

**Announcement # 25-41****Date:** April 08, 2025

## Freddie Mac Hybrid Appraisal Expansion

As announced in Freddie Mac Bulletin 2025-1, Freddie Mac is expanding eligibility for hybrid appraisals. This change is available for Loan Product Advisor (LPA) submissions and resubmissions on or after 04/07/2025.

Hybrid appraisal reports are now eligible for certain LPA Accept/Eligible loans specifying eligibility.

- Hybrid appraisals must be completed on:
  - Uniform Residential Appraisal Report Hybrid Form 70H; or
  - Individual Condominium Unit Appraisal Report Hybrid form 465H
- Purchase, no cash-out, and cash-out refinance transactions are eligible
- All occupancy types are eligible
- Eligible transactions include but are not limited to:
  - 1-unit properties including condominiums and PUDs
  - 1-unit properties with an ADU
  - Texas 50(a)(6)
- Ineligible transactions include but are not limited to:
  - Manufactured homes including CHOICEHomes
  - 2-to-4-unit properties
  - Proposed construction
  - Construction conversion transactions (including 2x close transactions)
  - GreenCHOICE Mortgages
- Form 70 or 465 upgrade requirements:
  - The appraiser must perform an interior and exterior inspection reported on Form 70 or 465, as appropriate, when one or more of the following conditions exist.
    - The PDR does not provide sufficient information about both the interior or exterior physical characteristics of the subject property for an appraiser to develop a credible and adequately supported appraisal report.
    - The appraiser cannot reconcile significant discrepancies among available data sources, including the PDR, to develop a credible and adequately supported appraisal report.

Note: A hybrid appraisal may continue to be obtained if a loan loses ACE+ PDR eligibility.

Please refer to the Freddie Mac Seller Guide for a complete list of eligible and ineligible transaction types as well as full hybrid appraisal requirements.

Please contact your Sales Representative with any questions.