

INSTRUCTIONS FOR FILING FORM 1065A

Use: A Servicer must prepare this form to notify Freddie Mac that, in connection with a Senior Subordinate Trust, it submitted original, corrected or voided IRS Forms 1099-A and 1099-C directly to the IRS*. Submit the completed Form 1065A to the following address:

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

* Servicers must use Form 1065, and not this Form 1065A, when reporting this information for all other Freddie Mac Mortgages.

Sources: Servicers must reproduce Form 1065A.

Electronic submission: Servicers must submit IRS Forms 1099-A and/or 1099-C information to the IRS electronically, and must submit only one Form 1065A to Freddie Mac in hardcopy.

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 nine-digit Freddie Mac loan number on Form 1065A. If the Servicer must list more than 26 Mortgages, it may attach an addendum to the form or submit another Form 1065A.

GENERAL INFORMATION

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, and IRS Form 1099-C, Cancellation of Debt, for mailing to the Borrowers 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
McLean, VA 22102

Lender's federal identification number. [Insert Senior Subordinate Trust's TIN as provided in the written notice from Freddie Mac]

Borrower's identification number. For an individual or a sole proprietor, enter the individual's SSN. For a single-member LLC that is a "disregarded entity" under Regulations Section 301.7701-3, enter the single-member's SSN or TIN, as applicable. For a partnership, corporation, or an LLC taxed as a partnership or corporation, enter the entity's TIN.

When more than one Borrower has an interest in the property, file an IRS Form 1099-A or Form 1099-C for each Co-Borrower. (However, for debts incurred on or before December 31, 1994, and for debts of less than \$10,000 incurred on or after January 1, 1995, file an IRS Form 1099-C only for the primary (or first-named) Borrower.) Generally, only one IRS Form 1099-A or 1099-C should be filed for married Borrowers who are jointly liable.

Borrower's name. For an individual or a sole proprietor, show the individual's name on the first name line; on the second name line, enter the "doing business as" (DBA) name. For a single-member LLC that is a "disregarded entity" under Regulations Section 301.7701-3, enter the single-member's name on the first name line and the LLC's name on the second name line. For a partnership, a corporation or an LLC taxed as a partnership or corporation, enter the entity's name.

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.

IRS FORM 1099-A COMPLETION INSTRUCTIONS

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 Senior Subordinate Trust acquired an interest in the property. 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 12/15/2014, but the redemption period does not expire until 6/15/2015, the Servicer must submit the IRS Form 1099-A for the 2015 reporting period, not 2014.
- **Sale to a third party.** Insert the date that a third party acquired the property at a foreclosure or similar sale.
- **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 12/31/2014. If the Servicer does not intend to start foreclosure proceedings within three months, it would prepare an IRS Form 1099-A for 2014, showing 12/31/2014 as the acquisition date. The Servicer would file the IRS Form 1099-A with the IRS on or before March 31, 2015, and furnish a statement to the Borrower on or before January 31, 2015. But, if the Servicer expected to begin foreclosure proceedings within the next three months, it would prepare a return for 2015 and file such return in 2016, 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. Reserved. Leave this box blank.

Box 4. Fair market value (FMV) of property. For a foreclosure, execution or similar sale, enter the FMV of the property. Generally, the gross foreclosure bid price is considered to be the FMV. 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. Was the Borrower personally liable for repayment of the debt. If State law specifies that the Borrower is personally liable for repayment of the loan at the time the debt was created, check the box, otherwise leave blank.

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.

IRS FORM 1099-C FILING INSTRUCTIONS

Box 1. Date of Identifiable Event. Enter the date of the “identifiable event” as defined in the Guide.

Box 2. Amount of Debt Discharged. Enter the amount of the canceled debt. The amount of the canceled debt cannot be greater than the total debt less any amount received in satisfaction of the debt by means of a settlement agreement, foreclosure sale, etc.

Box 3. Interest if Included in Box 2. Enter any interest included in the canceled debt amount in Box 2. Again, interest need not be included in Box 2; but if it is included in Box 2, it must also be included in Box 3.

Box 4. Debt Description. Enter “mortgage”. If the Servicer is filing a combined IRS Form 1099-A and 1099-C, include a description of the property.

Box 5. Check Here if the Debtor was Personally Liable for Repayment of the Debt. If State law specifies that the Borrower is personally liable for repayment of the loan at the time the debt was created, check the box, otherwise leave blank.

Box 6. Identifiable Event Code. See current IRS “Instructions for Forms 1099-A and 1099-C” section titled “When is a Debt Canceled.”

Box 7. Fair Market Value (FMV) of Property. If the Servicer is filing a combined IRS Form 1099-A and 1099-C for a foreclosure, execution, or similar sale, enter the FMV of the property. Otherwise leave Box 7 blank. Generally, the gross foreclosure bid price is considered to be the FMV. If an abandonment or voluntary conveyance in lieu of foreclosure occurred, enter the appraised value of the property.