



### **Key Features:**

- Receive clear-cut data that help you tie the impacts of day-to-day functional tasks to your institution's overall performance
- Use this tool to help you reduce the costs of servicing our mortgages
- Receive your confidential Performance Profile each month
- Download data for use in other applications

### **Looking for more information on quality servicing?**

Visit [www.FreddieMac.com](http://www.FreddieMac.com) for more information on:

- Our Servicer Incentive Program
- Our electronic newsletter for Servicers, with articles on Tier One achievers and the Performance Profile

## **Servicer Performance Profiles**

### ***A Report that Details how Your Performance Meets our Servicing Guidelines***

We developed the Servicer Performance Profiles in 1996 in coordination with Servicers through forums, including our Servicer Advisory Board. We created the Servicer Performance Profiles to set expectations of what constitutes quality servicing and to help reduce the costs of servicing our mortgages. Your Servicer Performance Profile tracks your monthly performance in two categories: Investor Reporting and Remitting, and Default Management. For each category, we rate your organization on key components, or criteria, and then apply a score. Scores for each category fall into one of four Tiers:

- Tier One – Superior Performance
- Tier Two – Standard Performance
- Tier Three – Below Standard Performance
- Tier Four – Unacceptable Performance

### ***Servicer Benefits***

The profile exists as a tool to help you improve your institution's efficiency and performance. We are alone in our industry in offering you this type of intensive performance data.

- By proactively using the feedback in your profile, you can service our mortgages more profitably by concentrating your resources on areas needing increased focus.
- View loan-level data and tie your servicing management performance calculations and scores back to individual mortgages.
- Download your loan-level data into a text file, convert it to a spreadsheet file, and manipulate the data as you wish.

### ***What we Measure***

In the **Investor Reporting and Remitting** category, we measure your servicing management in the following areas:

- Cash Management
- Data Integrity Management
- Operational Management

## ***What we Measure continued***

In the **Default Management** category, we measure your servicing management in the following areas:

- Collections Management
- Loss Mitigation
- Foreclosure Timeline Management
- Data Integrity

## ***Profiles are Performance Focused***

Your profile reflects your aggregate Servicer family performance and provides you with consistent and meaningful measurements. The Servicer Performance Profiles do NOT

- Group Servicers geographically
- Measure specific mortgage performance
- Replace other Freddie Mac rights or remedies for failure to comply with the *Single-Family Seller/Servicer Guide*
- Allow you to compare your overall performance with other Servicers

## ***Tier One Premium Rewards Program***

Our Tier One Premium Rewards Program recognizes top performers. We extend several tangible business benefits to recognize and reward customers who achieve Tier One ratings in both the Investor Reporting and Remitting and the Default Management categories of their Servicer Performance Profile. Based on your performance and portfolio size, you can be eligible for **Tier One Platinum** or **Tier One Gold** awards, earning incentives of as much as \$50,000. Plus, meet the Tier One Platinum or Tier One Gold criteria for four consecutive years with no material foreclosure timeline penalties and you will be included in our prestigious **Hall of Fame**, earning additional incentives of up to \$50,000.

## ***Easy Access to Your Profile***

Profile data is posted on the second calendar month following the close of each accounting cycle. (For instance, you'll be able to access August profile data in October.) You can access your profile online.

## ***The Facts on Improved Servicing***

Ever since we began using the Servicer Performance Profiles, Servicers have demonstrated steady advancement in quality servicing. Tier One and Tier Two Servicers service most of the unpaid principal balances of the mortgages serviced for us.

## ***Learn More About the Servicer Performance Profiles***

- Call (800) FREDDIE
- Visit our website:  
[www.FreddieMac.com/service/msp/](http://www.FreddieMac.com/service/msp/)
- Contact a Freddie Mac servicing representative
- Review our online publication, *Servicer Performance Profile* at  
<http://www.FreddieMac.com/learn/>

NOTE: This information is intended to provide an overview of the Servicer Compensation Program to Freddie Mac Servicers. The incentive payments under the Servicer Incentive Program do not constitute part of the Servicers' base servicing compensation, and Freddie Mac reserves the right to change the program at any time. The information is offered as an aid in—not a substitute for—complying with the requirements set forth in the *Single Family Seller/Servicer Guide* (the Guide), as amended. Each Freddie Mac Servicer must comply with all of the provisions of the Guide, and of all other purchase documents, as that term is defined in the Guide. This information does not constitute a part of the Guide. Freddie Mac may change terms of incentives at any time.