



## Instructions For Filing Form 1065

---

**Use:** A Servicer must prepare this form to notify Freddie Mac that it submitted original, corrected or voided IRS Forms 1099-A directly to the IRS. Submit the completed Form 1065 to the following address:

Freddie Mac  
8100 Jones Branch Drive  
ATTN: Corporate Tax/Form 1065 MS B2B  
McLean, VA 22102

**Sources:** Servicers must reproduce Form 1065.

**Magnetic media submission:** Servicers that submit IRS Form 1099-A information to the IRS on magnetic media must submit only one Form 1065.

**List of mortgages with unavailable borrower tax identification numbers:** If a Servicer is unable to obtain a borrower's tax identification number, the Servicer must list the applicable loan number on Form 1065. A Form 1099-A for married borrowers may be filed using only one taxpayer identification number without listing the mortgage in this section of Form 1065. If the Servicer must list more than 28 mortgages, it may attach an addendum to the form or submit another Form 1065.

## IRS FORM 1099-A COMPLETION INSTRUCTIONS

A Servicer should contact the IRS to ensure that the Servicer has a sufficient supply of IRS Form 1099-A, Acquisition or Abandonment of Secured Property, for the applicable year.

A Servicer must follow all instructions for printing these forms. The Servicer must not send copy B or copy C to Freddie Mac.

General instructions for completing each portion of the form follow:

**Lender's name, street address, city, state and Zip Code.** Insert the following:

Attn: Corporate Tax Department  
Freddie Mac (xxxxxx) [Seller/Servicer number]  
8100 Jones Branch Drive, MS B2B  
McLean, VA 22102

**Lender's federal identification number.** Insert 52-0904874

**Borrower's identification number.** If the borrower is an individual or in business as a sole proprietor, insert the borrower's nine-digit Social Security Number (using the xxx-xx-xxxx format). For other borrowers—such as partnerships or corporations—insert the firm's employer identification number (using the xx-xxxxxx format). When more than one borrower has an interest in the property, file an IRS Form 1099-A for each co-borrower. Only one Form 1099-A should be filed for married borrowers who are jointly liable.

**Borrower's name.** Show the borrower's first, middle and last names.

**Street address, city, state and Zip Code.** Enter the borrower's current mailing address, if it is known. Otherwise, enter the borrower's last known address. Use the official post office abbreviation for the state if the borrower is a US resident. Check IRS Publication 1220 to obtain the state and foreign abbreviations that the IRS will accept.

**Account number.** The account number should include the nine-digit Freddie Mac loan number, followed by one space and the six-digit Seller/Servicer number.

**Box 1. Date of lender's acquisition or knowledge of abandonment.** Insert the date (in MMDDYYYY format) that one of the following actions occurred:

- **Property acquisition—foreclosure or deed in lieu of foreclosure.** Enter the date that the Servicer acquired an interest in the Property on Freddie Mac's behalf. Use the *later* of the date of the foreclosure sale, the date of the deed in lieu of foreclosure or the date the borrower's right of redemption expires. For example, if the Servicer acquires a property on 12/15/2004, but the redemption period does not expire until 6/15/2005, the Servicer must submit the IRS Form 1099-A for the 2005 reporting period, not 2004.
- **Sale to a third party.** Insert the date that a third party acquired the property at a foreclosure or similar sale. If Freddie Mac held a second mortgage on the property and the first mortgage holder acquired the property for an amount that would not satisfy both mortgage debts, insert the date the first mortgage holder acquired the property.

- **Abandonment.** If the Servicer does not expect to begin foreclosure proceedings within three months after the property was abandoned, it should report the date that it knew (or had reason to know) that the property had been abandoned. However, if the Servicer expects to begin foreclosure proceedings within three months, it should insert the date that an interest in the property was acquired. When the foreclosure proceedings have not begun within the three-month period, the obligation to report arises upon the expiration of the three-month period, and the Servicer must provide information as of the date it first had reason to know of the abandonment.

*For example:* A Servicer learns of a property abandonment on 12/31/2004. If the Servicer does not intend to start foreclosure proceedings within three months, it would prepare an IRS Form 1099-A for 2004, showing 12/31/2004 as the acquisition date. The Servicer would file the IRS Form 1099-A with the IRS on or before February 28, 2005, and furnish a statement to the borrower on or before January 31, 2005. But, if the Servicer expected to begin foreclosure proceedings within the next three months, it would prepare a return for 2005 and file such return in 2006, showing the actual property acquisition date if the foreclosure proceedings began within three months, or showing the date of the abandonment if the commencement of foreclosure proceedings was delayed beyond the three months.

**Box 2. Balance of principal outstanding.** Insert the total outstanding indebtedness (principal only) at the time of the property acquisition, third-party sale or property abandonment.

**Box 3. Gross foreclosure proceeds.** Leave this box blank.

**Box 4. Fair market value of property.** For a foreclosure, execution or similar sale, insert the fair market value of the property. Generally, the gross foreclosure bid price is considered to be the fair market value. For recourse loans only, if an abandonment or a deed in lieu of foreclosure occurs, the appraised value of the property is shown.

**Box 5. Is the borrower personally liable for repayment of the debt?** If the state law specifies that the borrower is personally liable for repayment of the loan at the time the debt was created, check "yes," otherwise, check "no."

**Box 6. Description of property.** Insert the address of the property. If the property address does not sufficiently identify the property, enter the section, lot and block numbers.