumable provided certain conditions are met. With respect to an ARM, the specified period of time is the end of the Initial Period. ARMs must be assumable during the entire period during which the interest rate is adjustable.</p> <p>Freddie Mac makes available ARM Uniform Instruments for 6-Month SOFR-indexed ARMs that include this type of due-on-sale clause, and the Mortgages become assumable after the end of the Initial Period when the Note Rate begins to adjust.</p>

Nonassumable during a specified period of time and thereafter assumable until a specified event, and then nonassumable	<p>Some due-on-sale clauses include the following information:</p> <ul style="list-style-type: none"> <li>■ An initial specified period during which the Mortgage is nonassumable</li> <li>■ A statement that the loan is assumable after the initial specified period and provided certain conditions are met, and</li> <li>■ A statement that the loan is nonassumable upon the occurrence of a specified event</li> </ul>
--	--

### (c) Summary of due-on-sale characteristics

Fixed-rate Mortgages must be originated as follows:

- For all fixed-rate Mortgages other than those listed in the bullet below, on Uniform Instruments that provide for the Mortgage to be nonassumable
- For fixed-rate assumable Mortgages sold under the Guarantor program, on Uniform Instruments that provide for the Mortgage to be nonassumable and were executed with a Note Addendum and a Security Instrument Rider that provide for the Mortgage to be assumable subject to certain conditions (an “Assumable Mortgage”). The Note Addendum and Security Instrument Rider are available on Freddie Mac’s Uniform Instrument webpage at <https://sf.freddiemac.com/tools-learning/uniform-instruments/2021-updated-instruments>.
- The Seller must obtain Freddie Mac’s written approval before selling Assumable Mortgages to Freddie Mac by contacting its Freddie Mac representative or Customer Service at 800-FREDDIE

All 6-Month SOFR-indexed ARMs may be originated on Uniform Instruments that provide either for the Mortgage to be assumable during the life of the Mortgage or for the Mortgage to be nonassumable during the Initial Period and assumable thereafter.

For eligible Mortgage products that are not originated on Uniform Instruments, such as FHA and VA Mortgages, the due-on-sale characteristics may be different from those specified above.

### (d) Exceptions for applicable laws and certain circumstances

Regardless of the type of due-on-sale clause stated in the Uniform Instrument used to originate a Mortgage, Freddie Mac will permit a Mortgage, which under its terms is nonassumable, to be assumed if required by federal or State law or under the circumstances as described in Sections 8406.4 and 8406.5.

## 4101.10: Advances (03/05/25)

This section contains requirements related to:

- [Future advances made before purchase](#)
- [Advances made after purchase](#)

### (a) Future advances made before purchase

Freddie Mac will purchase Home Mortgages on which future advances have been made before the Delivery Date, provided that:

- The advances have been consolidated with the outstanding principal amount secured by the Mortgage, and the secured principal amount, as consolidated, bears a single interest rate and repayment term
- The lien securing the consolidated principal amount is expressly insured as having First Lien priority by a title insurance policy, by an endorsement to the policy insuring the consolidated mortgagee's interest or by other title evidence acceptable to Freddie Mac as specified in this Guide
- The consolidated principal amount does not exceed the original loan amount

Sellers originating Mortgages on Uniform Instruments that do not contain a covenant permitting future advances, and who wish to allow future advances, may execute a rider permitting future advances. The rider must contain language providing that the terms shall have no force or effect subsequent to a specified date which must be before the sale of the Mortgage, in whole or in part, to Freddie Mac. In addition, the rider must contain the following provision:

Notwithstanding the foregoing provisions, the ability of the lender, its successors and assigns, to enforce the repayment of future advances made prior to the sale of the Mortgage to Freddie Mac shall remain in full force and effect.

### (b) Advances made after purchase

On Home Mortgages that have been sold to Freddie Mac, in whole or in part, the Seller or Servicer may not make additional advances.



## 4101.11: Origination and delivery of Mortgages using a New York Consolidation, Extension and Modification Agreement (the “NY CEMA”) (03/05/25)

This section contains requirements related to:

- [Defined terms](#)
- [Documentation](#)
- [Delivery package for a New York Consolidation, Extension and Modification Agreement \(“NY CEMA”\)](#)
- [Mortgage file documentation](#)

Freddie Mac will purchase refinance Mortgages secured by property located in New York State that are documented using an NY CEMA. The NY CEMA combines into one set of rights and obligations all of the promises and agreements stated in existing Notes and Mortgages secured by the Mortgaged Premises including, if new funds are advanced to the Borrower at the time of the consolidation, a new Note and Mortgage. The result is that the Borrower has one consolidated loan obligation, evidenced by a Consolidated Note that is paid in accordance with the terms of the NY CEMA.

### (a) Defined terms

The following defined terms apply to this section:

Defined terms related to Mortgages using an NY CEMA	
O	
Original Old Money Note	The original Note executed by the Borrower that is being consolidated, extended and modified by the newly executed NY CEMA
Original New Money (Gap) Note	The original Note executed by the Borrower at the time the current NY CEMA is executed that represents new funds advanced to the Borrower at the time of the current consolidation

In connection with the current financing transaction evidenced by the NY CEMA, the Borrower must execute a new original Note, referred to as the Consolidated Note, that

consolidates, extends and modifies the Original Old Money Note and the Original New Money (Gap) Note, if any.

## **(b) Documentation**

When documenting a Mortgage using an NY CEMA, the Seller must use the most current version of the New York Consolidation, Extension and Modification Agreement Single-Family Fannie Mae/Freddie Mac Uniform Instrument (Form 3172). The current version can be found on Freddie Mac's website at <https://sf.freddiemac.com/tools-learning/uniform-instruments/2021-updated-instruments>.

In addition, the Borrower must execute a Consolidated Note.

## **(c) Delivery package for NY CEMA**

For a Mortgage originated using the NY CEMA, the Seller must deliver the complete NY CEMA delivery package listed below to its Document Custodian.

The complete NY CEMA delivery package must include the following documents:

### **(i) NY CEMA**

The original NY CEMA or a copy certified by the recorder's office.

### **(ii) NY CEMA exhibits**

Complete set of NY CEMA exhibits, as follows:

- Exhibit A – A list, or a copy of a list, of the obligations being consolidated, modified and extended. All Notes, security instruments, assignments, consolidation agreements and related agreements that modify, consolidate or extend prior underlying obligations and which predate the current NY CEMA must be listed separately in Exhibit A.
- Exhibit B – The property description of the Mortgaged Premises. A copy of Schedule A (Property Description) to the New York Mortgage may be used but should be marked as Exhibit B to identify it as an NY CEMA exhibit.
- Exhibit C – A copy of the Consolidated Note (including any applicable addenda), with fixed-rate or adjustable-rate Note language inserted at the top of the first page. (The required language is stated in (iii) below.) Because this is a form document, Borrower signatures are not required.
- Exhibit D – The most current version of the New York Single-Family Fannie Mae/Freddie Mac Uniform Security Instrument (Form 3033) with all blanks

completed and any applicable riders attached. Because this is a form document, Borrower signatures are not required.

**(iii) The original Consolidated Note**

An original Note executed by the Borrower and endorsed in blank. The Consolidated Note must be the most current version of the applicable Single-Family Fannie Mae/Freddie Mac Uniform Note with all blanks completed and any applicable addendum or addenda. The Consolidated Note must have the following language, as applicable, inserted at the top of the document:

■ For Fixed-Rate Notes:

Consolidated Note

This Note amends and restates in their entirety, and is given in substitution for, the Notes described in Exhibit A of the New York Consolidation, Extension and Modification Agreement dated the same date as this Note.

■ For Adjustable-Rate Notes:

Consolidated Adjustable-Rate Note

This Note amends and restates in their entirety, and is given in substitution for, the Notes described in Exhibit A of the New York Consolidation, Extension and Modification Agreement dated the same date as this Note.

**(d) Mortgage file documentation**

With respect to Mortgages documented with the NY CEMA, Seller represents and warrants that the Mortgage file contains the documentation required by Sections 3301.3, 3302.2 and 3401.3.