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## Fannie Mae and Freddie Mac Release Additional LIBOR Transition Guidance\*

With all London Interbank Offered Rate, or LIBOR, tenors expected to cease to be published immediately after June 30, 2023, lenders will need to transition their Fannie Mae and Freddie Mac (collectively “GSEs”) loans tied to LIBOR. However, up until recently it was unclear how the GSEs expected the transition to occur with regard to GSE loans.

On December 22, 2022, both of the GSEs announced in separate news releases how the GSEs’ legacy promissory notes tied to LIBOR will transition from LIBOR when one of the GSEs is the agency responsible for choosing the replacement index (see <https://www.globenewswire.com/news-release/2022/12/22/2578800/0/en/Freddie-Mac-Announces-Replacement-Rates-for-its-Legacy-LIBOR-Contracts.html> and <https://www.fanniemae.com/newsroom/fannie-mae-news/replacement-rates-legacy-libor-products>) (collectively the “GSE Transition Plans”).

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