

This job aid provides information on the following topics related to Best Efforts execution of a contract:

|   |   |
|---|---|
| Modify Best Effort Import .....                       | 1 |
| Quick Loan Data .....                                 | 4 |
| Best Practices .....                                  | 5 |
| Exhibit 19 Calculator .....                           | 6 |
| Exhibit 19, Credit Fees in Price and/or Credits ..... | 6 |
| When to Modify Form 1034 .....                        | 6 |
| Contract Extensions and Relocks .....                 | 7 |

## Modify Best Effort Import

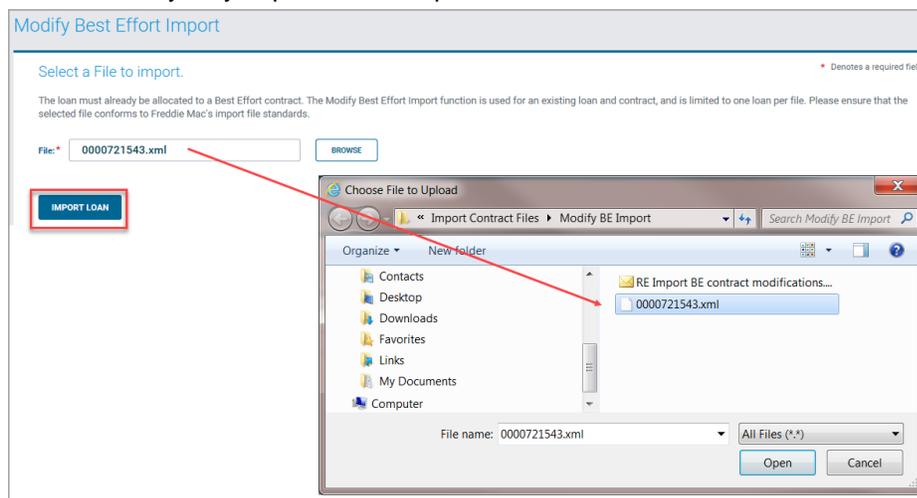
Loan Selling Advisor® permits Sellers to import loan modifications for pre-existing Best Efforts loans that are in an Accepted status. Modifying loan data may impact Best Efforts prices; therefore, when modifying Best Efforts loans, Sellers are required to accept or reject price changes. When accepting a price change, the modifications are saved, and when rejecting a price change, the modifications are not saved. Best Efforts loans can be modified in Loan Selling Advisor either by using the Modify Best Efforts Import function or by or by manual entry. Use the following steps in Loan Selling Advisor to import a Best Efforts modification:

- From the main menu, click **Loans**, and then click **Modify Best Efforts Import**.



- The **Modify Best Efforts Import** screen displays. (If it does not, skip to step 5.) Then perform the following steps.
  - Click **Browse**.
  - Choose a file in the MISMO XML format to upload.
  - Click **IMPORT LOAN**.

**Note:** You may only import one loan per file.



3. Click **REPRICE CONTRACT**, after which you will have 60 seconds to accept the contract.

**Modify Best Efforts Contract**

INVESTOR CONTRACT IDENTIFIER: [REDACTED]

Contract Information

Master Commitment: [REDACTED]

CONTRACT PRODUCT: 30-Year Fixed Rate Conventional [Show Details](#)

CONTRACT AMOUNT: \$139,794.00

Contract Name: Best Efforts

Contract Period: 60 Days Extends: [REDACTED] or 0 Days

01/22/2018

CS/LTV (A-MINUS):

LP INDICATOR: Non LP Loan

LP PRICE LEVEL:

Pricing for Cash-Servicing Released Mortgages is not final until the Funding Date. Loan level prices are determined at contract allocation based on detailed loan-level attributes and may change if loan detail information is modified before the Funding Date. Final price adjustments for each Mortgage will be determined at settlement and reflected on your settlement statement.

**REPRICE CONTRACT** RESET FORM

[Previous Page](#)

4. The 60-second **Contract Price** screen appears, where you accept or reject the contract. Note: Loan Selling Advisor only saves the import modifications if you accept the price.

**Contract Price**

You have 60 seconds to accept this Contract Price.

Contract Price

Price information displayed here is not final. Final price adjustments for each mortgage will be determined at settlement and reflected on your settlement statement.

CONTRACT PRODUCT: 30-Year Fixed Rate Conventional

CONTRACT AMOUNT: \$139,794.00

EXPIRATION DATE: 01/22/2018

LOAN REFERENCE PRODUCT LABEL: 30-Year Fixed Rate Conventional

INTEREST RATE RANGE: 3.875%

CONTRACT PRICE: 100.902

LOAN NET PRICE: 100.402

Time Remaining: 60 Seconds

**ACCEPT** REJECT

5. The 15-second **Contract Price** screen appears. Choose whether you agree or do not agree to the terms.

**Contract Price**

You have 15 seconds to accept this Contract Price.

Contract Price

Price information displayed here is not final. Final price adjustments for each mortgage will be determined at settlement and reflected on your settlement statement.

CONTRACT PRODUCT: 30-Year Fixed Rate Conventional

CONTRACT AMOUNT: \$139,794.00

EXPIRATION DATE: 01/22/2018

LOAN REFERENCE PRODUCT LABEL: 30-Year Fixed Rate Conventional

INTEREST RATE RANGE: 3.875%

CONTRACT PRICE: 100.902

LOAN NET PRICE: 100.402

Time Remaining: 12 Seconds

**I AGREE** I DO NOT AGREE

6. If you agree to the terms, the **Cash Contract Details** screen appears with a summary of the contract terms.

### Cash Contract Details

**Summary of Contract Terms**

|                                 |                                 |                      |                     |
|---------------------------------|---------------------------------|----------------------|---------------------|
| CONTRACT NAME:                  | Best Efforts                    | REMAINING BALANCE:   | \$0.00              |
| INVESTOR CONTRACT IDENTIFIER:   | [REDACTED]                      | CONTRACT AMOUNT:     | \$139,794           |
| CONTRACT TYPE:                  | Best Efforts                    | CONTRACT STATUS:     | Accepted            |
| CONTRACT PRODUCT:               | 30-Year Fixed Rate Conventional | ACCEPTED DATE:       | 11/21/2017 09:18:23 |
| LTV RATIO PERCENT RANGE:        | 0% - <=105%                     | EXPIRATION DATE:     | 01/22/2018          |
| MASTER COMMITMENT:              | [REDACTED]                      | MC TYPE:             | Flow                |
| LOAN AMORTIZATION PERIOD COUNT: | 239 to 362 months               | SERVICING OPTION:    | Released            |
| NOTE RATE PERCENT RANGE:        | 3.875% to 3.875%                | ESCROW COVERAGE:     | No                  |
| LOAN MATURITY PERIOD COUNT:     | 241 to 360 months               | STATE CODE:          | TX                  |
|                                 |                                 | CROSS SELL RIGHTS:   | Seller Released     |
|                                 |                                 | CS/LTV (A-MINUS):    | No                  |
|                                 |                                 | AVERAGE LOAN AMOUNT: | \$139,794.00        |

**Contract Options**

- [Modify Best Efforts Contract](#)
- [Change Contract Name](#)
- [View/Print Contract Confirmation](#)
- [View Change History](#)
- [Refresh Contract Details](#)
- [R&W Relief Summary Info](#)

**Loan Options**

- [Enter Settlement Details](#)
- [Evaluate Loan\(s\)](#)
- [Modify Best Effort Import](#)
- [Build Form 1034](#)
- [Build Form 996E](#)
- [Set Docs Drawn Date](#)

Go to [Loan Pipeline](#) for these loans

| SELLER LOAN IDENTIFIER | PRIMARY BORROWER LAST NAME | INTEREST RATE | LOAN REFERENCE PRODUCT LABEL    | LOAN STATUS | WIRE INSTRUCTIONS ATTACHED DATE | UNPAID PRINCIPAL BALANCE | WHL | SERVICER   | NET PRICE | TOTAL FEES |
|------------------------|----------------------------|---------------|---------------------------------|-------------|---------------------------------|--------------------------|-----|------------|-----------|------------|
| [REDACTED]             | [REDACTED]                 | 3.875%        | 30-Year Fixed Rate Conventional | New         | 11/21/2017 09:18:53             | \$139,794.00             | No  | [REDACTED] | 100.402   | \$698.97   |

1-1 of 1 Loans      Loans Per Page:

Navigates to the Modify Best Effort Import screen shown earlier

7. If the import file has errors, the **Import Loan Results** screen appears. Locate the loan file you imported and check its status.
- a) If the **Status** is **In Progress**, click the **Refresh Import Status** button until the status changes to **Completed**.
  - b) If the **Status** is **Error**, click the link in the **Import Errors** column to view the error(s). Then make the necessary corrections (which may require modifying the import file) and re-import the file using steps 1 – 2.

### Import Loan: Results

View errors by clicking on the numbers in the errors columns. Click on the Refresh Import Status button to update the Status.

Large import files may take some time to process. While the import is in the process, other tasks in the system can be performed.

| FILE NAME  | USER ID    | DATETIME   | TOTAL LOANS | TOTAL CURRENT UPB <sup>†</sup> | PROCESSED  | IMPORT ERRORS | ALLOCATION ERRORS | EVALUATION ERRORS | R&W RELIEF NOT ELIGIBLE | LOAN REFERENCE PRODUCT LABEL WARNING | STATUS     |
|------------|------------|------------|-------------|--------------------------------|------------|---------------|-------------------|-------------------|-------------------------|--------------------------------------|------------|
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED]  | [REDACTED]                     | [REDACTED] | [REDACTED]    | [REDACTED]        | [REDACTED]        | [REDACTED]              | [REDACTED]                           | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED]  | [REDACTED]                     | [REDACTED] | [REDACTED]    | [REDACTED]        | [REDACTED]        | [REDACTED]              | [REDACTED]                           | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED]  | [REDACTED]                     | [REDACTED] | [REDACTED]    | [REDACTED]        | [REDACTED]        | [REDACTED]              | [REDACTED]                           | [REDACTED] |

<sup>†</sup>The Total Current UPB of all loans imported into the Loan Selling Advisor may change before settlement if UPB errors, omissions and discrepancies are discovered and corrected. This screen will not be updated to reflect the corrected Total Current UPB.

[Back to Import](#)

[Back to Modify Best Effort Import](#)

### Quick Loan Data

You can create a Best Efforts Loan (also known as the *Quick Loan* feature) and simultaneously price a contract without having to enter or import the entire ULDD loan delivery dataset. However, when you create a loan in this manner, any subsequent data modifications, including adding missing data, will require the contract to be re-priced in order to save the data modifications. The table that follows contains a list of data fields required to save a loan and to price a Best Efforts loan/contract using the Quick Loan feature.

| ULDD Create Loan for Best Efforts Loan (Quick Loan) Data Fields |   |           |
|---|---|-----------|
| Section/Container Name  | Data Point Name   | Sort ID # |
| N/A   | Seller Loan Identifier  | 402       |
| Subject Property Address  | Street Address  | 10        |
| Subject Property Address  | City Name   | 14        |
| Subject Property Address  | State Code  | 18        |
| Subject Property Address  | Postal Code   | 16        |
| Property Details  | Property Estate Type  | 63        |
| Property Details  | Property Usage Type   | 69        |
| Property Details  | Financed Unit Count   | 57        |
| Property Details  | Project Legal Structure Type  | 47        |
| Property Details  | PUD Indicator (True/False)  | 49        |
| Appraisal/Property Valuation Details                            | Property Valuation Amount   | 83        |
| Construction Details  | Construction Method Type  | 51        |
| Borrower Information  | Borrower Classification Type  | 571       |
| Borrower Information  | Borrower First Name   | 540       |
| Borrower Information  | Borrower Last Name  | 541       |
| Borrower Information  | Non-Individual Borrower Name  | 544       |
| Borrower Information  | Taxpayer Identifier Type  | 613       |
| Borrower Information  | Taxpayer Identifier Value   | 614       |
| Loan Details  | Loan Purpose Type   | 315       |
| Loan Details  | Purchase Price Amount (This is not a minimally required field but is required when the loan is a Purchase transaction.) | 195       |
| Product Details   | Mortgage Type   | 317       |
| Product Details   | Interest Calculation Type (Select Simple.)  | 215       |
| Product Details   | Balloon Indicator (Select True or False.)   | 226       |
| Product Details   | Payment Frequency Type  | 270       |
| Product Details   | Loan Amortization Type  | 138       |
| Product Details   | Interest Calculation Period Type*   | 214       |
| Note Details  | Note Rate Percent   | 321       |

| ULDD Create Loan for Best Efforts Loan (Quick Loan) Data Fields |   |           |
|---|---|-----------|
| Section/Container Name  | Data Point Name                               | Sort ID # |
| Note Details  | Note Amount                                   | 319       |
| Note Details  | Scheduled First Payment Date                  | 272       |
| Note Details  | Loan Maturity Date                            | 256       |
| Conversion Option Details                                       | Convertible Indicator** (True/False)          | 232       |
| Assumability Details  | Assumability Indicator** (True/False)         | 225       |
| Origination Details   | Escrow Indicator (True/False)                 | 234       |
| Interest Only Indicator   | Interest Only Indicator** (True/False)        | 237       |
| Additional Loan Fields That Affect Pricing                      |   |           |
| Loan Details  | Refinance Cash Out Determination Type         | 294       |
| Loan Level Credit Details                                       | Loan Level Credit Score Value                 | 251       |
| Loan Level Credit Details                                       | Loan Level Credit Score Selection Method Type | 249       |
| Loan Level Credit Details                                       | Credit Score Impairment Type                  | 247       |
| Underwriting Details  | Automated Underwriting System Type            | 326       |
| Underwriting Details  | Automated Underwriting Case Identifier        | 322       |
| Payment Details   | Loan Acquisition Scheduled UPB Amount         | 385       |

\*\* These Indicators default to False in the Create Loan for Best Efforts Contract screen.

### Best Practices

If a Seller creates and saves a loan in Loan Selling Advisor (not utilizing the Quick Loan feature), they must do the following before the loan can be allocated to the Best Efforts contract:

- Modify the loan and enter the Interest Calculation Period Type, and re-save the loan.
  - Note:** Any loan that is missing the Interest Calculation Period Type cannot be allocated to a Best Efforts contract. If you attempt to search for such loans to allocate them to a Best Efforts contract, they do not appear in the search results.
- Ensure that a valid Note Date has been entered in Loan Selling Advisor prior to finalizing the loan for delivery. For Best Efforts contracts, Loan Selling Advisor requires that you enter the Note Date no later than the close of business on the business day following the day on which you funded the mortgage. You must also comply with the requirements of the Freddie Mac *Single-Family Seller/Servicer Guide*, (also known simply as the *Seller/Servicer Guide*) including but not limited to Section 6302.5.
- If you are using Freddie Mac's Designated Custodian, deliver all Notes to The Bank of New York Mellon (BNYM) one business day prior to the contract expiration date or expected funding date, whichever occurs first. When Notes are certified on the contract expiration date after the last funding of the day, delays in funding occur, which can lead to operational overrides and additional fees. For more information, contact your Loan Selling Advisor representative or Customer Support (800-FREDDIE), and refer to [Delivery Standards for Cash](#).
- Always verify the accuracy of the Initial Principal & Interest Payment to ensure the loan is not being under- or over-amortized (for example, 359 or 361 months instead of 360 months for a 30-year-loan). If a loan is under- or over-amortized, the loan does not advance to settlement, and an operational override and delay in funding occur, which can potentially lead to an expired contract. For more information, contact your Loan Selling Advisor representative or Customer Support (800-FREDDIE).

- Make sure that the Loan Acquisition Scheduled UPB Amount (Sort ID 385) and the Last Paid Installment Due Date (Sort ID# 440 and is also known as the *Due Date Last Paid Installment* (DDLPI)) fields are correct. When selling mortgages to Freddie Mac, you must accurately provide the DDLPI that had been collected for the mortgage for the month of settlement.
- For more information, refer to the *Seller/Servicer Guide*, Sections 6302.2, 6302.3, and 6302.4.
- Subject to approval and conditions set by Freddie Mac, the Servicing options for Best Efforts contracts are listed in the following table:

| Servicing Option Name            | Definition   |
|----------------------------------|--|
| Servicing Retained               | The Seller sells the mortgage to Freddie Mac and retains the Servicing.  |
| Concurrent Transfer of Servicing | The Seller sells the mortgage to Freddie Mac and concurrently transfers the Servicing to a Servicer chosen by the Seller. The Servicer selected by the Seller must be a Freddie Mac-approved Servicer eligible to service the particular Mortgage, and Freddie Mac must approve the Transfer of Servicing in accordance with Chapter 7101. |
| Servicing Released Sales Process | The Seller sells the mortgage Servicing released, in accordance with the requirements of Section 6101.7.   |

For more information, refer to Guide Section 6101.6.

- Ensure the net price for each loan is final on the Freddie Mac Funding Date. To help you determine what the final net price will be, refer to *Exhibit 19 Calculator* and *Exhibit 19, Credit Fees in Price and/or Credits*.

### Exhibit 19 Calculator

To determine the Net Price prior to funding, use the Exhibit 19 Calculator, which was designed to provide an indication of credit fees in price and/or credits on particular loans if they are sold to Freddie Mac. Remember, though, that this is a tool and is not intended, nor designed, to replace the calculation of actual credit fees in price/credits due on a loan as determined by the contract terms between Freddie Mac and the Seller of the loan at the time of purchase. This calculator is available for the exclusive use of approved Freddie Mac Sellers and Servicers. If you do not have a password to use the calculator, please contact the Loan Delivery department of Customer Support (call 800-FREDDIE, select Option “3”). Access the Exhibit 19 Calculator at [http://www.freddiemac.com/learn/lo/deliveryfee/fee\\_calc.html](http://www.freddiemac.com/learn/lo/deliveryfee/fee_calc.html).

### Exhibit 19, Credit Fees in Price and/or Credits

To validate the credit fees in price assessed and credits applied, if any, at funding, refer to the *Seller/Servicer Guide*, Exhibit 19. Note, Exhibit 19 displays the fee rate in basis points; you must deduct the amount of the credit fee in price rate in basis points from the contract price to determine the net price for the loan. Also note that multiple credit fees in price may be assessed on a loan depending on the loan characteristics and borrower attributes. Access the Exhibit 19 at [FreddieMac.com/singlefamily/pdf/ex19.pdf](http://FreddieMac.com/singlefamily/pdf/ex19.pdf).

### When to Modify Form 1034

The Modify Best Efforts Import functionality does not overwrite a certifiable data field after Form 1034 (Custodial Certification Schedule) is built. To modify a certifiable data field after Form 1034 is built, do the following:

1. Remove the loan from Form 1034.
2. Re-import the modified best efforts data.
3. Re-assess the loan.
4. Build Form 1034 for the specified loan once all errors are cleared.

### Contract Extensions and Relocks

In the event that the mortgage specified in a Best Efforts Contract fails to close before the contract expires, the Seller may extend a Best Efforts Contract at any time prior to funding. Here are additional details:

- A maximum of two extensions is allowed. In exchange for the contract extension, the Seller is assessed a fee, to be paid in accordance with the *Seller/Servicer Guide*, **Error! Hyperlink reference not valid.**6303.
- If a Best Efforts Contract has expired or has been withdrawn and is in a contract status of unfulfilled for less than 30 days, if the Seller extends the contract, the contract is re-priced at the lower of the following:
  - Original accepted price minus the Best Efforts Contract extension fee.
  - Current market price.
- If a Best Efforts Contract has expired or has been withdrawn and is in a contract status of unfulfilled for more than 30 days, if the Seller extends the contract, the contract is re-priced at the current market price.
- For more information, refer to the *Seller/Servicer Guide*, section 6305.5.

This document is not a replacement or substitute for the information found in *Freddie Mac Single-Family Seller/Servicer Guide* or terms of your Master Agreement or other Pricing Identifier Terms. © 2018 Freddie Mac