

Preface

This handbook is intended to supplement the requirements and information in Freddie Mac's *Single-Family Seller/Servicer Guide* (the Guide, which is one of the Purchase Documents). The Guide has priority over this handbook, so that any conflict between them, such as may occur when the Guide is updated or amended, should be resolved to favor the Guide. Similarly, conflicts between the Guide and Form 1035, the Custodial Agreement, are resolved to favor the Guide; thus, Form 1035 need not be re-executed or amended to reflect changes in the Guide. We intend to update the handbook periodically.

Capitalized terms used in the handbook are defined in the Guide; however, please note that certain terms and phrases, including the following, may be used differently in the handbook:

- "Note" refers to the note evidencing a borrower's indebtedness, and includes any power or attorney or modifying instrument, such as a modification agreement, conversion agreement, and assumption of liability or release of liability agreement. "Notes" may also refer to all documents held for Freddie Mac, as the context requires. "Assignment" refers to the intervening assignments and includes any instrument used to assign the security instrument to Freddie Mac. See Guide Section 18.1.
- While "Seller/Servicer" refers to the entity primarily or exclusively selling Mortgages to, or servicing Mortgages for, Freddie Mac, we have tried to use either the term "Seller" or "Servicer" where that is more accurate. However, absent a Transfer of Servicing, the same entity may be both Seller and Servicer, although you may be interacting with different personnel. Using this convention should help clarify the different roles.
- References to "Form 1034" may refer collectively to all versions or to a specific version, as the context requires. Because the handbook assumes that Mortgages are delivered to Freddie Mac through the Selling System, most references will be to Form 1034E, the version of Custodial Certification Schedule used for electronic deliveries. Form 1034B, Custodial Certification Schedule Balloon Loan Modification, is used in conjunction with Balloon/Reset Loan modifications. Form 1034S, Custodial Certification Schedule Summary, is a summary form of the hardcopy Form 1034 (fixed-rate mortgages) or 1034A (ARMs) that may contain a list of data corrections. Form 1034T, Subsequent Transfer Custodial Certification Schedule, summarizes information for Mortgages transferred in a Transfer or Servicing or transfer of custody.

For information on certification and custody of mortgages originated electronically, please refer to Freddie Mac's eMortgage Handbook, found on our website at www.freddiemac.com/singlefamily/elm/pdf/eMortgage_Handbook.pdf.

We hope that you find this handbook helpful, and would appreciate hearing from you regarding any comments and questions that you have about your status as a Freddie Mac Custodian and the custodial duties and functions.