

Loan Compliance Monitoring & Reporting

Christine Halberstadt

Cathy Baker

Laurie Kadavy

Jose Chicas

Discussion Points



- Loan Compliance Team Responsibilities
- Loan Compliance Monitoring and Reporting Process
- Servicer Expectations
 - » Due Date Management
 - » Borrower Expectation Management
 - » Quality of Status Update
- Additional Information
- Exhibit
 - » Reporting Requirements
 - » How to Provide Updates in the Property Reporting System (PRS)

- Who is the Loan Compliance Team?
 - » Part of the Servicer and Client Management group of Asset Management and Operations Department

- Team Members:
 - » Gina Thompson
 - » Hewan Eyob
 - » Cathy Baker
 - » Carole Esposito
 - » Susan Henry
 - » Tanya Groom

- What are their Responsibilities?
 - » Specifically responsible for the creation, tracking, and resolution of Loan Compliance items for Freddie Mac Multifamily loans
 - » Provide support during deal securitization due diligence period on Loan Compliance related items
 - » Note: The Borrower Transactions team handles Borrower consent requests. The Financial Statement team handles property assessments and financial statement reviews

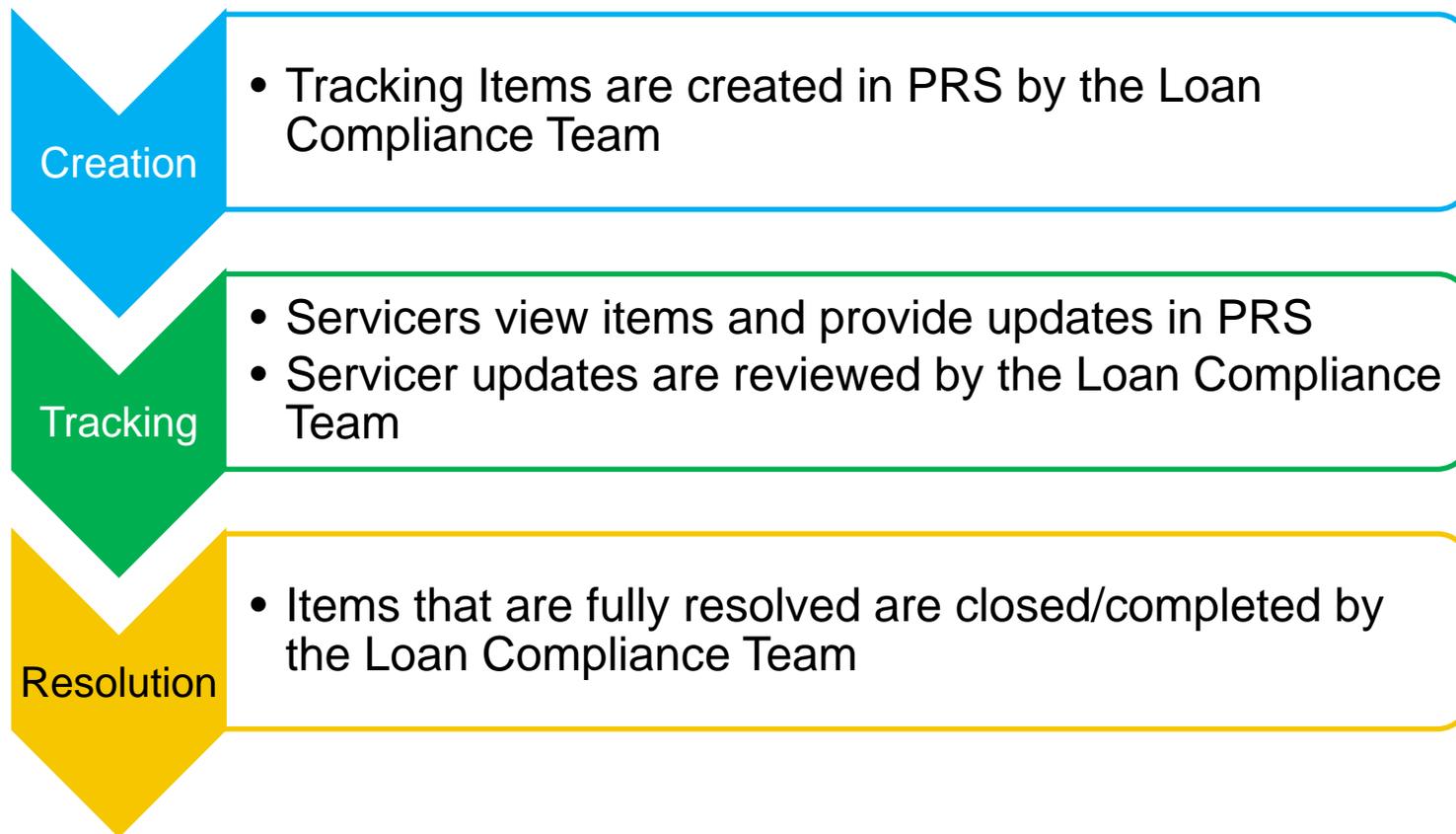
Loan Compliance Monitoring and Reporting Process



- Loan Compliance Monitoring and Reporting process is used to ensure Borrower's compliance with required repairs and other requirements under the loan agreement
- In December 2015, we moved our loan compliance monitoring into the Property Reporting System (PRS). Benefits of this change include:
 - » Viewing loan compliance items soon after loan funding
 - » Seeing details/description for each item
 - » Being able to respond within PRS to provide updates to Freddie Mac
 - » Receiving emails from PRS when Freddie Mac returns an item to you for more information

Loan Compliance Monitoring and Reporting Process (cont'd)

■ Process in PRS



Loan Compliance Monitoring and Reporting Process (cont'd)



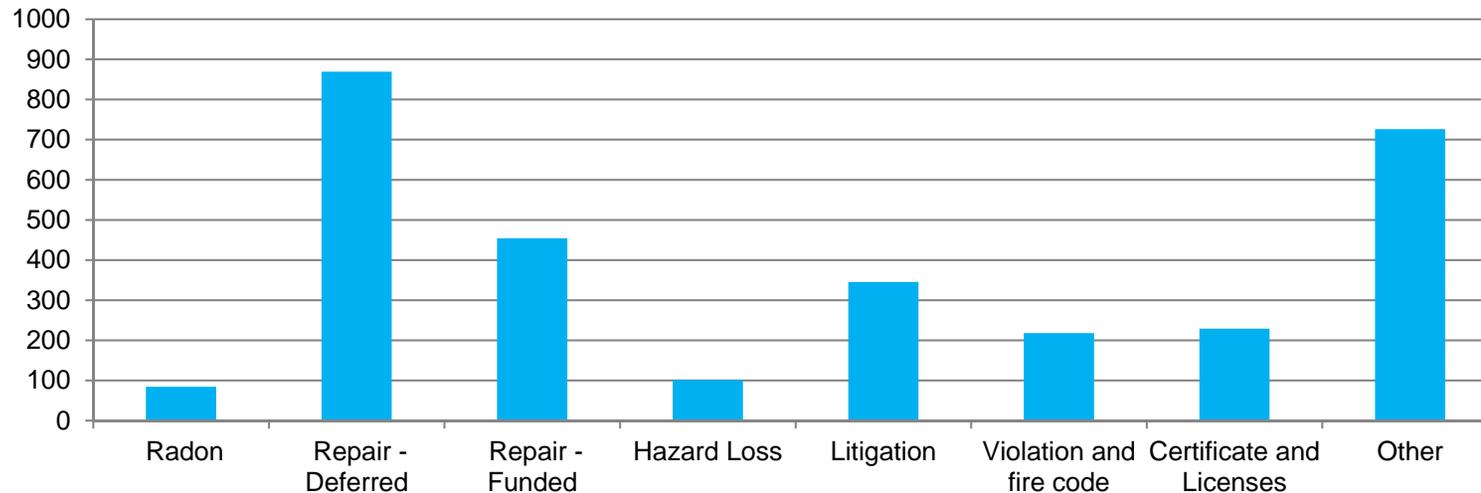
Common Tracking Item Types	Source Documents
Certificate and Licenses	Actual license issued by the state licensing authority
Env - Radon	Radon Rider
Esc - Repair - Deferred	Repair Rider/Exhibit C of Loan Agreement
Esc - Repair - Funded	Repair Rider/Exhibit C of Loan Agreement
Ins: Hazard Loss	Event of hazard loss as reported by the Servicer (Form 1140 part I and II)
Litigation	Exhibit B of the Loan Agreement or Borrower Certificate of Financial Condition (Form 1115)
Violation and fire code	Zoning Report

Loan Compliance Monitoring and Reporting Process (cont'd)



- Open Loan Compliance (LIT) items as of 7/11/16
- 3,026 due/open items across 35 servicers

Open Loan Compliance Items

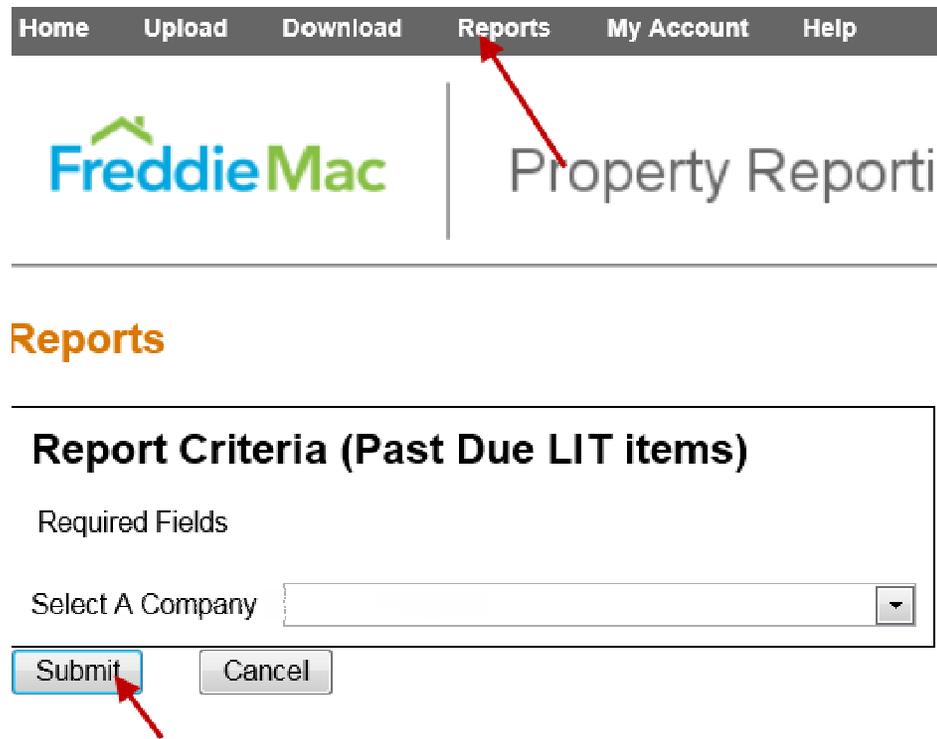


**Open LIT items for FM Retained, Warehouse and Master Serviced portfolios

- Loan Compliance team boards loans within 5 business days of funding and creates all tracking items required to be resolved during the life of the loan in PRS
- How is the Due Date determined?
 - » Due date of an item is the completion date specified in the Loan Agreement and associated riders/exhibits
 - » If an item doesn't naturally have a given Due Date, a due date of an item is given by the Loan Compliance Team to elicit an action by the Servicer
 - The Loan Compliance Team enters a revisit date for these items and PRS displays the revisit date as the Due Date of the item to elicit action from the Servicer by the revisit date
 - Examples include License Expirations, open legal item updates

- We rely on you to be prepared to make an update soon after loan funding
- As best practice, we ask you to provide update for each tracking item 30 days prior to the required due date
- Additional updates should be provided 10 days before the due date

- Managing the Due Dates of LIT items is critical
- We have provided a Past Due LIT Items Report in PRS to help you manage past due LIT items



To run the report:

1. Select the Report menu item from the main menu banner of PRS
2. Click on the Past Due LIT Items report and make a section from drop down option and Submit
3. You will be provided with an Excel output of the report

- Ensure that the Borrower is aware and well informed of requirements specified in the Loan Agreement
 - » Servicers are most successful if their “Welcome” letter to Borrowers includes details of due dates of loan compliance items
- Educate Borrowers about the post closing requirements and timing needs of warehouse loans
- Be proactive in helping the Borrower manage loan compliance item due dates
- Involve your production group if a Borrower is nonresponsive or uncooperative

- The update provided in PRS should be concise yet detailed enough to convey the current status or resolution of the item
- Examples of meaningful updates
 - » Borrower reported repairs are on schedule for due date with 35% of work completed
 - » Borrower indicated that the contract is not in place for the work and will need to request an extension. Servicer will submit a repair extension request today
 - » Borrower reported all items complete. Attaching signed Borrower Certificate
 - » Borrower provided evidence of work completion and letter to code violation office requesting an inspection

Status Update Timing Expectation



- We ask you to review PRS on a regular basis and provide updates for each Compliance item prior to its due date
- Our expectation is that you meet the Multifamily Seller/Servicer Guide requirements based on the type of reporting detailed in the Loan Compliance Desk Reference
- The Loan Compliance Desk Reference can be accessed in the Asset Management Resource Center
 - » http://www.freddiemac.com/multifamily/seller_servicer/asset/

- Outside of the loan compliance monitoring and reporting process, we normally reach out to you with questions during the due diligence period on loans that have been designated to be securitized
- As loans are designated for deals, our Capital Markets group turns to us to address questions that are raised by rating agencies and b-piece buyers
- We in turn rely on you to get responses required from Borrowers
- Due to the short securitization time frames, timely resolution of the questions is necessary

- The Loan Compliance mailbox should be used to send us information related to areas shown below:

MF_Loan_Compliance@freddiemac.com

- » Securitized Deal Compliance related questions/concerns
- » Hazard loss notifications & updates (upload to DMS first)
- » Natural disaster notifications
- » PRS issues
- » Questions

- What should you do when you return to the office:
 - » If your team needs additional PRS training or wants to discuss the loan compliance process, contact Hewan Eyob or Cathy Baker to set up individual conversations and/or training sessions
 - » If your portfolio has items that are past their due date, determine how to resolve them and provide an update on each
 - » View all items with due dates in the next 30 days and make sure each has a recently updated comment
 - » Determine or reaffirm your team's strategy for providing timely updates
 - » To hear from us less often, make sure items with upcoming due dates have meaningful updates in PRS
 - » When you have a question, don't hesitate to call

Property Reporting System (PRS) Reserve Reporting

- Introduction
- Seller Servicer Roles
- The Process - Sales Reporting
 - » Accessing PRS Reserve Reporting
 - » The Queues
 - » Uploading Files
- The Process – Reserves Reporting
- Questions
- Key Dates



- The Reserve Reporting functionality within PRS automates the collection of escrow and loan term data from Servicers for all loans that are serviced on behalf of Freddie Mac
- Enables Sellers/Servicers to:
 - » View key data about their active Freddie Mac loans online
 - » [Electronically](#) upload escrow and loan term data in bulk
 - » View discrepancies
 - » Update individual data elements online and add comments relative to discrepancies
- Reserve reporting automatically aggregates data and generates reports for various parties

- Reserve Reporting Features:
 - » Servicers can view their respective population of active Freddie Mac loans for the current month/date along with key data about each loan
 - » Using their respective Excel files, Servicers have the ability to upload active loan data in bulk for the population identified in the Reserve Reporting functionality for an open active period
 - » The system displays and stores all data submitted by each Servicer per reporting period
 - » The system performs validations to ensure that the data is in the required format
 - » The system automatically compares Servicer data to Freddie Mac data and displays data discrepancies

Seller/Service Roles

- Seller/Service Administrator
 - [Administrator can create the Seller/Service User ID(s)]
- Seller/Service User
- Read-Only

The Process – Sales Reporting



- Freddie Mac uploads the population two business days prior to the Submission Due Date
- Upon upload, the population is visible to the Servicer in the 'Due Queue'
- Once uploaded, there are two possible outcomes:
 1. All data values are correct – then it goes to the “Accepted” status
 2. If errors are present, those error points are reflected in the “SS Under Review” queue
- In the 'SS Under Review' queue, the Servicer can either accept the Freddie Mac values, or if not in agreement, send the values to 'FM Under Review'

Accessing Reserve Reporting



1. Go to Freddiemac.com > Multifamily > Investor Reporting

The screenshot shows the Freddie Mac Multifamily website. At the top, there is a navigation bar with links for Home, FreddieMac.com, Find a Lender, Products, Careers, and Contact Us. Below this is the Freddie Mac Multifamily logo and a search bar with a 'GO' button (callout 3). A secondary navigation bar includes links for About Multifamily, News and Research, Seller/Servicevers (highlighted), and Investors. The main content area is titled 'Investor Reporting' and features a sidebar on the left with links for Originate and Underwrite, Purchase and Deliver, Investor Reporting (callout 4), Asset Management, Technical Resources, Seller/Servicever Guide, Legal Documents, and REO. The main content area contains a section for 'Applications and AllRegs®' with a 'Login >>' button (callout 6). Below this is a 'Property Reporting System' section with a description of the system's functionality. A 'Quick Links' section on the right lists various resources like 'Loan Accounting Freddie Mac Contact List [PDF]' and 'Reporting & Remitting Calendar [PDF]'. Callout 5 points to the 'PRs®' link in the sidebar.

Accessing Reserve Reporting – Login Page



- Access PRS using the login page
- User name is not case sensitive, Password is case sensitive

A screenshot of the Freddie Mac Property Reporting System (PRS) login page. The page has a dark blue header with the Freddie Mac Multifamily logo on the left and the text "Property Reporting System (PRS)" in white. A "Help" link is in the top right corner. Below the header, the main content area is white. It features the heading "Log In to PRS" in bold black text. Underneath is a welcome message: "Welcome to the Property Reporting System (PRS). To access the system, enter your user id and password in the spaces provided. Use of this system is governed by the *Freddie Mac Multifamily Seller/Service Guide*." There are two input fields: "User ID" with a white box and "Password" with a white box on a tan background. A "LOGIN" button is below the fields, and a "[Forgot Password](#)" link is at the bottom left.

Accessing PRS Reserve Reporting – Home Page



- When users log into PRS and access 'Reserve Reporting', they will be brought to the Homepage (Notifications and Contact Information)

Freddie Mac PRS - Windows Internet Explorer provided by Freddie Mac

https://prsv4-stage.covius.com/

Home Upload Reports My Account Help RRS S/S Admin

Freddie Mac Multifamily Property Reporting System (PRS)

Home S/S Homepage - S/S Overview RRS

S/S Overview RRS

S/S - Overview RRS - Messages

Notification Date	Priority	Title	Notification
No records to display.			

S/S - Overview RRS - Overview

Portfolio	S/S No.
[Redacted]	

S/S - Overview RRS - Office Locations

Add New

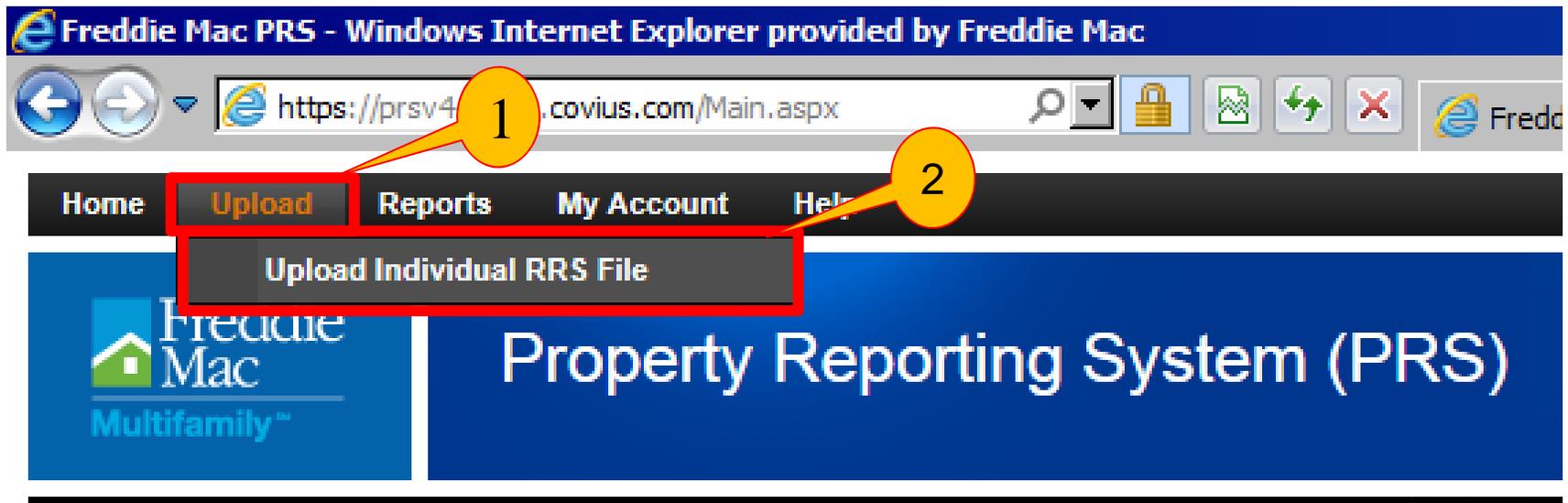
Edit	Location Name	Street Address 1	Street Address 2	City	State	Zip	Delete
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[X]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[X]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[X]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[X]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[X]

Logout Recent Items List (c) 2014 Covius

- **S/S Under Review** - User can either accept Freddie Mac Value or add comments and send the warnings to Freddie Mac for review
- **FM Under Review** - Displays all warnings sent for Freddie Mac review
- **FM Final Approval** - Displays all warnings sent for Freddie Mac Final Approval
- **View All** - Displays all warnings
- **Due Queue** (Read Only to all users)
 - » When Freddie Mac uploads population, this queue gets populated. The Servicer can view their respective population for which they have loan details to submit
- **Accepted** - Displays all loans that never had warnings or loans for which the warnings have been cleared

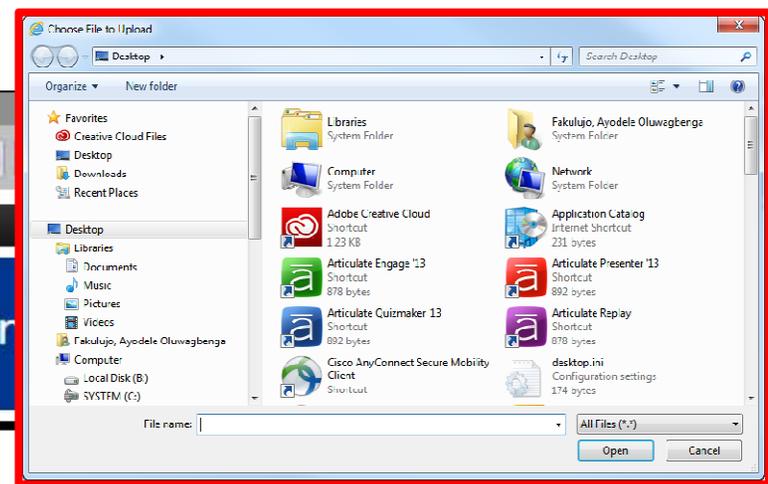
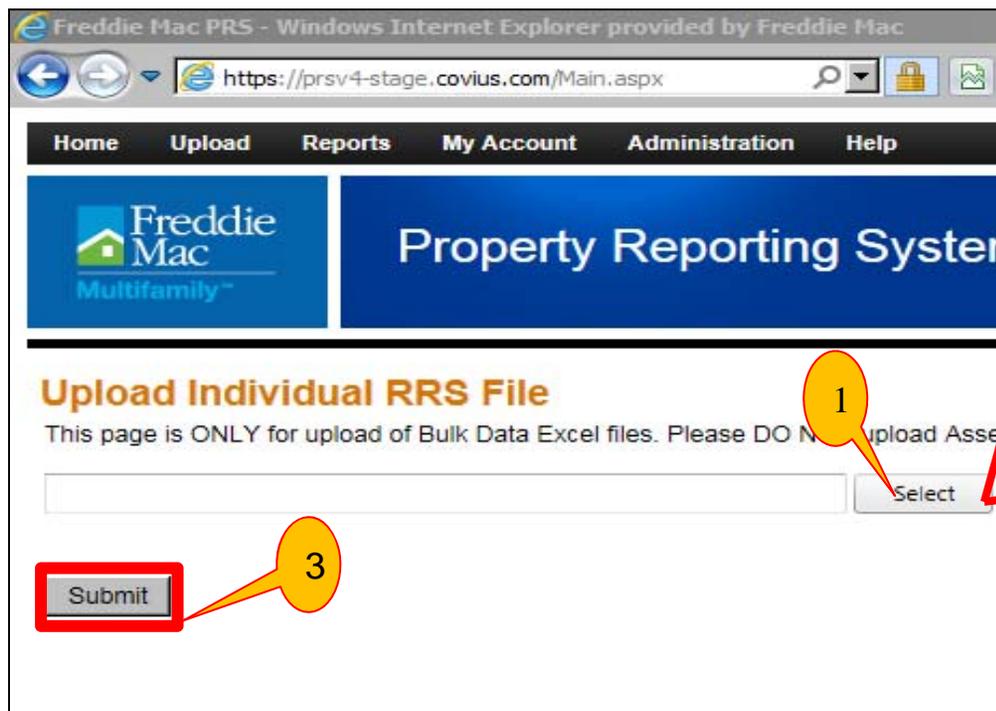
Uploading Files

- SS uploading Sales and Reserve Reporting files
 1. Hover the cursor over the 'Upload' menu item
 2. Click on 'Upload Individual RRS File'



Uploading Files (cont'd)

- Servicer uploading Sales and Reserve Reporting files - From the Upload page
 1. Click on 'Select' button
 2. Choose your file
 3. Click on the 'Submit' button



Servicer uploading Sales and Reserve Reporting files

- While uploading the data, if the Servicer file does not meet the specified format, hard stops will occur; examples are:
 - » Incorrect template used
 - » Incorrect file name convention used
 - » Blanks in cells instead of 'N/A'
 - » Number of loans in Servicer file does not match the Freddie Mac population
 - » Numeric fields contain text
 - » Incorrect number of decimals for numeric values
- Upon successful upload of the file, if the submitted data doesn't match Freddie Mac data, warnings are generated and placed in the 'S/S Under Review Queue'

The Process – Reserve Reporting



- The Reserve Reporting process follows the same process as ‘Sales Data’
 - » The only difference is that the Reserve Reporting only has two validation data points
 - City
 - State

Loan Compliance Monitoring & Reporting *Appendix*

Repair Reporting Requirements



- Monitor the applicable completion date(s) under each Loan Agreement Exhibit
- Work with the Borrower to ensure that all repairs are completed on a timely basis
- Notify Freddie Mac after your confirmation of the Borrower's completion of all repairs by entering your update into PRS
- Confirmation must be on the Borrower Certification of Completion form and must be submitted to PRS

Radon Reporting Requirements (cont'd)



- Monitor and confirm timely completion of radon testing or remediation
- You are required to take these steps:
 - » **Step 1:** Upload test results to PRS by completion date
 - » **Step 2:** If remediation is required, provide Borrower with a Radon Remediation Notice within 15 business days
 - » **Step 3:** Upload copy of the Radon Remediation Notice to PRS
 - » **Step 4:** Upload radon remediation contract to PRS within two business days of receipt
 - » **Step 5:** After completion of Radon Remediation, Servicer must upload to PRS written certification from a qualified environmental consultant that remediation has been completed and radon levels are below action level

Extension Request Requirements



- If a Borrower requests an extension or modification of a Repair Agreement, the Servicer must enter the extension request update in PRS
- Extensions should be submitted timely
 - » In most situations, if a Partial Borrower Certificate of Completion is submitted; next step should be to submit an extension request
- Extension requests are required to be uploaded to DMS

Hazard Loss Reporting Requirements



- Provide timely notification of Hazard Loss
- For all mortgages, as soon as learning that a loss or damage has occurred
 - » Complete and submit Form 1140 Part I to DMS and select “Submit to Hazard Loss”
- For all mortgages, within 30 days after learning that a loss or damage has occurred:
 - » Complete and submit Form 1140, Part II. Submission should be made based on conditions provided below:
 - If Part I was submitted via DMS – submit Form 1140, Part II to PRS along with your loan compliance update
 - If Part I was not submitted via DMS - submit the form to DMS and select “Submit to Hazard Loss”

Natural Disaster Reporting Requirements



- Following an event of natural disaster you should review your portfolio for potentially impacted properties
 - » Contact the Borrowers to determine if any of the properties has any damages and confirm the safety of tenants
- Within a few days after the event, send us a list of all loans you've identified as potentially impacted along with the known updates for eachWe will continue to correspond with you until all damage is known
- In addition, for properties that have sustained damages, complete and submit Form 1140 Part I to DMS
- Freddie Mac will create tracking item in PRS as applicable

- Multifamily Seller Servicer Guide Chapter/Section by reporting type

Reporting Type	Guide Chapter/Section
Repair Reporting	Chapter 39.4(a)
Radon Reporting	Chapter 43.26
Extension Request	Chapter 39.4 (b)
Hazard Loss Reporting	Chapter 43.8(a)

Loan Compliance Monitoring & Reporting Process in PRS



- Servicers are required to report on outstanding Loan Compliance items in PRS and provide updates within PRS until each Loan Compliance item is resolved
- You must have a valid PRS user account to access the PRS application
- Access to PRS is provided by individual(s) within your organization that have been designated as Freddie Mac System Administrator(s)

A screenshot of the Freddie Mac Property Reporting System (PRS) login page. The page features the Freddie Mac logo and the text "Property Reporting System" at the top. Below this, the heading "Log In to PRS" is displayed. A welcome message reads: "Welcome to the Property Reporting System (PRS). To access the system, enter your user id and password in Use of this system is governed by the Freddie Mac Multifamily Seller/Service Guide." There are two input fields: "User ID" and "Password". A "LOGIN" button is located at the bottom of the form.

Loan Compliance Monitoring & Reporting Process in PRS



Due LIT
Review and
Update

FM Under
Review

Complete
Send Update
to SS
Return to SS

Due LIT Review and Update

- The S/S Compliance Due Queue is the main Queue that you will be utilizing for loan compliance monitoring and reporting
- The Queue provides all of the open tracking items for loans in your portfolio(s)



❖ Compliance Parent Queue can be accessed from the left navigation panel of PRS

Due LIT Review and Update (cont'd)



- To start your review of loan compliance, access the S/S Compliance Due Queue from the left navigation panel of PRS
- Filter the grid by Due Date to prioritize your review and start providing your update

The screenshot displays the 'S/S Compliance - Due' interface. On the left is a navigation menu with the following items: Home, All Assessments, Loan Management, Compliance, Due (highlighted in orange), and Quarterly Financial. The main content area is titled 'S/S Compliance - Due' and contains two buttons: 'Output to Excel' and 'Download Bulk Update Template'. Below these buttons is a table header with a checkbox, 'S/S Name', and 'Portfolio'. Underneath the header are two input fields, each with a filter icon to its right.

In PRS, you have the ability to provide an update for a single tracking item or for multiple tracking items at once. To provide an update for a single item, take the following steps:

- **Step 1.** From the S/S Compliance Due Queue, right click on the tracking item for which you would like to provide an update to access the Context Menu item

Due LIT Review and Update (cont'd)



- **Step 3.** Review and update sections of the UI
 - » SSR LIT Update UI sections shown below are completed by Freddie Mac and are provided to you for your information

LIT Update			
MF Loan Number	671234589	Property Name	Royal
Item Group, Type, Status and Due Date			
Item Group	Loan Tracking - LIT	Item Status	Due
Item Type	Esc - Repair - Funded	Due Date	12/18/2016
ID	147160	Revisit Date	
		Expiration Date	
Issues/Descriptions			
180-day repair items per Exhibit C of Loan Agreement - Add van signage to van-accessible handicap parking spaces, install life safety devices in restrooms, insulate lavatory piping against contact in restrooms.			

Due LIT Review and Update (cont'd)



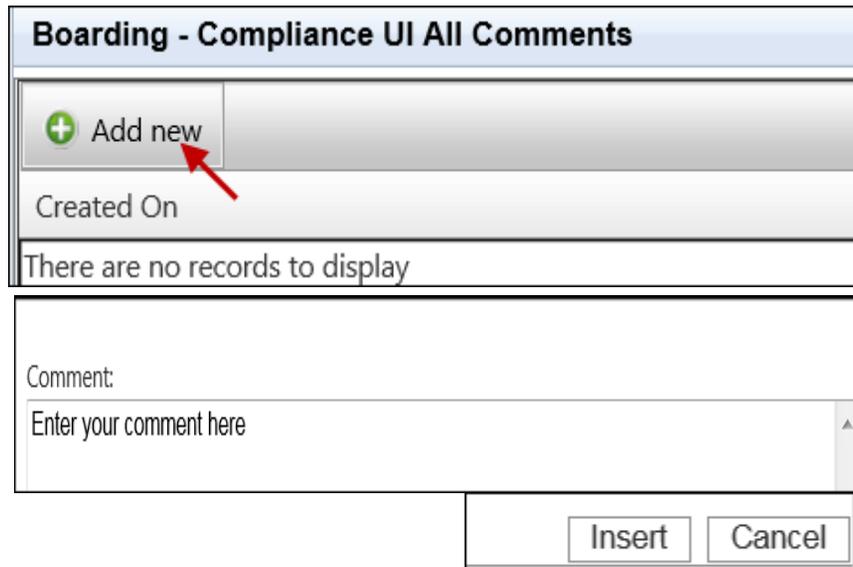
- » You are required to enter your update by selecting the appropriate Responses in the SS Update section and also adding your comments in the Boarding - Compliance UI All Comments

SS Update	
Completed?	--Select From List-- *
Certificate/Documents Uploaded to PRS?	--Select From List-- *
Extension Required?	--Select From List--
Extension Request added to DMS?	--Select From List--
Date of last contact with the borrower	
Percentage of Completion	
	Date of Last Upload
	Date
	Amount

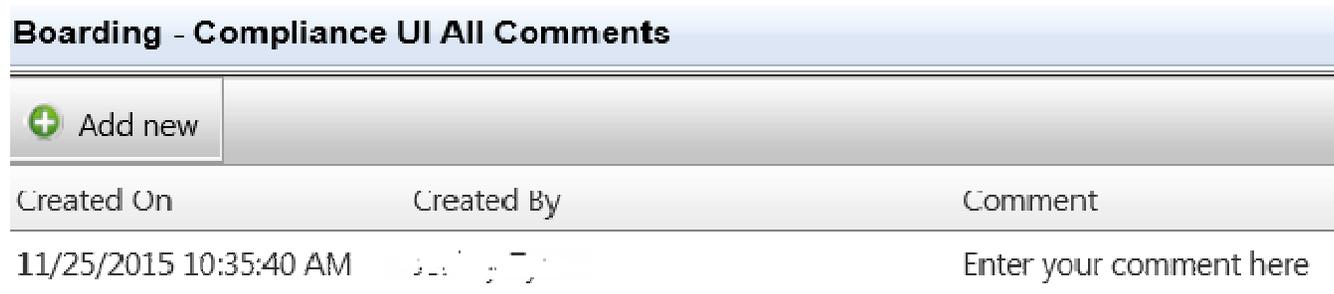
Boarding - Compliance UI All Comments	
+ Add new x Delete selected comment	
Created On	Created By
There are no records to display	

Due LIT Review and Update (cont'd)

- To enter All Comments:



1. Click on the “Add New” button to enter you comment
2. Enter your comment in the provided comment box
3. Click on the “Insert” button to capture your comment



Created On	Created By	Comment
11/25/2015 10:35:40 AM	...	Enter your comment here

Due LIT Review and Update (cont'd)



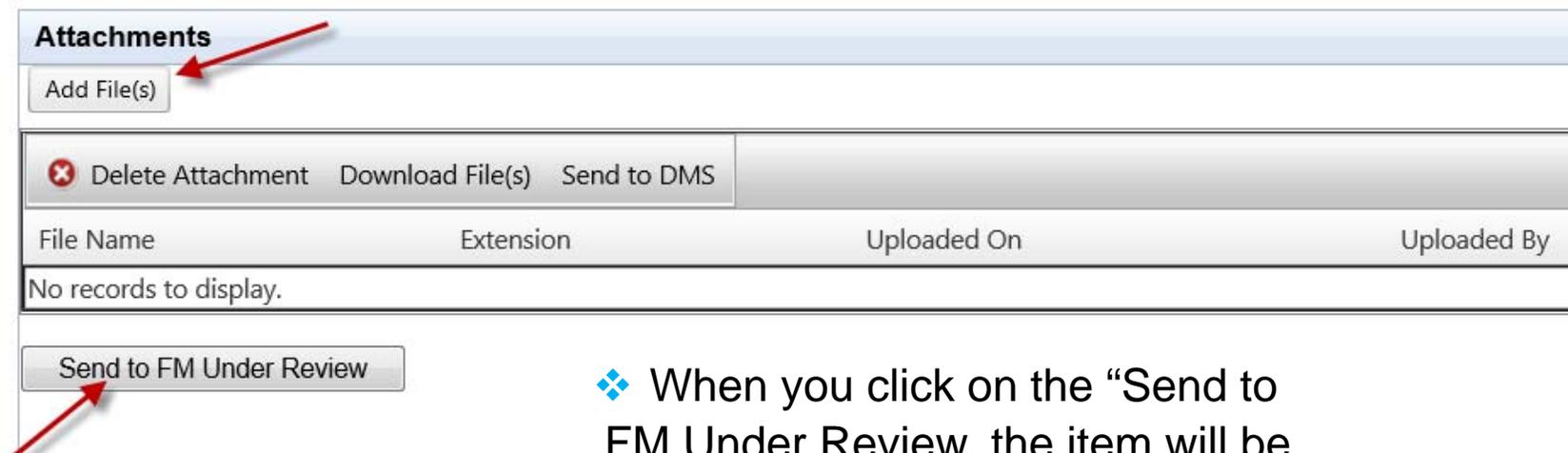
- **Step 4.** After entering your update, click on the save button to save your update

SS Update			
Completed?	Yes	*	
Certificate/Documents Uploaded to PRS?	Yes	*	Date of Last U
Extension Required?	--Select From List--		
Extension Request added to DMS?	--Select From List--		Date
Date of last contact with the borrower			Amount
Percentage of Completion	100.00 %		

Boarding - Compliance UI All Comments		
+ Add new		
Created On	Created By	Comment
06/26/2016 3:33:17 PM	Hewan Eyob	Work has been fully completed. Borrower Certificate of Completion is attached.

Save	Cancel
------	--------

- **Step 5.** Add your backup documentation to the UI if required and click on save.
 - » The “Send to FM Under Review” button will be displayed and you can click on the button to submit your update to Freddie Mac



Attachments

Add File(s)

Delete Attachment Download File(s) Send to DMS

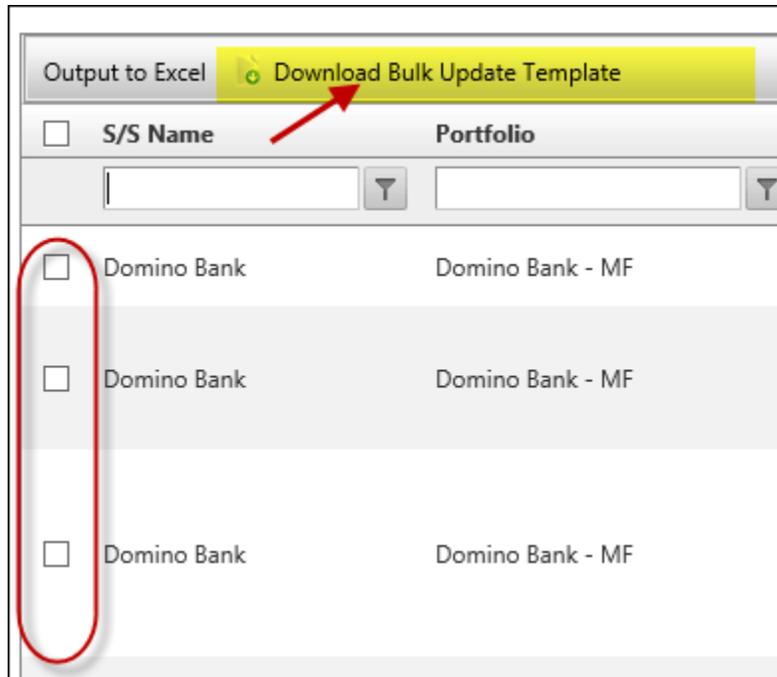
File Name	Extension	Uploaded On	Uploaded By
No records to display.			

Send to FM Under Review

- ❖ When you click on the “Send to FM Under Review, the item will be removed from your Due Queue

Due LIT Review and Update (cont'd)

- To provide updates for multiple tracking items, you can download the Bulk Update Template from the SS Compliance Due Queue



To download the template:

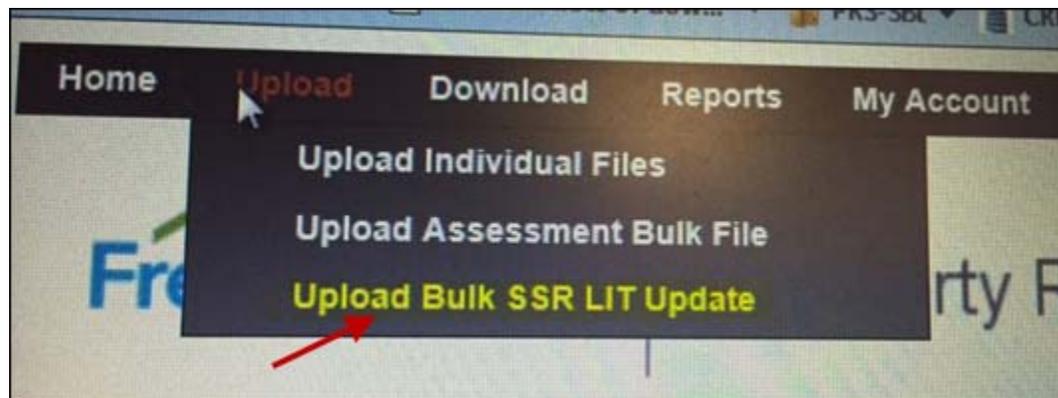
1. Select multiple tracking items by using the checkboxes to the left of each item
2. Click on the “Download Bulk Update Template” grid menu item
3. You will be provided with a template ready for download

Due LIT Review and Update (cont'd)

- Save the template to your local machine and complete the required columns for each tracking item in the template

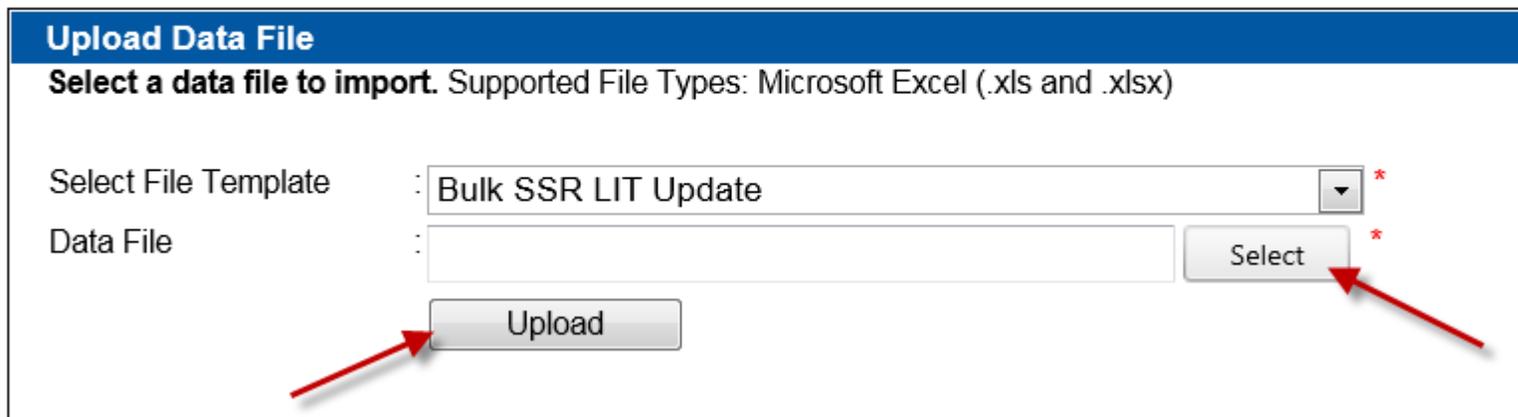
Completed (Yes or No)	Certificate Documents Uploaded to PRS (Yes/No or N/A)	Date of Upload (MM/DD/YYYY)	Extension Request Required (Yes or No)	Extension Request Added to DMS (Yes or No)	Date of Extension Request Added to DMS (MM/DD/YYYY)	Date of Last Contact with the Borrower (MM/DD/YYYY)	If not yet Complete, % of Completion	Comments
--------------------------	---	--------------------------------	--	--	---	---	---	----------

- Upload the completed file by selecting Upload Bulk SSR LIT Update from the Uploads menu item



- From the Bulk SSR LIT Update page select “Bulk SSR LIT Update” option and click on Select to browse and locate the file from your saved location and then click on Upload

Bulk SSR LIT Update



The screenshot shows a web form titled "Upload Data File" with a blue header. Below the header, it says "Select a data file to import. Supported File Types: Microsoft Excel (.xls and .xlsx)". There are two main input areas: "Select File Template" with a dropdown menu showing "Bulk SSR LIT Update" and a red asterisk to its right; and "Data File" with an empty text box and a "Select" button to its right, also with a red asterisk. Below these is an "Upload" button. Two red arrows point to the "Upload" and "Select" buttons.

- ❖ For your file to be uploaded successfully, ensure the file is named “**Bulk SSR LIT Update**”

Due LIT Review and Update (cont'd)



- If your upload was successful:
 - » The items covered in your file will be updated and items with a Complete status will be sent to a FM Under Review status immediately
- If your upload was unsuccessful:
 - » You will be provided with a validation error message(s) as shown on the next slide. You will need to resolve all validation errors and re-upload the template

Due LIT Review and Update (cont'd)



Bulk SSR LIT Update

Upload Data File
Select a data file to import. Supported File Types: Microsoft Excel (.xls and .xlsx)

Select File Template : Bulk SSR LIT Update *

Data File : Select *

Validation Progress 
100 % Completed

File validation failed.

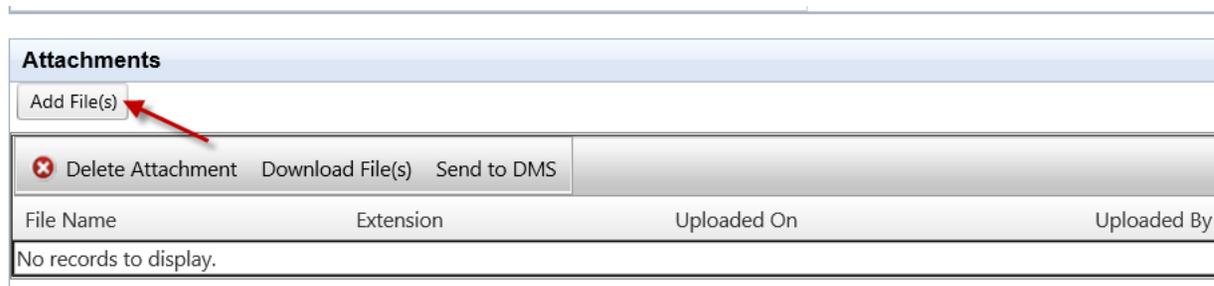
VALIDATION ERRORS

Error Type	Excel Column/Cell	Column/Field Name
Data list validation failed	P2	Completed
Data list validation failed	S2	Extension Required

- When your upload was unsuccessful, you will be notified that the file validation has failed
- You will also be provided with a list of error types, the column or cell in which the errors are located and the field names
- You can then make the necessary correction(s) in your source file and re-upload the file again

Due LIT Review and Update (cont'd)

- You are required to upload backup documentation to PRS
- To upload backup documentation to PRS:



- From the Attachments section of the SSR LIT Update UI, select the Add File(s) button



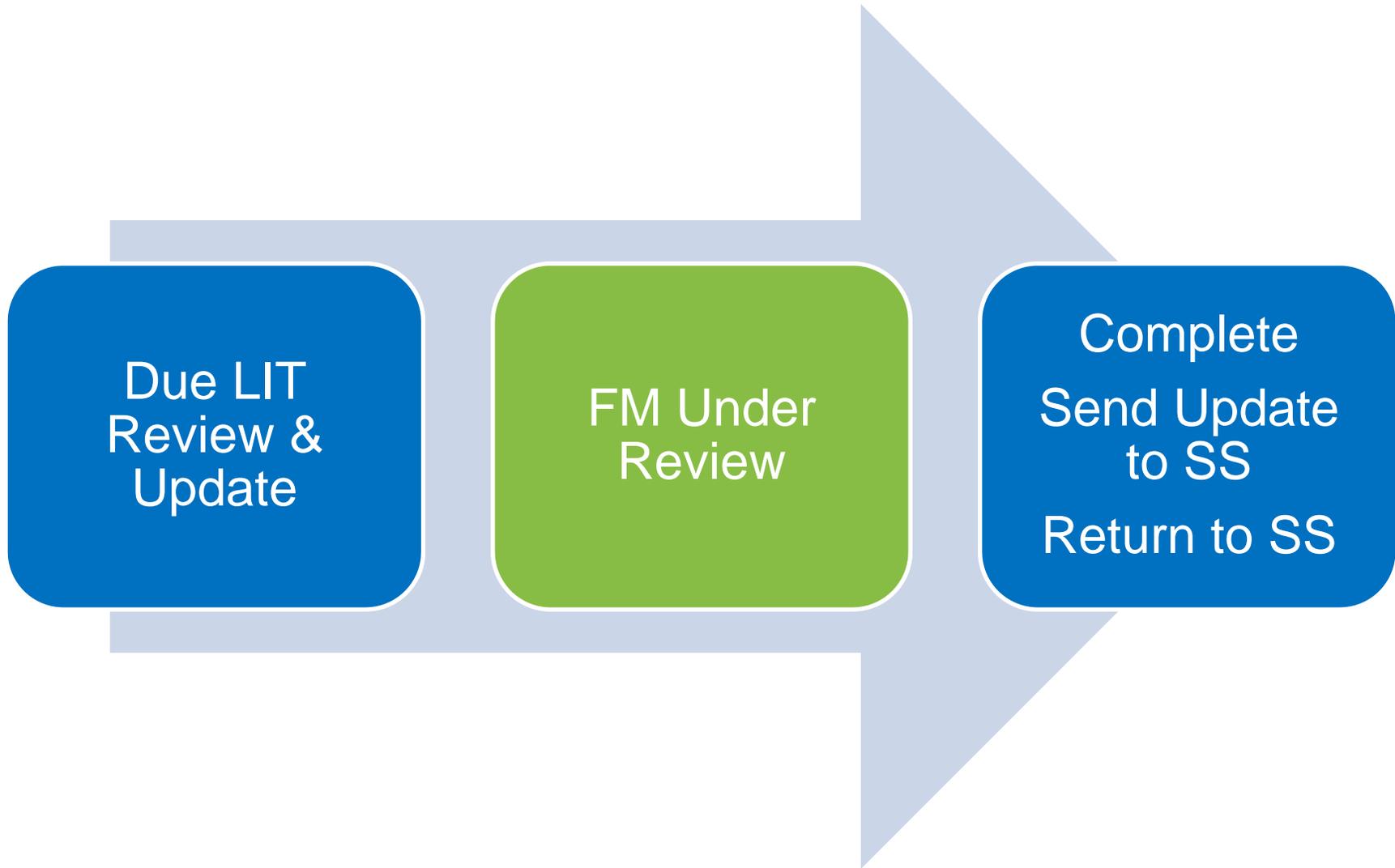
- Browse and locate the file and add the document to the UI

Due LIT Review and Update (cont'd)



- To upload backup documentation into PRS, you will need to strictly follow the file naming convention provided below:

Type of Documents Uploaded to PRS by SSR	File Naming Convention
Borrower Certificate of Completion	Borrower Certificate of Completion.xxx
Borrower Certificate of partial Completion	Borrower Certificate of partial Completion.xxx
Radon Remediation Notice	Radon Remediation Notice.xxx
Certificate of Occupancy	Certificate of Occupancy.xxx
HAP Contract Renewal	HAP Contract Renewal.xxx
Proof of UST removal	Proof of UST removal.xxx
Property Alterations Notice	Property Alterations Notice.xxx
Proof of building/fire code correction	Proof of building/fire code correction.xxx
Proof of litigation settlement	Proof of litigation settlement.xxx
Tax Abatement Documents	Tax Abatement Documents.xxx
Senior Housing Operating License	Senior Housing Operating License.xxx
Radon Test Results	Radon Test Results.xxx
Radon Remediation Contract	Radon Remediation Contract.xxx
Post- Mitigation Test results	Post- Mitigation Test results.xxx
Updated PZR	Updated PZR.xxx
UST Tightness Test	UST Tightness Test.xxx
Form 1140 part I	Form 1140 part I.xxx
Form 1140 part II	Form 1140 part II.xxx
Any other backup documentation	Other.xxx



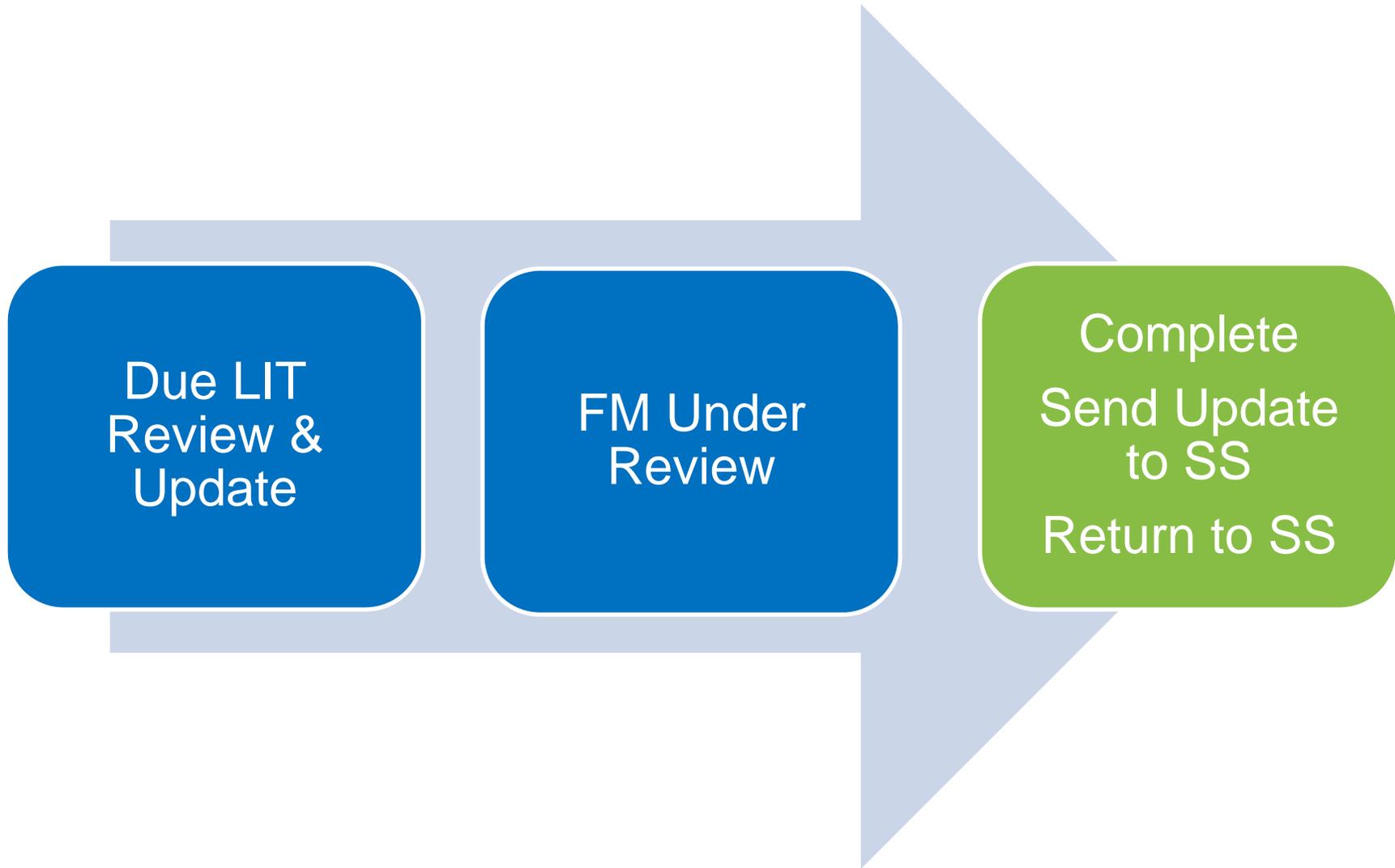
FM Under Review (cont'd)



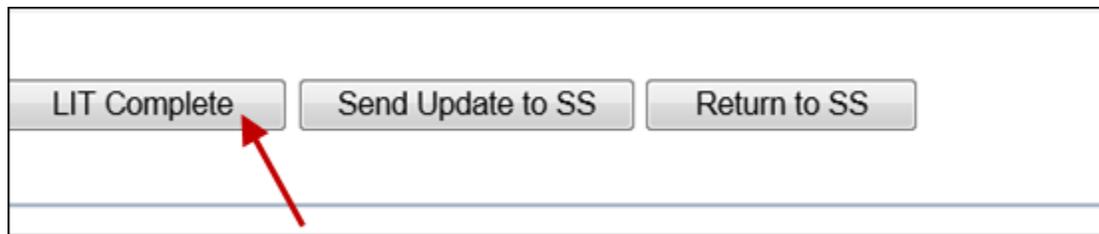
- After you've provided an update with required documentation to indicate completion, the item will be immediately removed from your S/S Due Queue
- The status of the item will change from "Due" to "FM Under Review" pending Freddie Mac's review
- Freddie Mac analysts will review the update provided from their dashboard view of PRS
- The FM Under Review Queue is not visible to Servicers

- When to send to FM Under Review
 - » Send to FM Under Review action should only be taken when an item is fully complete and all required documentation has been uploaded to PRS
- For status/progress update - Comment updates can be made in PRS without clicking “Send to FM under Review”

Complete, Send Update, or Return



- After reviewing the provided updated, FM analysts will take one of the actions listed below from the LIT Update UI:
 - » Complete
 - » Send Update to S/S
 - » Return to S/S



- ❖ When all required information has been provided, the status of the LIT is changed to **Complete**

- For items that have not been completed, FM analysts will either send an update to the Servicer or return the item to the Servicer
 - » Send Update to Servicer – This action is taken when the LIT is not due yet and the update provided by the Servicer was a simple status update
 - » By sending the update, the item status will change from “FM Under Review” to “Due”, requiring future updates from the Servicer

- Freddie Mac will return certain tracking items back to a Due status if the update provided is considered inadequate
- The person who originally submitted the update will receive an email after a Return
- You will be able to view the return comment from the SSR LIT Update UI