



## Sell Loans to Freddie Mac for Cash, Servicing-Released

### Maximize the value of your servicing asset

Our servicing-released cash execution offers you the option to sell one, a few, or many loans for cash, while concurrently releasing your servicing so you can improve your liquid assets and fund more mortgages. Once you've been approved to use this competitive cash execution, available through the Freddie Mac selling system, you'll have multiple buyers bidding on your servicing, allowing you to maximize your servicing-released premiums for a variety of mortgage products and financing structures.

#### Key Features

- Best efforts or mandatory contract options
- Net pricing, including postsettlement delivery fees, for quick, all-in pricing
- Contract delivery periods in one-day increments between 2 and 90 days
- Two-way pair-off capability (mandatory contracts only)
- Fast settlement, often within the same day as certification (if certified by noon)

#### Lender Benefits

- Benefit from competitive servicing-released premiums from multiple servicing buyers
- Take advantage of our best efforts commitment option as an exceptional tool to hedge your pipeline and manage your risk
- Retain the relationship with your customers by choosing the "no cross-sell" option
- Reduce exposure to interest rate fluctuations in the market

SELLING FOR CASH, SERVICING-RELEASED	
<b>Eligible Mortgages</b>	<ul style="list-style-type: none"> <li>• 15-, 20-, and 30-year fixed-rate mortgages</li> <li>• 40-year fixed-rate Home Possible<sup>®</sup> Mortgages secured by 1-unit primary residences</li> <li>• 5- and 7-year balloon/reset mortgages</li> <li>• Eligible Freddie Mac Relief Refinance Mortgages<sup>SM</sup> with LTV ratios less than or equal to 105 percent</li> </ul> <p>For additional details on Freddie Mac mortgage products eligible for sale servicing-released:</p> <ul style="list-style-type: none"> <li>• Visit <a href="http://www.freddiemac.com/sell/secmktg/sellingloans-availmatrix.html">http://www.freddiemac.com/sell/secmktg/sellingloans-availmatrix.html</a>.</li> <li>• Refer to Section 9.9 of your <i>Single-Family Seller/Service Guide</i> (Guide).</li> </ul>
<b>Contract Requirements</b>	<ul style="list-style-type: none"> <li>• 2- to 90-day contract delivery period</li> <li>• Gold remittance cycle only</li> <li>• Mandatory and best efforts contracts are available</li> </ul> <p>See Guide Exhibit 17S for contract requirements for fixed-rate (including balloon/reset) mortgages sold through the selling system.</p>
<b>Mandatory Contract Requirements</b>	<ul style="list-style-type: none"> <li>• For mandatory contracts, you may substitute loans that fit within the terms of the original contract (the servicing-released premium is subject to change).</li> <li>• Must fulfill a mandatory contract amount within tolerance level (2.5% or \$10,000, whichever is higher) or a pair-off fee may apply.</li> </ul>
<b>Two-Way Pair-Off Capability</b>	<ul style="list-style-type: none"> <li>• Mandatory contracts only.</li> <li>• The pair-off process used is "two-way" and may result in either a fee due to Freddie Mac from the Seller or a fee due to the Seller from Freddie Mac, depending on market movement.</li> <li>• The selling system's automated two-way pair-off feature allows you to pair off part or all of a contract. At the same time, you can also take out a new contract with the option to add or reduce additional days or amounts to that new contract. A pair-off fee may apply.</li> </ul>
<b>Best Efforts Contract Requirements</b>	<ul style="list-style-type: none"> <li>• Lock in competitive rates in a cash contract that must be delivered to Freddie Mac only if the borrower closes the loan. For loans that don't close, simply withdraw the contract without incurring a pair-off fee.</li> <li>• Loan substitution is not allowed.</li> <li>• If any loan characteristics change, you may need to modify the loan and reprice the contract using the prices in effect on the original contract date.</li> <li>• You can extend your best efforts expiration date for a fee at any time prior to funding, as long as the loan is not set for funding. A listing of the best efforts cash contract extension fees is available at <a href="http://www.freddiemac.com/singlefamily/extension-fees.html">http://www.freddiemac.com/singlefamily/extension-fees.html</a>.</li> </ul>
<b>Net Settlement</b>	<ul style="list-style-type: none"> <li>• Escrows, interest adjustments, servicing spreads, tax service fees, transaction fees, and other funds initially due to the transferee Servicer are automatically subtracted from your settlement proceeds and wired to the transferee Servicer at settlement.</li> <li>• Receive settlement twice a day, or choose mornings or afternoons.</li> <li>• Get faster settlement often within the same day as certification (if certified by noon) provided the settlement designation is PM or both AM/PM settlement.</li> <li>• Loans can settle individually within a contract as they are ready.</li> <li>• Choose multiple warehouse lenders within a single contract.</li> </ul>
<b>Selling System Efficiencies</b>	<p>These unique selling system options make it easier for you to use our servicing-released execution:</p> <ul style="list-style-type: none"> <li>• Live pricing for all eligible products, delivery periods, and interest rates with a single request.</li> <li>• Immediate warning messages for missing or inconsistent data after running purchase edits (known as evaluation).</li> <li>• Manage outstanding contracts with loan- and contract-level views.</li> </ul>

**Learn more about selling your loans for cash, servicing-released:**

- Refer to Guide Chapter 9 for information on Seller eligibility
- Refer to Guide Chapter A1 for special requirements for mortgages sold through the selling system
- Refer to Guide Exhibit 28A for the *Loan Servicing Purchase and Sale Agreement for the Servicing-Released Sales Process*
- Contact your Freddie Mac Representative or call (800) FREDDIE
- Visit [www.FreddieMac.com/sell/factsheets/cash\\_servicing.html](http://www.FreddieMac.com/sell/factsheets/cash_servicing.html)