

Freddie Mac Issues Written Short Sales Commission Policy



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On August 20, 2009, Freddie Mac confirmed in writing that its servicers are not allowed to renegotiate short sales commissions. According to the policy, as a condition of the servicer's acceptance of a short sale offer, servicers cannot renegotiate the sales commission below the amount agreed to by the real estate broker and the seller/borrower. However, if the negotiated commission exceeds 6 percent, servicers are required to limit it to 6 percent. This Freddie policy is consistent with Fannie Mae's policy. Private mortgage insurance companies and second lien holders may still seek to reduce commissions.

NAR has asked Freddie to establish an appeals process for cases when servicers refuse to comply with Freddie Mac's policy.

Freddie Mac Single-Family Seller/Servicer Guide Bulletin 2009-22 (August 20, 2009)

<http://www.freddiemac.com/sell/guide/bulletins/pdf/bl0922.pdf>

Fannie Mae Short Sales Commissions Policy and Appeals Process

http://www.realtor.org/wps/wcm/connect/4fb4f4804e824cf0a6e8e696c79aa288/government_affairs_fannie_short_sales_policy.pdf?MOD=AJPERES&CACHEID=4fb4f4804e824cf0a6e8e696c79aa288

NAR's Short Sales Website

http://www.realtor.org/realtors/basics_short_sales

