

The following best practices have proven successful in expediting the investor reporting process. Freddie Mac compiled these best practices using input from Servicers during reviews and meetings, and from feedback in our investor reporting classes. Use these best practices, along with our investor reporting educational materials and workshops, to help you effectively manage the investor reporting process so you can meet the requirements detailed in Chapters 76 through 83 of the *Single-Family Seller/Servicer Guide* (the Guide).

Please contact us at (800) FREDDIE to obtain educational materials, to sign up for a class, or to ask questions. For specific loan-level questions, contact your Freddie Mac Investor Accounting Specialist. You can also visit us on the Learning Center at [www.FreddieMac.com/learn/](http://www.FreddieMac.com/learn/).

## Get Off to a Good Start

Improper loan setup for newly funded loans is the cause of approximately 80% of monthly reporting adjustments. To help prevent investor reporting errors, download (or upload) the Funding Detail Report to set up newly funded loans on your system and print a report of data elements that do not match.

## Know the Borrower's Intent for His or Her Payment

- Determine the borrower's intent for all funds that you receive in addition to the standard loan payment. The borrower may want additional funds applied as
  - Principal reduction (curtailment)
  - A future monthly payment (prepayment)
  - A reduction to an escrow shortage
- Apply the payment according to the borrower's intent.

## Report Revisions Correctly

When reporting, be sure to mark a correction to a previously reported loan-level transaction as a revision. If the loan-level transaction is not marked as a revision, it is possible that your intended data correction will not be processed.

## Report Delinquency/Foreclosure Information

- Work closely and communicate often with your delinquency/foreclosure area to avoid errors when reporting. Many activities performed by your delinquency/foreclosure area determine whether or not exception transactions will be accepted by Freddie Mac's system.
- Ensure that an initiation of foreclosure is reported via Electronic Default Reporting (EDR) prior to reporting a loan's inactivation. Inactivations reported via your monthly loan-level transmission can only be processed on loans currently in foreclosure status. If the loan-level inactivation (code 40) is reported before the foreclosure initiation is transmitted via EDR, we will not be able to process the inactivation.

## **Use Our Due Date Calendar**

We provide our Servicers with an annual due date calendar for monthly reporting and remitting. You should use the calendar to determine our monthly accounting cutoff dates, remittance due dates, and EDR reporting deadlines. We mail calendars to Servicers at the beginning of each year. However, you may contact us at

(800) FREDDIE if you need an additional calendar. You may also access the calendar through our Investor Accounting Manager<sup>SM</sup> application on our GoldWorks<sup>®</sup> information network, and online at [www.freddiemac.com/learn/](http://www.freddiemac.com/learn/).