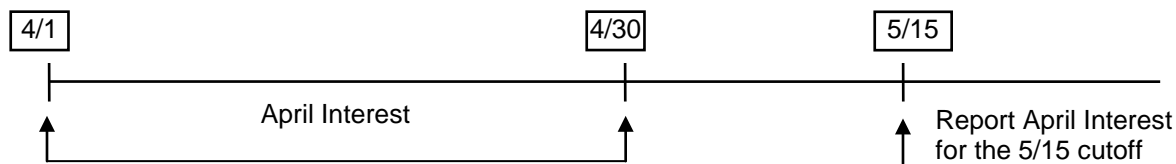


Accurate and timely reporting and remitting are essential for quality Servicer performance. This quick reference highlights Freddie Mac's requirements for reporting and remitting funds for your investor accounting activity.

For additional information on reporting and remitting, refer to Chapter 78 of the *Single-Family Seller/Servicer Guide* (Guide).

## Reporting Loan-Level Transactions

- Report one loan-level transaction for every loan, each month. All activity is summarized in one transaction.
- 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 revisions to previously reported loan-level transactions four days prior to the end of the month (EOM – 4). Reporting revisions by EOM – 4 ensures that the revisions you report are applied to the appropriate accounting cycle.
- Freddie Mac ties to the current cycle's ending unpaid principal balance (UPB) you report. Verify that you are reporting the correct amount of principal reduction by subtracting the current cycle's ending UPB from the beginning UPB. If the ending UPB increases from the previous cycle, report the transaction using exception code 80, principal balance correction.
- Monthly interest is always due in arrears. For example, for the May cycle (5/15 cutoff), you will report the interest you collected for April.



- Ensure that you have designated and trained a back-up person to report and remit funds for investor accounting activity to Freddie Mac.

## Payoffs

- Report prepaid and mature payoffs by the second business day after the payoff date.
- The principal due reported for a payoff should equal the current cycle's beginning UPB.
- There are two remitting due dates for payoffs:
  - Payoff proceeds (principal due and exception interest) are due by the fifth business day after the payoff date. Therefore, you must complete your remittance call-in by 9:00 p.m. Eastern time on the fourth business day after the payoff date.
  - Monthly interest is due based on the mortgage's contract-specified remittance due date.

## Daily and Monthly Reports

- Print and review the *Edits to be Cleared* report daily. This report identifies loan-level transactions reported with edits that Freddie Mac's system cannot resolve.
  - Take immediate action to resolve the edits and transmit revisions to Freddie Mac. However, do not send a revision to correct 101e errors. A 101e edit indicates an invalid loan number or a loan that has been closed in Freddie Mac's system. If the 101e is a valid transaction, retransmit the loan using the correct loan number.
  - Determine if you need to adjust a remittance due to a reporting error.
- Print and review the *System Cleared Edits* report daily.
  - Send revisions to correct edits, as necessary.

- Determine if you need to adjust a remittance due to a reporting error.
- Print and review the *Monthly Account Statement* each month. Reconcile your principal and interest (P&I) custodial account to the ending balance on the *Monthly Account Statement*.
- Print and review the *Loan Reconciliation Difference* report each month. This report summarizes every loan-level transaction that was not immediately accepted during the cycle due to a reporting discrepancy or simulation of a transaction. Use this report to correct your system so the edit does not occur again, and to identify adjustments that you may need to make to your GPI remittance or P&I custodial account.

### Remitting Funds to Freddie Mac

Remitting is the process of sending funds to Freddie Mac for the loan-level transactions that Freddie Mac has processed.

- Remit funds through our service bureau, Global Payments Inc. (GPI).
- You may access GPI from a touch-tone phone or online via Investor Accounting Manager<sup>SM</sup>, available on GoldWorks.
- Reporting and remitting are separate functions. Remit funds on time even if you are having difficulty reporting the transaction.
- Complete your remittance no later than 9:00 p.m. Eastern time, the business day prior to the remittance due date. The funds are drafted from your account the business day after you complete your call-in to GPI.
- You determine the amount drafted from your bank account. Freddie Mac drafts only the amount you remit through GPI. Always retain the verification code for your records.
- Refer to Freddie Mac's Due Date Calendar for Monthly Reporting and Remitting to determine when funds are due to us.
- Create and maintain a log of the remittances you make. Include the following:
  - Date, time, and amount of each remittance
  - Type (payoff or non-payoff)
  - Four-digit verification code

### Investor Accounting Manager

Investor Accounting Manager<sup>SM</sup> is a web-based application available on FreddieMac.com that can help you proactively manage your investor accounting activities for your Freddie Mac portfolio.

With Investor Accounting Manager, you can

- Check your cash balance every day.
- Remit funds online through the GPI interface.
- View, print, and download daily and monthly reports.
- Order preliminary *Monthly Account Statements* and *Loan Reconciliation Difference* reports.
- Use the Create Your Own Report option to design customized reports.
- Order trial balances anytime.

### **When You Need Assistance**

Contact 800-FREDDIE for the following:

- General questions about reporting requirements
- Technical support

Contact your Loan Portfolio Specialist with specific loan-level questions.

This document is not a replacement or substitute for the information found in the *Single-Family Seller/Service Guide*, and /or terms of your Master Agreement and/or Master Commitment.

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