

# Settlement Status Codes

## Reference Guide



After a workout is approved, continue using the Manager Series Reports, available via the Servicer Performance Profile, to monitor its progress during the settlement process. The Manager Series Reports provide access to detailed settlement status codes that give you additional insight into issues that may be delaying the settlement of an approved workout. Reviewing and resolving the status codes daily will help expedite the settlement of your approved workouts.

This reference guide:

- Explains how to access and view the settlement status codes.
- Identifies each settlement status code, what it means, and how to resolve it.

If you have any questions after reviewing this quick reference, contact your Freddie Mac representative.

### How to Access and View the Settlement Status Codes

You can access and view settlement status codes via the Status Overview loan-level detail reports available in the Manager Series Reports section of the Servicer Performance Profile.

After you log in to your Servicer Performance Profile, perform the following steps to access and view settlement status codes:

1. Click the appropriate tile menu to access the Status Overview loan-level detail report you want to view.

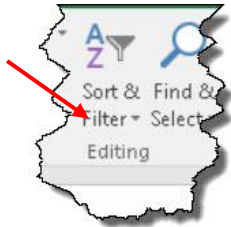
**Manager Series Reports** ● Consolidated ○ Master Servicer ○ Servicing Agent ○ Interim Servicer

<b>Default Reporting</b> Edit Errors <b>1</b> Not Reported Loans: 0 Last Update: November 10, 2017	<b>Repayment Plans</b> Repays In Negotiation <b>0</b> Past Std: 0 YTD   Last Update: December 12, 2017	<b>Modifications</b> Settled Storied 1,330 Other 106 Stashed 95 YTD   Last Update: November 10, 2017	<b>Incentives</b> Paid: \$0 Pending: \$0 On Hold: \$0 Not Eligible: \$0 30 Days   Last Update:
<b>Timelines</b> Loans Past Standard <b>2,194</b> Days: 406,383 Last Update: November 28, 2017	<b>Liquidations</b> Settled <b>764</b> Past Std: 103 YTD   Last Update: November 10, 2017	<b>Foreclosure</b> Reported FCL Sales <b>164</b> Days Past FCL Timeline: 378 Rolling 3 Months   Last Update: November 10, 2017	<b>Sale Status</b> Sale Pending: 119 Liquid: 162 Sale Complete: 197 Not Listed: 32 Pre-Listing: 368 Last Update: November 28, 2017

Access the Modification Status Overview loan-level detail report via this menu.

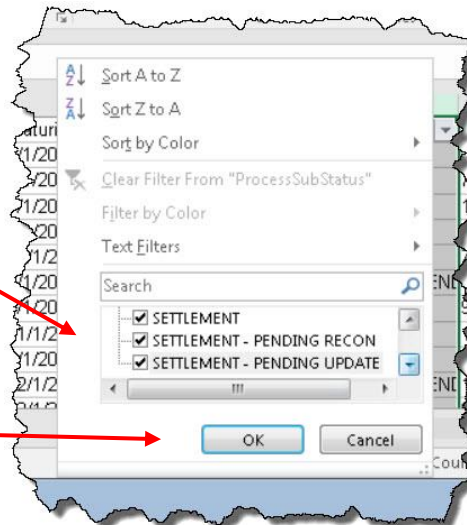
Access the Liquidation Status Overview loan-level detail report via this menu.

- Click **Sort & Filter** on the spreadsheet toolbar.



- Select the Process Sub-status column and filter the data to display only those loans in a settlement status.

Q	R	S
Status	ProcessSubStatus	ProcessSubStat W
	SETTLEMENT	11/7/2017
	SETTLEMENT	7/19/2017



Click **OK** after you have identified the filter criteria.

- Scroll to the Comment column to view the settlement status codes.

	AB	AC
Status	Comment	Comment
	NG16- DELEGATED DIL APPF	7/14/2017
	CC1 CO Reconciled - rolled to	11/9/2017
	NG16 - APPROVED DELEGA	9/28/2017

## Settlement Status Codes

Following is a listing of the settlement status codes that may display. For each settlement status code, we have identified its meaning and the actions you must take for resolution.

### File Prep

You may receive the following settlement status codes after Freddie Mac receives your settlement documentation and prepares the workout for reconciliation.

Settlement Status Code and Comment	What it Means	How to Resolve
FP3 Assigned to [insert negotiator's first and last name], File Created.	The loan has been assigned to the negotiator whose name is listed in the comment.	No action is necessary. Wait for the negotiator's decision.
FP4 Documents uploaded in BlitzDocs. Credit Report has been uploaded to BlitzDocs.	Freddie Mac has been notified that a credit report has been uploaded to BlitzDocs.	No action is necessary.
FP4 DMS Folder Created – Backup Documents received and imaged.	Freddie Mac has created the folder and received the loss mitigation documents.	No action is necessary.
FP7 Revised Document(s) Rec'd and Sent to Settlement for Review.	Freddie Mac has received revised settlement documents and submitted them to the settlement team for review.	No action is necessary. Wait for settlement review.
FP9 File Sent to Settlement.	Freddie Mac has received settlement documents and submitted them to the settlement team for review.	No action is necessary. Wait for settlement review.
FP11 File Rejected and Returned to Servicer. [enter reason for rejection]	Freddie Mac cannot accept the settlement documents you submitted and has returned them to you for correction.	Review the reason for rejection, make corrections as necessary, and resubmit the document(s).
FP11 ER – Documents Rejected and Returned to Servicer for _____. Second level review completed.	Freddie Mac has performed a second level review.	Review the reason for rejection, make corrections as necessary, and resubmit the document(s).

### **File Management**

You may receive the following settlement status codes after Freddie Mac receives your settlement documentation and prepares the workout for reconciliation.

Settlement Status Code and Comment	What it Means	How to Resolve
FM1 Model Released Back to Servicer for New Offer/Low Appraisal/Buyer Walked, per [insert Servicer contact name from request].	Freddie Mac has given control of the Workout Prospector® model back to you for changes, per the requestor noted in the comment.	Complete any needed changes and resubmit the Workout Prospector model.
FM2 Model Released Back to Servicer for New Workout Type, per [insert Servicer contact name from request].	Freddie Mac has given control of the Workout Prospector model back to you for changes, per the requestor noted in the comment.	Complete any needed changes and resubmit the Workout Prospector model.
FM3 Model Released Back to Servicer Because the Workout Was Not Approved or Approval Fallout Per [insert Servicer contact name from e-mail request].	Freddie Mac has given control of the Workout Prospector model back to you for changes, per the requestor noted in the comment.	Complete any needed changes and resubmit the Workout Prospector model.
FM4 Model Released Back to Servicer Because Borrower Docs Were Not Returned or Borrower Cancelled Per [insert Servicer contact name from e-mail request].	Freddie Mac has given control of the Workout Prospector model back to you for changes, per the requestor noted in the comment.	Complete any needed changes and resubmit the Workout Prospector model.
FM5 Model Released Back to Servicer to Make Updates in WP2 [enter specific updates Servicer needs to make] per [insert Servicer contact name from request].	Freddie Mac has given control of the Workout Prospector model back to you for changes, per the requestor noted in the comment.	Complete any needed changes and resubmit the Workout Prospector model.
FM6 Model Released Back to Servicer with FP9 Comment for [insert specific reason for release] per [insert Servicer contact name from request].	Freddie Mac has given control of the Workout Prospector model back to you for changes, per the requestor noted in the comment.	Complete any needed changes and resubmit the Workout Prospector model.
FM7 Model Released Back to Servicer – MISC [enter specific reason for release] per [insert Servicer contact name from request].	Freddie Mac has given control of the Workout Prospector model back to you for changes, per the requestor noted in the comment.	Complete any needed changes and resubmit the Workout Prospector model.

### **Modifications**

The following settlement status codes may display for a modification after it has been assigned to a Freddie Mac settlement specialist and is pending reconciliation.

Settlement Status Code and Comment	What it Means	How to Resolve
1FHA Loan in a Pool Request submitted to be removed from the pool.	An FHA loan is in a mortgage-backed securities (MBS) pool and the modification cannot be completed at this time. An internal request to remove the loan from the MBS pool has been submitted to proceed with the modification.	No action is necessary.
2FHA Loan Removed from Pool. Loan has been removed from the pool.	Freddie Mac has removed the FHA Loan from the MBS pool. The modification can now be processed.	No action is necessary.
3FHA Curtailment Error Servicer needs to Report curtailment of \$_____ to Freddie Mac.	You need to report and remit a principal curtailment for the difference between the capitalized amounts and the MI partial claim amount.	Report and remit the principal curtailment in the following accounting cycle.
4FHA Curtailment Error LMTW: Freddie Mac: Servicer needs to Report additional curtailment of \$_____	You need to report and remit an additional principal curtailment to cover the initial difference between the capitalized amounts and the MI partial claim amount.	Report and remit the additional principal curtailment in the following accounting cycle.
1M Pre Mod UPB ERROR LMTW: Reported: Not a reported balance.	The Current UPB (pre-modification) reported on Line 10 of the Form 1128, <i>Loss Mitigation Transmittal Worksheet (LMTW)</i> , does not match the UPB reported to Freddie Mac as of the last accounting cycle cutoff prior to the first modified payment due date.	<ul style="list-style-type: none"> <li>▪ Verify the UPB your investor reporting area reported to Freddie Mac as of the last accounting cycle cutoff prior to the first modified payment due date.</li> <li>▪ Determine if the error impacts the terms of the modification and if necessary, correct the Modification Agreement and re-execute the documents.</li> <li>▪ Correct the value on the LMTW and any other LMTW reported values that changed as a result of a corrected Modification Agreement and resubmit it to Freddie Mac.</li> </ul>

**Modifications, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
1M Pre Mod UPB ERROR RTS: Reported: Not a reported balance.	The Current UPB (pre-modification) reflected on the Loan Modification Settlement screen in Workout Prospector does not match the UPB reported to Freddie Mac as of the last accounting cycle cutoff prior to the first modified payment due date.	<ul style="list-style-type: none"> <li>▪ Verify the UPB your investor reporting area reported to Freddie Mac as of the last accounting cycle cutoff prior to the first modified payment due date.</li> <li>▪ Determine if the error impacts the terms of the modification and if necessary, correct the Modification Agreement and re-execute the documents.</li> <li>▪ Correct the value on the Loan Modification Settlement screen in Workout Prospector and any other values on the Loan Modification Settlement screen in Workout Prospector that changed as a result of a corrected Modification Agreement, and resubmit it to Freddie Mac.</li> </ul>
1M UPB ERROR 2 LMTW: Last Reported: Servicer needs to report payment.	The difference between the balance reported on Line 10 of the LMTW and the UPB reported to Freddie Mac as of the last accounting cycle cutoff prior to the first modified payment due date, appears to equal one or more principal payment(s).	<ul style="list-style-type: none"> <li>▪ Verify the balance reported on Line 10 of the LMTW.</li> <li>▪ Report and remit the payment(s) to Freddie Mac.</li> </ul>
1M UPB ERROR 2 RTS: Last Reported: Servicer needs to report payment.	The difference between the Current UPB (pre-modification) reflected on the Loan Modification Settlement screen in Workout Prospector and the UPB reported to Freddie Mac as of the last accounting cycle cutoff prior to the first modified payment due date appears to equal one or more principal payment(s).	<ul style="list-style-type: none"> <li>▪ Verify the Current UPB (pre-modification) reflected on the Loan Modification Settlement screen in Workout Prospector.</li> <li>▪ Report and remit the payment(s) to Freddie Mac.</li> </ul>
1M UPB ERROR 3 LMTW: Last Reported: Mod completed in XX/XX cycle. Deferred Principal Amt. \$XXXXXX.XX.	The Current UPB (pre-modification) reported on Line 10 of LMTW does not include the deferred principal balance from a previous modification.	Contact your Freddie Mac representative or call Customer Support at 800-FREDDIE.

***Modifications, continued***

Settlement Status Code and Comment	What it Means	How to Resolve
1M UPB ERROR 3 RTS: Last Reported: Mod completed in XX/XX cycle. Deferred Principal Amt. \$XXXXXX.XX.	The Current UPB (pre-modification) reported on the Loan Modification Settlement screen in Workout Prospector does not include the deferred principal balance from a previous modification.	Contact your Freddie Mac representative or call Customer Support at 800-FREDDIE.
1M UPB ERROR 4 LMTW: Last Reported: Servicer has reported \$XX.XX in XX/XX cycle. Servicer must provide payment breakdown.	Freddie Mac is unable to determine the application of the principal amount reported in the cycle indicated in the status code comment.	Please send the payment history to us at <a href="mailto:NPL_settlement@FreddieMac.com">NPL_settlement@FreddieMac.com</a> .
1M UPB ERROR 4 RTS: Last Reported: Servicer has reported \$XX.XX in XX/XX cycle. Servicer must provide payment breakdown.	Freddie Mac is unable to determine the application of the principal amount reported in the cycle indicated in the status code comment.	Please send the payment history to us at <a href="mailto:NPL_settlement@FreddieMac.com">NPL_settlement@FreddieMac.com</a> .
1M UPB ERROR 5 LMTW: Last Reported: Servicer has reported principal of \$XX.XX to loan. Servicer should explain principal amount reported.	It appears that excess principal has been reported.	Please send the payment history to us at <a href="mailto:NPL_settlement@FreddieMac.com">NPL_settlement@FreddieMac.com</a> .
1M UPB ERROR 5 RTS: Last Reported: Servicer has reported principal of \$XX.XX to loan. Servicer should explain principal amount reported.	It appears that excess principal has been reported.	Please send the payment history to us at <a href="mailto:NPL_settlement@FreddieMac.com">NPL_settlement@FreddieMac.com</a> .



**Modifications, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
1M UPB ERROR 6 LMTW: Last Reported: Loan is in an inactive status. Servicer needs to report a Code 20 through EDR and must report principal amounts applied to loan.	The loan is inactive. The difference between the Current UPB (pre-modification) reported on Line 10 of the LMTW and the UPB reported to Freddie Mac as of the last accounting cycle cutoff prior to the first modified payment due date appears to equal one or more principal payment(s).	<ul style="list-style-type: none"> <li>▪ Report default action code 20 (Reinstatement) via EDR. Ensure the DDLPI you report via EDR reflects any applied payments.</li> <li>▪ Report and remit funds, as necessary.</li> <li>▪ Reinstate the loan via loan-level reporting using transaction type "Reinstate" (exception code 50).</li> </ul>
1M UPB ERROR 6 RTS: Last Reported: Loan is in an inactive status. Servicer needs to report a Code 20 through EDR and must report principal amounts applied to loan.	The loan is inactive. The difference between the Current UPB (pre-modification) reported on the Loan Modification Settlement screen in Workout Prospector and the UPB reported to Freddie Mac as of the last accounting cycle cutoff prior to the first modified payment due date appears to equal one or more principal payment(s).	<ul style="list-style-type: none"> <li>▪ Report default action code 20 (Reinstatement) through EDR. Ensure the DDLPI you report via EDR reflects any applied payments.</li> <li>▪ Remit funds to Freddie Mac, if necessary.</li> <li>▪ Reinstate the loan via loan-level reporting using transaction type "Reinstate" (exception code 50).</li> </ul>
3M P&I Error LMTW: WPPI:	The P&I Payment reported on Line 3 of the LMTW does not equal the New Mortgage P&I Payment on the Modification Solution screen in Workout Prospector.	Contact your Freddie Mac Home Retention Negotiator.
3M P&I Error RTS: WPPI:	The P&I reported on the Loan Modification Settlement screen in Workout Prospector does not equal the New Mortgage P&I Payment on the Modification Solution screen in Workout Prospector.	Contact your Freddie Mac Home Retention Negotiator.
3M HR	The P&I Payment reported on Line 3 of the LMTW does not equal the New Mortgage P&I Payment on the Modification Solution screen in Workout Prospector.	Contact your Freddie Mac Home Retention Negotiator.



**Modifications, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
3M HR RTS:	The P&I reported on the Loan Modification Settlement screen in Workout Prospector does not equal the New Mortgage P&I Payment on the Modification Solution screen in Workout Prospector.	Contact your Freddie Mac Home Retention Negotiator.
4M Maturity Date/Terms Error LMTW: WP11:	The date entered on Line 9, Maturity Date, and/or the value entered on Line 8, Term of Modification, on the LMTW are not in agreement with the Maturity Date and/or Remaining Term data on the Modification Solution screen in Workout Prospector.	<ul style="list-style-type: none"> <li>▪ Validate the maturity date and/or the term of modification using the executed Modification Agreement.</li> <li>▪ Correct the appropriate data on the LMTW and resubmit to Freddie Mac.</li> </ul>
4M Maturity Date/Terms Error RTS: WP11:	The Maturity Date and/or the Term of Modification (In Months) on the Loan Modification Settlement screen in Workout Prospector are not in agreement with the Maturity Date and/or Remaining Term data on the Modification Solution screen in Workout Prospector.	<ul style="list-style-type: none"> <li>▪ Validate the maturity date and/or the term of modification using the executed Modification Agreement.</li> <li>▪ Correct the appropriate data on the Loan Modification Settlement screen in Workout Prospector and resubmit to Freddie Mac.</li> </ul>
4M HR	The date entered on Line 9, Maturity Date, and/or the value entered on Line 8, Term of Modification, on the LMTW are not in agreement with Workout Prospector.	Contact your Freddie Mac Home Retention Negotiator.
4M HR RTS:	The Maturity Date and/or the Term of Modification (In Months) on the Loan Modification Settlement screen in Workout Prospector are not in agreement with the Maturity Date and/or Remaining Term data on the Modification Solution screen in Workout Prospector.	Contact your Freddie Mac Home Retention Negotiator.

**Modifications, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
6M Active REO	You have submitted an approved workout for a loan that is in an active REO status. Settlement is awaiting completion of the REO rollback/hold process.	Monitor the settlement process and wait for the REO rollback to be completed.
7M REO Rollback requested. All required documents are in hand.	You have submitted a workout for a loan that is in an active REO status. Freddie Mac has received the documentation required for an REO rollback and approved the request.	<ul style="list-style-type: none"> <li>▪ Ensure that your foreclosure department has completed the appropriate rollback activities.</li> <li>▪ Monitor the settlement process and wait for the REO rollback to be completed. The REO rollback may require up to three weeks for completion.</li> </ul>
8M Interest Overcapitalized by \$ _____ LMTW: FM Calc.: LMTW DDLPI: FM DDLPI:	The value reported on Line 11, Interest from DDLPI to Effective Date of Interest Rate Change, on the LMTW is miscalculated based on data previously reported to Freddie Mac.	<p>Review the payment history and validate the principal balances and take the appropriate action(s):</p> <ul style="list-style-type: none"> <li>▪ Determine if the error impacts the terms of the modification and if necessary, revise the Modification Agreement reflecting the reduced capitalized amounts and re-execute the documents.</li> <li>▪ Correct the value on the LMTW and any other LMTW reported values that changed as a result of a corrected Modification Agreement and resubmit it to Freddie Mac.</li> <li>▪ If necessary, apply a principal curtailment for the amount of overcapitalization, and report and remit the funds to Freddie Mac.</li> </ul>

**Modifications, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
8M Interest Overcapitalized by \$ _____ RTS: FM Calc.: RTS DDLPI: FM DDLPI:	The value reported for Interest from DDLPI to Effective Date of Interest Rate Change on the Loan Modification Settlement screen in Workout Prospector is miscalculated based on data previously reported to Freddie Mac.	Review the payment history and validate the principal balances and take the appropriate action(s): <ul style="list-style-type: none"> <li>▪ Determine if the error impacts the terms of the modification and if necessary, revise the Modification Agreement reflecting the reduced capitalized amounts and re-execute the documents.</li> <li>▪ Correct the value on the Loan Modification Settlement screen in Workout Prospector and any other values on the Loan Modification Settlement screen in Workout Prospector that changed as a result of a corrected Modification Agreement, and resubmit it to Freddie Mac.</li> <li>▪ If necessary, apply a principal curtailment for the amount of overcapitalization, and report and remit the funds to Freddie Mac.</li> </ul>
8MU Interest Undercapitalized \$ _____ LMTW: FM Calc.: LMTW DDLPI: FM DDLPI: CM1 Completed. Mod to update in _____ cycle.	The value reported on Line 11, Interest from the DDLPI to the Effective Date of Interest Rate Change, on the LMTW is less than the value Freddie Mac has calculated. The CM1 notation indicates that the loan was set to cycle.	No action is necessary.

**Modifications, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
8MU Interest Undercapitalized \$ _____ RTS: FM Calc.: RTS DDLPI: FM DDLPI: CM1 Completed. Mod to update in _____ cycle.	The value reported for Interest from the DDLPI to the Effective Date of Interest Rate Change on the Loan Modification Settlement screen in Workout Prospector is less than the value Freddie Mac has calculated. The CM1 notation indicates that the loan was set to cycle.	No action is necessary.
9M Modified Note Rate/Step Rate Error LMTW: WP11:	The value reported on Line 1, Modified Note Rate, or the Interest Rate Adjustment Schedule on the LMTW does not equal the New Interest Rate and/or the Step Rates on the Modification Solution screen in Workout Prospector.	Validate the Note Rate on the executed Modification Agreement and contact your Freddie Mac Home Retention Negotiator for resolution.
9M Modified Note Rate/Step Rate Error RTS: WP11:	The value reported for the Modified Note Rate, or the Interest Rate Adjustment Schedule on the Loan Modification Settlement screen in Workout Prospector does not equal the New Interest Rate and/or the Step Rates on the Modification Solution screen in Workout Prospector.	Validate the Note Rate on the executed Modification Agreement and contact your Freddie Mac Home Retention Negotiator for resolution.
10M Super ARC	A modification for a loan Freddie Mac purchased under the super accelerated remittance cycle (Super ARC) is pending review and reconciliation.	No action is required.

**Modifications, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
10M Super ARC 1 LMTW UPB: \$ Last Reported UPB: \$ Loan history reflects principal advances.	It appears you entered the last UPB reported to Freddie Mac on Line 10 of the LMTW instead of the UPB from your servicing system at the time of modification. A review of the payment history reflects principal advances.	<ul style="list-style-type: none"> <li>▪ Verify the UPB at the time of modification.</li> <li>▪ Determine if the error impacts the terms of the modification.</li> <li>▪ Correct the value on the LMTW and resubmit it to Freddie Mac.</li> </ul>
10M Super ARC 1 RTS UPB: \$ Last Reported UPB: \$ Loan history reflects principal advances.	It appears you entered the last UPB reported to Freddie Mac on the Loan Modification Screen in Workout Prospector instead of the UPB from your servicing system at the time of modification. A review of the payment history reflects principal advances.	<ul style="list-style-type: none"> <li>▪ Verify the UPB at the time of modification.</li> <li>▪ Determine if the error impacts the terms of the modification.</li> <li>▪ Correct the value on the Loan Modification Settlement screen in Workout Prospector and any other values on the Loan Modification Settlement screen in Workout Prospector that changed, and resubmit it to Freddie Mac.</li> </ul>
10M Super ARC 2 Loan identified as Super ARC Interest only. CM1 Completed. Mod to update in _____ cycle.	There will be no principal advanced on this loan.	No action is necessary.
10M Super ARC 3 LMTW: Last reported: Pre-Modified UPB not a reported balance.	The Current UPB (pre-modification) reported on Line 10 of the LMTW does not match the UPB reported to Freddie Mac as of the last accounting cycle cutoff prior to the first modified payment due date.	<ul style="list-style-type: none"> <li>▪ Verify the UPB at the time of modification.</li> <li>▪ Determine if the error impacts the terms of the modification.</li> <li>▪ Correct the value on the LMTW and any other LMTW reported values that changed and resubmit it to Freddie Mac.</li> </ul>

**Modifications, continued**

Settlement Status Code and Comment	What it Means	How to Resolve	
10M Super ARC 3 RTS: Last reported: Pre-Modified UPB not a reported balance.	The Current UPB (pre-modification) reflected on the Loan Modification Settlement screen in Workout Prospector does not match the UPB reported to Freddie Mac as of the last accounting cycle cutoff prior to the first modified payment due date.	<ul style="list-style-type: none"> <li>▪ Verify the UPB at the time of modification.</li> <li>▪ Determine if the error impacts the terms of the modification.</li> <li>▪ Correct the value on the Loan Modification Settlement screen in Workout Prospector and any other values on the Loan Modification Settlement screen in Workout Prospector that changed and resubmit it to Freddie Mac.</li> </ul>	
10M Super ARC 4 Pending until reporting cycle closes.	The current cycle modification is pending until the reporting cycle of the effective date closes to ensure all principal advanced amounts are captured.	No action is necessary.	
10M Super ARC 5 FRE Principal Amounts: Servicer does not agree with capitalized principal amounts. Loan pulled from _____ cycle.	The modification is pending per your request due to a difference in the principal advanced amounts.	Contact your Freddie Mac Settlement Representative.	
10M ER Super ARC FRE Principal Advance: \$ CM1 Completed. Mod to update in _____ cycle.	The review of the reported payment history has been completed. The "FRE Principal Advance" value displayed in the status code comment is the amount of principal advanced. The CM1 notation indicates that the loan is set to cycle.	<b>If the "FRE Principal Advance" amount:</b>	<b>Then:</b>
		Equals the amount you calculated and are expecting	The modification is ready to settle. No action is necessary.
		Does not equal the amount you calculated and are expecting	Submit a request to have the modification removed from the cycle.

**Modifications, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
11M Miscellaneous	There are several errors that must be resolved before the loan can close. Review the notes appended to this status code to determine what errors are outstanding.	Based on the errors that require resolution, take one of the following actions: <ul style="list-style-type: none"> <li>▪ Contact your Freddie Mac representative or call Customer Support at 800-FREDDIE.</li> <li>OR</li> <li>▪ Correct the data on the LMTW and resubmit it to Freddie Mac.</li> </ul>
11M RTS Miscellaneous	There are several errors that must be resolved before the loan can close. Review the notes appended to this status code to determine what errors are outstanding.	Based on the errors that require resolution, take one of the following actions: <ul style="list-style-type: none"> <li>▪ Contact your Freddie Mac representative or call Customer Support at 800-FREDDIE.</li> <li>OR</li> <li>▪ Correct the data on the Loan Modification Settlement screen in Workout Prospector resubmit it to Freddie Mac.</li> </ul>
13M HR	The amount on Line 16, Amount Held in Suspense/Restricted Escrow, or Line 17, Borrower Cash Contribution to Reduce Capitalization, on the LMTW exceeds the amount Freddie Mac expects.	Review the amounts. Update the comment section in the LMTW to reflect the correct amount. Contact your Home Retention Negotiator if you need assistance with resolving this error.
13M Borrower Contribution Error	The amount on Line 16, Amount Held in Suspense/Restricted Escrow, or Line 17, Borrower Cash Contribution to Reduce Capitalization, on the LMTW exceeds the amount Freddie Mac expects.	Review the amounts. Update the comment section in the LMTW to reflect the correct amount. Contact your Home Retention Negotiator if you need assistance with resolving this error.



**Modifications, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
13M RTS Borrower Contribution Error	The Amount Held in Suspense/Restricted Escrow, and/or Borrower Cash Contribution to Reduce Capitalization fields on the Loan Modification Settlement screen in Workout Prospector exceed the amount(s) Freddie Mac expects.	Review the amounts. Update the values on the Loan Modification Settlement screen in Workout Prospector to reflect the correct amount(s). Contact your Home Retention Negotiator if you need assistance with resolving this error.
14M Forbearance Error LMTW: WPPI:	The amount entered on Line 19, Deferred Non-Interest Bearing UPB, on the LMTW does not equal the Forbearance UPB amount on the Modification Solution screen in Workout Prospector.	Contact your Freddie Mac Home Retention Negotiator.
14M Forbearance Error RTS: WPPI:	The amount for Deferred Non-Interest Bearing UPB on the Loan Modification Settlement screen in Workout Prospector does not equal the Forbearance UPB amount on the Modification Solution screen in Workout Prospector.	Contact your Freddie Mac Home Retention Negotiator.
14M HR LMTW: WPPI:	The amount entered on Line 19, Deferred Non-Interest Bearing UPB, on the LMTW does not equal the Forbearance UPB amount on the Modification Solution screen in Workout Prospector.	Contact your Freddie Mac Home Retention Negotiator.
14M HR RTS: WPPI:	The amount for Deferred Non-Interest Bearing UPB on the Loan Modification Settlement screen in Workout Prospector does not equal the Forbearance UPB amount on the Modification Solution screen in Workout Prospector.	Contact your Freddie Mac Home Retention Negotiator.
15M Duplicate Mod	The requested modification appears to duplicate an existing modification.	Contact your Freddie Mac representative or call Customer Support at 800-FREDDIE.

### **Completed Modifications**

The following settlement status codes may display for a modification after it has been reconciled.

Settlement Status Code and Comment	What it Means	How to Resolve
CM1 Completed. Mod to update in ____ cycle.	The modification has been reconciled, and will be effective in the cycle indicated.	If this settlement status code is displayed on the Drilldown on Workouts Approved report and indicates a prior cycle, contact your Freddie Mac representative or Customer Support at 800-FREDDIE.

### **Short Sales**

The following settlement status codes may display for a short sale after it has been assigned to a Freddie Mac settlement specialist and is pending reconciliation.

Settlement Status Code and Comment	What it Means	How to Resolve
1SS Missing Proof of Proceeds/Wire or Check	The proof of proceeds required to close the short sale is missing.	Send the proof of proceeds to Freddie Mac.
2SS Missing final signed/certified HUD-1 or HUD-1 is illegible.	The Settlement/Closing Disclosure Statement is missing or the copy you provided is not readable.	Provide a final/signed/certified legible Settlement/Closing Disclosure Statement to Freddie Mac.
3SS LM MNP not met in the short sale transaction. Requires Loss Mitigation review.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
3SS WSO approved \$XXXX.XX MNP. Proceed to settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.
4SS LM Payment to second lien holder exceeded the approved amount. HUD-1 \$ _____ Approved \$ _____ Requires Loss Mitigation review.	The amount paid to the second lien holder is greater than the amount Freddie Mac approved. The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary at this time.
4SS WSO approved additional funds \$XXXX.XX to the second lien holder. Proceed to settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.

**Short Sales, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
7SS REO Rollback Requested.	You have submitted an approved workout for a loan that is in an active REO status. Settlement has initiated the REO rollback/hold process.	<ul style="list-style-type: none"> <li>▪ Ensure that your foreclosure department has completed the appropriate rollback activities.</li> <li>▪ Monitor the settlement process and wait for the REO rollback to be completed. The REO rollback may require up to three weeks for completion.</li> </ul>
8SS REO Rollback Approved.	You have submitted a workout for a loan that is in an active REO status. Freddie Mac has received the documentation required for an REO rollback, and approved the request.	<ul style="list-style-type: none"> <li>▪ Ensure that your foreclosure department has completed the appropriate rollback activities.</li> <li>▪ Monitor the settlement process and wait for the REO rollback to be completed. The REO rollback may require up to three weeks for completion.</li> </ul> <p>When the REO rollback is complete, report the mortgage to us as a Payoff - Prepaid transaction via the Service Loans application within two business days after you receive the settlement proceeds.</p> <p>Ensure that:</p> <ul style="list-style-type: none"> <li>▪ The “Ending Gross UPB” field contains zero (0).</li> <li>▪ The “Principal Due” field contains the current balance (not the proceeds from the sale of the property).</li> <li>▪ The “Payoff Date” field contains the date you received the settlement proceeds.</li> <li>▪ The “DDLPI (mm/dd/yy)” field contains the due date of the last fully paid installment.</li> <li>▪ If the loan was inactivated, the “Inactivation Date” field contains the inactivation date.</li> </ul>

**Short Sales, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
11SS Miscellaneous	There are several errors that must be resolved before the loan can close. Review the notes appended to this status code to determine what errors are outstanding.	Correct any outstanding errors, and submit any missing documentation to Freddie Mac.
11SS LM Miscellaneous issue requiring Freddie Mac's Negotiator review. No Servicer action required.	The loan may require review by the Loss Mitigation team before proceeding with settlement.	No action is necessary.
11SS Loan has been repurchased. Cancellation request has been forwarded to the Loss Mit Support Email box.	The loan was repurchased. Therefore it does not require settlement by Freddie Mac's settlement team.	Process in accordance with your organization's guidelines.
11SS Repurchase loan requiring remedy review—sent email to remedy team.	The loan has a repurchase flag that requires additional review before settlement can occur.	No action is necessary.
11SS TL Miscellaneous issue requiring Freddie Mac's team lead review. No Servicer action required.	There may be questions on the settlement of the loan that require additional Freddie Mac review.	No action is necessary.
11SS WSO Miscellaneous issue requiring Freddie Mac's team lead review. No Servicer action required.	The loan has been reviewed by Loss Mitigation and is ready for settlement review.	No action is necessary.
11SS LM Cash received in California. Advised Servicer to send funds back to the borrower and return proof to Freddie Mac that the funds have been returned to the borrower.	The workout may require review by the Loss Mitigation team before proceeding with settlement processing.	Provide verification that funds were returned to the borrower to proceed with settlement.
11SS LM Prom Note requested in California. Please cancel the prom note request.	The Freddie Mac Loss Mitigation team will remove the promissory note from the approval.	No action is necessary.
11SS LM MNP is missing in LMWS. Requires Loss Mitigation review.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
11SS WSO Approved \$XXXXX.XX MNP. Proceed to settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.

**Short Sales, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
11SS WSO Prom note deleted. Proceed with settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.
13SS LM Borrower received higher than approved relocation incentive. Requires Loss Mitigation review.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
13SS WSO approved additional funds in the amount of \$XXXX.XX to the borrower relocation incentive. Proceed to settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.
14SS LM Cash contribution was not received in transaction. Requires Loss Mitigation review.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
14SS WSO Approved transaction with the cash contribution of \$XXXX.XX. Proceed to settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.
15SS LM Prom note amount received is lower than amount approved. Requires Loss Mitigation review.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
15SS WSO Approved prom note amount \$XXXX.XX. Proceed to settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.

### **Completed Short Sales**

The following settlement status codes may display for a short sale after it has been reconciled.

Settlement Status Code and Comment	What it Means	How to Resolve
CS1 SS Reconciled. Rolled to GA.	Freddie Mac has reconciled the short sale.	No action is required.
CS1 RPCH SS reconciled, rolled to GA status. Awaiting suppression of Rpch flag by Remedy to generate DAR credit.	Freddie Mac has reconciled the short sale and requested that the repurchase flag be suppressed, if eligible, so that you can close the loan via the Service Loans application.	<p>Report the mortgage to us as a Payoff - Prepaid transaction via the Service Loans application within two business days after you receive the settlement proceeds.</p> <p>Ensure that:</p> <ul style="list-style-type: none"> <li>▪ The “Ending Gross UPB” field contains zero (0).</li> <li>▪ The “Principal Due” field contains the current balance (not the proceeds from the sale of the property).</li> <li>▪ The “Payoff Date” field contains the date you received the settlement proceeds.</li> <li>▪ The “DDLPI (mm/dd/yy)” field contains the due date of the last fully paid installment.</li> <li>▪ If the loan was inactivated, the “Inactivation Date” field contains the inactivation date.</li> </ul> <p>If you still receive an edit when reporting the loan-level transaction, contact your Remedy Management representative at Freddie Mac.</p>
CS1E Short Sale reconciled as an “Expenses Only” and rolled to GA. Net Proceeds: \$XX,XXX.XX; UPB: \$XX,XXX.XX; Excess Proceeds: \$XX,XXX.XX.	Short Sale settlement has been completed and rolled to GA. The loan is now eligible for expense reimbursement. No credit will be issued on the <i>Detailed Adjustment Report</i> .	No action is required.

**Completed Short Sales, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
CS2 Post Short Sale Correction	Freddie Mac has made a correction to the short sale credit on the <i>Detailed Adjustment Report</i> (DAR).	Contact your Freddie Mac performing loans representative for additional information. The estimated time for completion is 30 days.
CS3 SS Reconciled. Waiting for CLOSED status to roll to GA.	Freddie Mac has reconciled the short sale, but you have not reported the loan as a Payoff - Prepaid loan-level transaction via the Service Loans application.	<p>Report the mortgage to us as a Payoff - Prepaid transaction via the Service Loans application within two business days after you receive the settlement proceeds.</p> <p>Ensure that:</p> <ul style="list-style-type: none"> <li>▪ The “Ending Gross UPB” field contains zero (0).</li> <li>▪ The “Principal Due” field contains the current balance (not the proceeds from the sale of the property).</li> <li>▪ The “Payoff Date” field contains the date you received the settlement proceeds.</li> <li>▪ The “DDLPI (mm/dd/yy)” field contains the due date of the last fully paid installment.</li> <li>▪ If the loan was inactivated, the “Inactivation Date” field contains the inactivation date.</li> </ul> <p>If your investor accounting area received edit error code 303E on the <i>Edits to be Cleared</i> report for the associated loan number, ensure that you report the loan-level transaction again and flag it as a correction.</p>



### Deeds-in-Lieu of Foreclosure

The following settlement status codes may display for a deed-in-lieu of foreclosure after it has been assigned to a Freddie Mac settlement specialist and is pending reconciliation.

Settlement Status Code and Comment	What it Means	How to Resolve
DL1 No Documents Received.	Freddie Mac has not received the documents required to close the deed-in-lieu. The notes appended to this status code will indicate the missing document(s).	Send the missing documentation to Freddie Mac. For additional information, refer to the <i>Deed-in-Lieu of Foreclosure Settlement Checklist</i> available on the Learning Center on FreddieMac.com.
DL2 A copy of the executed deed verifying that ownership has transferred to Federal Home Loan Mortgage Corporation is missing.	Freddie Mac has not received a copy of the executed deed showing conveyance between the parties identified in Freddie Mac's approval letter.	Send a certified true copy of the executed deed to Freddie Mac. Note: You do not have to wait until the deed is recorded to send the certified true copy to Freddie Mac.
DL3 Missing Copy of Cash Contribution.	Freddie Mac has not received a copy of the borrower's cash contribution.	Send a copy of the borrower's cash contribution to Freddie Mac.
DL4 Missing Original Promissory Note.	Freddie Mac has not received the original promissory note.	Send the <b>original</b> promissory note to Freddie Mac.
DL5 Loan Not Reported in REO Status by Servicer.	You have not reported a transfer to REO via loan-level reporting to move the loan into an REO status. The loan must be in an REO status to close the deed-in-lieu.	Report the mortgage as an REO loan-level transaction via the Service Loans application. Ensure that: <ul style="list-style-type: none"> <li>▪ The "Ending Gross UPB" field equals the ending balance of the mortgage.</li> <li>▪ The "Principal Due" field contains is zero.</li> <li>▪ The "REO Acquisition Date" is the date the deed was executed.</li> <li>▪ The "DDLPI" field contains the due date of the last fully paid installment.</li> </ul>
DL6 Miscellaneous	There are several errors that must be resolved before the loan can close. Review the notes appended to this status code to determine what errors are outstanding.	Correct any outstanding errors, and submit any missing documentation to Freddie Mac.

**Deeds-in-Lieu of Foreclosure, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
DL6 Cash received in California. Advised Servicer to send funds back to the borrower and return proof to Freddie Mac that the funds have been returned to borrower.	The settlement data contains a cash contribution for a property in California.	Provide verification that funds were returned to the borrower to proceed with settlement.
DL6 LM Prom note requested in California. Please cancel the prom note request.	The Freddie Mac Loss Mitigation team will remove the promissory note from the approval.	No action is necessary.
DL6 WSO Prom note deleted. Proceed with settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.
DL8 LM Cash contribution was not received in transaction. Requires Loss Mitigation review.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
DL8 WSO Approved transaction with the cash contribution of \$XXXX.XX. Proceed to settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.
DL9 LM Prom note amount received is lower than amount approved. Requires Loss Mitigation review.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
DL9 WSO Approved prom note amount \$XXXX.XX. Proceed with settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.
DL10 LM Hazard insurance proceeds received are less than approved. Requires Loss Mitigation review.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
DL10 LM Missing hazard insurance proceeds.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
DL10 WSO Approved hazard proceeds in the amount of \$XXXX.XX. Proceed with settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.

### **Completed Deeds-in-Lieu of Foreclosure**

The following settlement status code may display for a deed-in-lieu of foreclosure after it has been reconciled.

Settlement Status Code and Comment	What it Means	How to Resolve
CD1 DIL Reconciled	Freddie Mac has reconciled the deed-in-lieu.	No action is necessary.

### **Charge-offs**

The following settlement status codes may display for a charge-off prior to reconciliation.

Settlement Status Code and Comment	What it Means	How to Resolve
C04 Missing Promissory Note	Freddie Mac has not received the original promissory note.	Send the original promissory note to Freddie Mac.
C06 Cash received in California. Advised Servicer to send funds back to the borrower and return proof to Freddie Mac that the funds have been sent.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
C06 LM Prom note requested in California. Please cancel the prom note request.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
C06 LM Missing other proceeds.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
C06 LM Other proceeds received are less than approved. Requires Loss Mitigation review.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
C06 WSO Approved other proceeds in the amount of \$XXXX.XX. Proceed with settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.
C06 WSO Prom note deleted. Proceed with settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.
C07 LM Cash contribution was not received in transaction. Requires Loss Mitigation review.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.

**Charge-offs**

Settlement Status Code and Comment	What it Means	How to Resolve
C07 WSO Approved transaction with the cash contribution of \$XXXX.XX. Proceed with settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.
C08 LM Missing hazard insurance proceeds.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
C08 LM Hazard insurance proceeds received are less than approved. Requires Loss Mitigation review.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	Verify the funds have not been submitted as part of the payoff amount. Funds should be sent via wire transfer or to the lock box address in <i>Single-Family Seller/Service Guide</i> (Guide) Directory 5.
C08 WSO Approved Hazard proceeds in the amount of \$XXXX.XX. Proceed with settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.

**Completed Charge-offs**

The following settlement status code may display for a charge-off after it has been reconciled.

Settlement Status Code and Comment	What it Means	How to Resolve
CC1 CO Reconciled – rolled to GA.	Freddie Mac has reconciled the charge-off.	Contact your Freddie Mac representative.

**Third-Party Foreclosure Sales**

The following settlement status codes may display for a third-party foreclosure sale.

Settlement Status Code and Comment	What it Means	How to Resolve
3P4 Missing Proceeds Check	Freddie Mac has not received a copy of the proceeds check or wire instructions.	Send a copy of the proceeds check or wire instructions to Freddie Mac.
3P4 Missing Disbursement Breakdown/Copy of Judgment	The sale proceeds are less than the sale price and a breakdown of the funds disbursement is required.	Provide a copy of the breakdown of disbursement funds to determine where proceeds were applied.

**Third-Party Foreclosure Sales, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
3P5 Missing Bidding Instructions	Freddie Mac has not received bidding instructions that identifies what bidding method was used to determine starting bid.	Provide bidding instructions that clearly state the bidding method used at sale.
3P5 Missing confirmation of Sheriff's Appraised Value	Freddie Mac is missing an acceptable confirmation of the Sheriff's appraised value in a jurisdictional bidding state.	Provide satisfactory evidence of the Sheriff's appraised value that was delivered to the court. This may include the final judgment confirming the sale with the Sheriff's value included.
3P5 Missing Form 105/Servicers Total Debt Calculation	You have not provided a completed Guide Form 105, <i>Multipurpose Loan Servicing Transmittal</i> , which will assist in calculating the total debt.	Prepare and submit Guide Form 105 to Freddie Mac.
3P6 Missing 104SF/104DC	Freddie Mac has not received your 104SF claim or 104DC claim, if applicable. Freddie Mac identified inconsistencies with the bidding instructions during the reconciliation and needs the 104SF or 104DC claim to complete the workout.	<ul style="list-style-type: none"> <li>▪ Submit your 104SF claim and/or 104DC claim, if applicable, via the Reimbursement System.</li> <li>▪ Ensure you have identified the submission type as "final" or "supplemental."</li> </ul>
3P7 LM Foreclosure sale price is less than credit bid or modified credit bid. Requires Loss Mitigation Review.	The workout requires review by the Loss Mitigation team before proceeding with settlement processing.	No action is necessary.
3P7 WSO Approved \$XXXXX.XX Modified Credit Bid. Proceed to settlement.	The workout has been reviewed by Loss Mitigation and is ready for settlement processing.	No action is necessary.

**Third-Party Foreclosure Sales, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
<p>3P8 Reporting Errors – Loan was not reported in a closed status as a Third Party Sale (Code 71) Loan reported in a closed status as a Pre-paid (Code 61). UPB, DDLPI, or other LL Reporting inconsistent. Foreclosure sale date not reported in Default Workout Reporting.</p>	<p>You have not reported a third-party foreclosure sale transaction via loan-level reporting to move the loan into a closed status. The loan must be in a closed status to complete the third-party foreclosure settlement.</p> <p>One or more data elements pertaining to the DDLPI, UPB or other loan attribute are inconsistent with the loan file.</p>	<p>Report the mortgage as a Third Party Foreclosure Sale loan-level transaction via the Service Loans application within two business days after you receive the sales proceeds.</p> <p>Ensure that:</p> <ul style="list-style-type: none"> <li>▪ The “Foreclosure Sale Date” is the date that the foreclosure sale occurred.</li> <li>▪ The “Ending Gross UPB” field equals \$0.00.</li> <li>▪ The “Principal Due” field reflects the unpaid principal balance as of the last reporting cycle before the mortgage was inactivated.</li> <li>▪ The “DDLPI” field contains the due date of the last fully paid installment.</li> </ul> <p>If your investor accounting area received edit error code 303E on the <i>Edits to be Cleared</i> report for the associated loan number, ensure that you report the loan-level transaction again and flag it as a correction.</p>
<p>3P9 Rejected- File rejected due Total Debt sale or Repurchase disposition. Loan file cancelled at Servicer request. Subsequent servicer activity, i.e. REO, Redemption.</p>	<p>The loan has been rejected due to a repurchase or total debt sale.</p> <p>The transaction has been cancelled at your request due to subsequent activity.</p>	<p>No action is necessary.</p>
<p>3P11 3rd Party Sale Claim Approved [insert correct bid type] Used. Negative/Positive Charge-off [enter only one or the other] Amount is (\$XXX,XXX.XX)/\$XXX,XXX.XX.</p>	<p>Freddie Mac has reconciled the third-party foreclosure sale.</p>	<p>No action is necessary.</p>
<p>3P13 Miscellaneous- TL Review or 2nd Look required due to Miscellaneous error or matter requiring further attention.</p>	<p>This loan is a possible Expense Only or Total Debt and requires additional review before a decision can be made. This code is also used for miscellaneous errors. Refer to the comment(s) appended to this code.</p>	<p>No action is required if the loan is pending additional review by Freddie Mac. Review the notes appended to this status code to determine additional errors that are outstanding. Correct any outstanding errors and submit any missing documentation to Freddie Mac.</p>

**Change Maintenance**

Settlement Status Code and Comment	What it Means	How to Resolve
CM2 XX/XX/XX Request received and logged for _____ correction.	Form 1205, <i>Post Settlement Correction Request</i> , has been logged and is in queue for correction. The type of correction will be noted in the comment.	No action is necessary.
<p>CM2 SE/FE Current Date Request received and logged for correction – In queue for process.</p> <p>CM2 SE/FE Current Date Request received and pending Servicer response – FM needs additional documentation before the loan is processed.</p> <p>CM2 SE Current Date Request received and denied – FM denied b/c (list reason)</p> <p>CM2 Current Date – Request received and cancelled by Servicer b/c (list reason)</p>	<p>Freddie Mac has received and reviewed a post-cycle correction request.</p> <p>One of the following has occurred as a result of the review:</p> <ul style="list-style-type: none"> <li>▪ Freddie Mac has accepted the request for processing.</li> <li>▪ Freddie Mac needs additional documentation before the loan is processed.</li> <li>▪ Freddie Mac has rejected the request due to insufficient information or missing documentation.</li> <li>▪ Freddie Mac request received and cancelled by the Servicer.</li> </ul> <p>FE = Freddie Mac Error SE = Servicer Error IAO = In the amount of</p> <p>If the request has been rejected, the reason for rejection will be noted in the comment.</p>	<ul style="list-style-type: none"> <li>▪ No action is required if the request has been accepted for processing.</li> <li>▪ If the request was rejected due to insufficient information or missing documentation, submit the required information.</li> <li>▪ Note: Ensure that you review your <i>Detailed Adjustment Report</i> each month to determine if the adjustments posted impact your remittances or custodial account reconciliation. For additional information, refer to Guide Sections 9208.8 and 8304.14.</li> </ul>
CM3 Additional information needed from Servicer before post cycle correction can be completed: [Insert required information here]	Freddie Mac is unable to complete the post-cycle correction due to missing documentation or insufficient information submitted with the request.	Submit the missing information or documentation so that Freddie Mac can process the post-cycle correction.



**Change Maintenance, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
<p>CM3 SE/FE FM Research in process for loan based on Servicer request.</p> <p>CM3 SE/FE FM Research in process for loan based on internal FM request.</p> <p>CM3 SE/FE MFC prepared for UPB correction; UPB changed from \$00.00 to \$00.00; cash adjustment needed (description of cash adjustment)</p> <p>CM3 SE/FE MFC prepared for UPB correction IBUPB changed from \$00.00 to \$00.00 deferred UPB changed from \$00.00 to \$00.00 cash adjustment needed (description of cash adjustment) Used when funds are reallocated.</p> <p>CM3 SE/FE MFC Prepared for rate correction; ANY changed from 0.00% to 0.00%; cash adjustment needed (description of cash adjustment)</p> <p>CM3 SE/FE MFC prepared for rate correction; Note rate changed from 0.00% to 0.00%; cash adjustment needed (description of cash adjustment)</p>	<p>Research is in progress for the loan. Specific details about the research are noted in the comments.</p> <p>FE – Freddie Mac Error</p> <p>SE – Servicer Error</p>	<p>No action is necessary.</p>

**Change Maintenance, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
<p>CM3 SE/FE MFC prepare for maturity date correction; changed from 00/00/0000 to 00/00/0000; cash adjustment needed (description of cash adjustment if required)</p> <p>CM3 FE Internal DLP code changed from XXX to XXX</p> <p>CM3 FE Incorrect proceeds used to settle loan; FM will reverse the incorrect DAR credit IAO \$.00 and will credit the Servicer with the correct DAR IAO \$00.00</p> <p>CM3 SE Servicer reported incorrect UPB; FM will reverse the incorrect DAR credit IAO \$00.00 and credit the correct amount IAO \$00.00</p> <p>CM3 SE Servicer reported incorrect exception date; FM will reverse the incorrect DAR credit IAO \$00.00 and credit the correct DAR IAO \$00.00</p> <p>CM3 SE Servicer reported incorrect DDLPI; FM will reverse the incorrect DAR credit IAO \$00.00 and credit the correct DAR IAO \$00.00</p>	<p>Research is in progress for the loan. Specific details about the research are noted in the comments.</p> <p>FE – Freddie Mac Error SE – Servicer Error</p>	<p>No action is necessary.</p>
<p>CM3 FE/SE MFC to update system by XX/XX/XX: Rate from 00.00% to 00.00%, ANY from 00.00% to 00.00%.</p> <p>Cash to post within XX/XX/XX cycle: (dollar amount) (cycle) Reverse Incorrect LMCI (dollar amount) Correct LMCI</p>	<p>A post-cycle correction request is in process.</p> <ul style="list-style-type: none"> <li>▪ The data correction will be updated on Freddie Mac’s system by the 15<sup>th</sup> of the month.</li> <li>▪ All cash adjustments will post to the Detail Adjustment Report by the end of month minus four business days.</li> </ul> <p>FE – Freddie Mac Error SE – Servicer Error</p>	<p>No action is necessary.</p>

**Change Maintenance, continued**

Settlement Status Code and Comment	What it Means	How to Resolve
CM4 FE MFC ECMU1008 submitted for processing in 00/0000 cycle; cash adjustment to follow (if required) CM4 SE MFC ECMU1008 submitted for processing in 00/0000 cycle; cash adjustment to follow (if required) CM4 SE/FE Cash adjustment submitted to manager for approval CM4 SE/FE Cash adjustment submitted to PL for processing in 00/0000 cycle. CM4 FE Internal system incorrectly calculated MISI; reverse incorrect amount IAO \$00.00 and credit correct amount IAO \$00.00	Freddie Mac has completed the research required to process your request. The post-cycle correction has been submitted for processing.  FE – Freddie Mac Error SE – Servicer Error	No action is necessary.
CM4 FE/SE Cramdown: LMCI correction to WD Amt IAO (dollar amount) Cash to post within XX/XX/XX cycle: (dollar amount) (cycle) Reverse incorrect LMCI (dollar amount) correct LMC	A post-cycle correction request for a bankruptcy/cramdown is in process. <ul style="list-style-type: none"> <li>▪ The data correction will be updated on Freddie Mac's system by the 15<sup>th</sup> of the month.</li> <li>▪ All cash adjustments will post to the Detail Adjustment Report by the end of month minus four business days.</li> </ul> FE – Freddie Mac Error SE – Servicer Error WD Amt. – Write-down amount	No action is necessary.
CM5 Provided status of the submission to the Servicer (enter Servicer's email address).	Freddie Mac received a status request from you.	No action is necessary.

### **Exception Management**

The following settlement status codes may display when Freddie Mac's exception management group performs certain activities.

Settlement Status Code and Comment	What it Means	How to Resolve
LTE1 Liquidations Team Exception	A pre-settlement exception request has been processed or denied by the Exception Management team for a liquidation option.	Provide additional documentation if requested by Freddie Mac.
MTE1 Mod Team Exception	A pre-settlement exception request has been processed or denied by the Exception Management team for a modification.	Provide additional documentation if requested by Freddie Mac.
PCD1 Post Cycle DIL	A post-settlement exception request has been processed or denied by the Exception Management team for a liquidation option.	Provide additional documentation if requested by Freddie Mac.
PLE1 Performing Loan Exception	A pre-settlement exception request has been processed or denied by the Exception Management team for a performing loan.	Provide additional documentation if requested by Freddie Mac.

### **No Documentation Received**

The following codes will display on the Drilldown on Workouts in Settlement report when Freddie Mac has not received your settlement documentation. For additional information, refer to the settlement checklists available on the [Learning Center](#) on FreddieMac.com.

Settlement Status Code and Comment	What it Means	How to Resolve
SC1 Servicer contacted first time – no documents received.	The loan is in an “Approved” status, but Freddie Mac has not received all required documentation. The Servicer has been contacted one time.	Send the required documentation to Freddie Mac or advise Freddie Mac to cancel the workout.
SC2 Servicer contacted a second time – no documents received.	The loan is in an “Approved” status, but Freddie Mac has not received all required documentation. The Servicer has been contacted two times.	Send the required documentation to Freddie Mac.
SC3 Servicer contacted a third time – no documents received.	The loan is in an “Approved” status, but Freddie Mac has not received all required documentation. The Servicer has been contacted three times.	Send the required documentation to Freddie Mac. If the documentation is not received, Freddie Mac will cancel the workout in Workout Prospector.

## Negotiation Status Codes

The following codes related to negotiation may display on the Drilldown on Workouts in Settlement report.

Negotiation Status Code and Comment	What it Means	How to Resolve
NG02 Assigned to _____or Reassigned	A file for a negotiated workout has been received and assigned to a Freddie Mac representative for review.	No action is required.
NG03 Pending TL Approval	A file for a negotiated workout requires Team Lead approval and is pending sign-off.	No action is required.
NG04 Manager Approval Required	A file for a negotiated workout requires Manager approval and is pending sign-off.	No action is required.
NG05 Director Sign-off Required	A file for a negotiated workout requires Director approval and is pending sign-off.	No action is required.
NG06 VP Approval Required	A file for a negotiated workout requires Vice President approval and is pending sign-off.	No action is required.
NG07 Servicer Contacted – 1 <sup>st</sup> Request for Additional Information	Freddie Mac requires additional documentation to make a decision. The Servicer has been contacted one time.	Send the requested information to Freddie Mac.
NG08 Servicer Contacted – 2 <sup>nd</sup> Request for Additional Information	Freddie Mac requires additional documentation to make a decision. The Servicer has been contacted two times.	Send the requested information to Freddie Mac.
NG09 Servicer Contacted – 3 <sup>rd</sup> Request for Additional Information	Freddie Mac requires additional documentation to make a decision. The Servicer has been contacted three times.	Send the requested information to Freddie Mac.
NG10 Model Returned for Corrections	Freddie Mac has contacted you and indicated that updates are needed to the Workout Prospector model you transmitted. Freddie Mac has returned control of the model to you.	<ul style="list-style-type: none"> <li>▪ Make the appropriate updates to the Workout Prospector model and retransmit to Freddie Mac.</li> <li>▪ Send your Freddie Mac representative an e-mail to confirm that you have retransmitted the model.</li> </ul>
NG11 Management Decisoned File back to Negotiator	Freddie Mac management has made a decision regarding the file. Your Freddie Mac representative will communicate the decision to you.	No action is required.

## Negotiation Status Codes, continued

Negotiation Status Code and Comment	What it Means	How to Resolve
NG12 WP Technical Issue	There is a Workout Prospector technical issue. Resolution may require two to three weeks.	No action is required.
NG13 File Approved - Negotiated	Freddie Mac has approved the workout and communicated the decision to you.	<ul style="list-style-type: none"> <li>▪ Communicate the decision to the borrower.</li> <li>▪ Process and close the transaction in accordance with the Guide.</li> </ul>
NG14 File Rejected	Freddie Mac has not approved the workout request and communicated the decision, as well as recommended next steps, to you.	<ul style="list-style-type: none"> <li>▪ Communicate the decision to the borrower.</li> <li>▪ Proceed in accordance with the Guide.</li> </ul>
NG15 Re-RQ file for Settlement	A workout that was once approved, and then later cancelled, has been set up for settlement again.	No action is required.
NG16 Rolled Delegated	Freddie Mac has reviewed the workout, determined it is within your delegation parameters, and moved it into an approved status under the delegated path.	<ul style="list-style-type: none"> <li>▪ Communicate the decision to the borrower.</li> <li>▪ Process and close the transaction in accordance with the Guide.</li> </ul>
NG17 Change Program Code for Settlement	A program code correction is needed in Freddie Mac's system.	No action is required.
RE01 Renegotiated	An approved workout requires changes. Freddie Mac has returned control of the Workout Prospector model to you.	<ul style="list-style-type: none"> <li>▪ Make the appropriate updates to the Workout Prospector model and retransmit to Freddie Mac.</li> <li>▪ Send your Freddie Mac representative an e-mail to confirm that you have retransmitted the model.</li> </ul>

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