



Customer Education

Certification Prior to Allocation

Freddie Mac Selling System



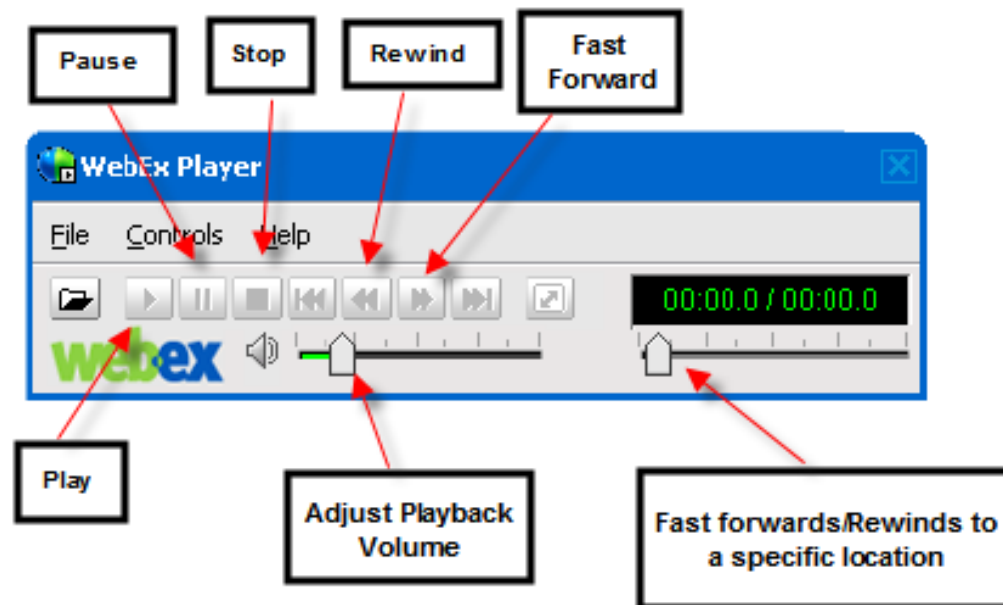
Your Freddie Mac presenter is...

Elizabeth Fink



Tools and Tips

- ✓ Close all other applications to enhance your workstation's performance
- ✓ Maximize the window used for viewing this recording
- ✓ For technical support, call (866) 229-3239



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Agenda

- Certification prior to allocation
- Options
- Using the functionality
- The Certification process
- Wrap Up





Certification Prior to Allocation

- What is Certification Prior to Allocation?
 - ✓ Allows sellers the ability to get loans certified before allocating the loans to a contract
 - Clear certification and note issues well in advance of settlement
- Available for the Cash and Guarantor executions
- Restrictions for Sellers with Warehouse Lender relationships
- Things to know:
 - ✓ Complete loan data must reside in the system
 - ✓ Critical edits must be cleared
 - ✓ Freddie Mac loan number is assigned when building the 1034E



Step 1: Enter Settlement Details

Settlement

- Review
- Certification Issues
- **Enter Settlement**
- Details
- Create/View
- Certification Forms
- View Settlement
- Statements
- Transfer Servicing
- Instructions

- Select Unallocated Loans
- Enter search criteria: Seller Loan Number, Loan Product or Interest Rate range to search for loan(s)
- Click on Search

Search for loans by entering information in any one or more of the fields below:

Loans Allocated Loans **Unallocated Loans**

Execution Option: Cash Guarantor / Multilender

Contract #: From to or All Accepted Contracts

Pool #:

Wire Instructions:

Warehouse Lender: or Loans awaiting Warehouse Lender assignment.

Requested Settlement Date: From to and/or Settlement ASAP
(mm/dd/yyyy) (mm/dd/yyyy)

Seller Loan #:

Loan Product:

Interest Rate: From % to %

Custodian:

Search criteria fields

Sellers with a default Servicer and Custodian may skip Step 1 and Step 2 (next page)

Step 2: Search Complete

- Select Servicer #
- Select Custodian
- Select single, multiple or all loans
- Click on Update loans

To update loan details, select the appropriate information to update (e.g. Custodian, Servicer #). Next, select your loans and click update loans.

Servicer # Custodian

Sort by clicking on header:

	<u>Seller Loan #</u> ↓	<u>Servicer #</u>	<u>Custodian</u>	<u>Loan Product</u>	<u>Interest Rate</u>
<input type="checkbox"/>	R6C90862_076	879603	4253642	20-Year Fixed-Rate Conventional	7.250%
<input type="checkbox"/>	R7C90862_073	879603	4253642	20-Year Fixed-Rate Conventional	7.250%
<input type="checkbox"/>	R8C90862_075	879603	4253642	20-Year Fixed-Rate Conventional	7.250%
<input type="checkbox"/>	R9C90862_076	879603	4253642	20-Year Fixed-Rate Conventional	7.250%
<input checked="" type="checkbox"/>	SPR 2 20YR_303			20-Year Fixed-Rate Conventional	5.000%
<input checked="" type="checkbox"/>	SPR 3 20YR_353			20-Year Fixed-Rate Conventional	5.000%
<input checked="" type="checkbox"/>	SPR 4 20YR_493			20-Year Fixed-Rate Conventional	5.000%
<input checked="" type="checkbox"/>	SPR-1 20YR_203			20-Year Fixed-Rate Conventional	5.000%

Select Page Select All 33 Loans Total Selected: 4

Displaying: 26 - 33 of 33 Loans [First](#) | [Prev](#) | << [1](#) [2](#) >> | [Next](#) | [Last](#) Loans per page:

The following loans have been successfully updated:

Update successful

Seller Loan #	Servicer #	Custodian	Loan Product	Interest Rate
SPR 3 20YR_353	879603	9999999	20-Year Fixed-Rate Conventional	5.000%
SPR-1 20YR_203	879603	9999999	20-Year Fixed-Rate Conventional	5.000%
SPR 2 20YR_303	879603	9999999	20-Year Fixed-Rate Conventional	5.000%
SPR 4 20YR_493	879603	9999999	20-Year Fixed-Rate Conventional	5.000%



Step 3: Create/View Certification Forms

- Settlement
 - Review
 - Certification Issues
 - Enter Settlement
 - Details
 - Create/View
 - Certification Forms
 - View Settlement
 - Statements
 - Transfer Servicing
 - Instructions

- Select 1034E
- Select Unallocated Loans
- Complete search criteria information
- Select Loan Closing Process
- Click on Build Form

First select the type of form you would like to build or view.

- Form 1034E -- Custodial Certification Schedule
- Note Delivery Cover Sheet
- Form 996E -- Warehouse Lender Release of Security Interest
 - Cash
 - Guarantor/Multi-Lender

Then, find eligible loans by specifying one or more search criteria:

Loans:

- Allocated Loans
- Unallocated Loans

Contract #: From to and/or All Accepted Contracts

Pool #:

Requested Settlement Date: From (mm/dd/yyyy) to (mm/dd/yyyy) and/or Settlement ASAP

Seller Loan #:

Freddie Mac Loan Number:

Loan Product:

Interest Rate: From % to %

Warehouse Lender:

Custodian:

Loan Closing Process : Both
 eMortgage Loans
 Paper Loans



Step 4: Select Loans

Choose the loans you would like to appear on the 1034E -- Custodial Certification Schedule Form.

Indicates eMortgage

Update Certification Due Dates to:

(mm/dd/yyyy)

- Enter a Certification (Completion) Due Date
- Select loans
- Click on Update & Build Form
- The 1034E issued will reflect a batch ID #

Sort by clicking on header:

<input type="checkbox"/>	Contract #	Pool #	Seller Loan #	FreddieMac Loan # ↓	Borrower Name	Requested Settlement Date	Custodian	Certification Due Date	Loan Product	Interest Rate
<input type="checkbox"/>	Unallocated		I_R26360_201		CHRIS, WHITE		Freddie Mac 99999999, McLean, VA		30-Year Fixed-Rate Conventional	6.375%
<input type="checkbox"/>	Unallocated		P_NCMSTVE104		AAAAAAA, AAAAAAA		Brian Teele PE Bank 7 4253642, Bristow, VA		30-Year Fixed-Rate Conventional	5.000%
<input checked="" type="checkbox"/>	Unallocated		SPR 2 20YR_303		SERVICE, PE-TEST		Freddie Mac 99999999, McLean, VA		20-Year Fixed-Rate Conventional	5.000%
<input checked="" type="checkbox"/>	Unallocated		SPR 3 20YR_353		SERVICE, PE-TEST		Freddie Mac 99999999, McLean, VA		20-Year Fixed-Rate Conventional	5.000%
<input checked="" type="checkbox"/>	Unallocated		SPR 4 20YR_493		SERVICE, PE-TEST		Freddie Mac 99999999, McLean, VA		20-Year Fixed-Rate Conventional	5.000%
<input checked="" type="checkbox"/>	Unallocated		SPR-1 20YR_203		SERVICE, PE-TEST		Freddie Mac 99999999, McLean, VA		20-Year Fixed-Rate Conventional	5.000%



The Certification Process

1. The Custodian reviews certification documents for completion and accuracy

- ✓ 1034E
- ✓ Note
- ✓ Modification agreement
- ✓ Rider/addendum
- ✓ Other documents

2. The Custodian certifies the loan or marks the loan for issue resolution

3. If there is an issue

- ✓ The Seller accepts the issue and the loan is certified
- ✓ If countered, the Custodian accepts the Seller's counter and certifies the loan or there is a new counter by the Custodian requiring acceptance by the Seller





What Happens After Loans are Certified?

- Take out contract
- Allocate loans to contract



Use the batch ID number (assigned w/1034E) to find certified loans



If you don't want a cash contract to have ASAP funding, enter settlement details and select a specific funding date

- ✓ Link from contract details screen, loan options box



What Happens After Loans are Certified? (cont'd)

- Re-evaluate loans against the contract terms
 - ✓ Clear all critical edits
 - ✓ Ensure loan status reflects a certification cleared status
- Follow the process flow for your execution path to complete the sale to Freddie Mac
 - ✓ Cash
 - ✓ Guarantor



Summary

- Certification prior to allocation is available for both the Cash and Guarantor execution path
- Restrictions for loans residing with a warehouse lender
- Re-evaluate loans after allocating to a contract
- If loan was previously certified and you wish to recall it, contact your custodian



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