Sell and Deliver Mortgages with Specified Attributes to Freddie Mac

Overview

Freddie Mac offers a payup to standard cash pricing for eligible loans that have specified attributes. This reference is designed to assist you with instructions and tips on selling and delivering these mortgages to Freddie Mac, using Loan Selling Advisor®. The following topics are included:

Mortgage Eligibility and Delivery Requirements

The table that follows identifies general contract eligibility requirements, as well as specific requirements for completing contract terms.

<table>
<thead>
<tr>
<th>Contract Eligibility and Other Requirements</th>
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<tbody>
<tr>
<td>Pricing commitment hours</td>
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<tr>
<td>Eligible mortgages</td>
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<tr>
<td>Contract type</td>
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<table>
<thead>
<tr>
<th>Contract Terms</th>
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</table>
| Specified Attributes | • Low loan balances (LLBs): $85K, $110K, $125K, $150K, $175K and $200K
| | • Property in New York (NY)
| | • Borrower FICO® score < 700
| | • Investment
| | • Super conforming |
| Eligible Mortgages | 10-, 15-, 20- and 30-year fixed-rate mortgages |
| Ineligible Mortgages | • ARMs
| | • Mortgages with LTV ratios greater than 105 percent
| | • Super conforming mortgages are not eligible for additional payups based on the following attributes: Property in NY, Investment, or FICO < 70 |
| Eligible Executions | • Mandatory Retained
| | • Mandatory Released |
Accessing Cash-Specified Payup Price Tables

Freddie Mac posts cash specified payup tables daily to Loan Selling Advisor. These tables (grids) are available in PDF or XML format. Before you can access the payup tables (grids), you must request a price sheet by performing the following steps:

1. From the **Contracts** menu, click **Request Freddie Mac Cash Price Sheet**.

   ![Contracts Menu](image)

   - Request Freddie Mac Cash Price Sheet
   - Take Out Cash Contract
   - View Import Guarantor Contract Results
   - Add Loans To Cash Contract
   - Guarantor Pricing & Contracts
   - Manage Cash Contract Templates
   - Remove Loans From Cash Contract
   - Pair Off or Extend Cash Contract
   - Search For Cash Contracts
   - View Contract Pipeline

2. In the Request Freddie Mac Price Sheet page, select the price sheet parameters and click **Create Price Sheet**.

   ![Price Sheet Parameters](image)

3. Select the **Servicing Fee Rate**, **Contract Product**, **Contract Period**, **Interest Rate** and **Remittance Option**, and click **Next**.

   ![Price Sheet Creation](image)
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The **Contract Option**, **Servicing Option**, and **Servicing Fee Rate** automatically populate based on prior selections you have made.

4. The Freddie Mac Price Sheet page displays. Click the **Cash Specified Payups** link to access the tables.

5. In the screen that appears, click one of the options boxed in red in the image that follows.
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Cash Payups for Mortgages with Specified Attributes

For Mortgages with certain attributes, Sellers may be eligible to receive specified payups to standard cash pricing once the Mortgages are allocated to an applicable Cash Contract in Loan Selling Advisor®. The contract must be a 15-, 20-, or 30-year mandatory fixed-rate contract. The cash payups are eligible for commitment periods up to 60 days and are applied as a credit against assessed Credit Fees in Price.

Use the information on this page to help you make best execution decisions when selling loans for cash. Please note that payup price levels are indications only and are subject to change.

Access Our Cash Specified Payups Tables

- Payup grid in PDF (Last updated: 01/17/2018, 05:28 PM) – Refer to this file for quick reference.
- Payup grid in XML (Last updated: 01/17/2018, 05:29 PM) – Access our cash payup data in a file format compatible with your business processes. Need to download in Excel.

6. The tables display the effective date of prices, product, coupon, min and max rates and max loan amounts, and the payup basis points (bps) for each pool range. A portion of one such table, produced in PDF format, is shown in the image that follows (Note: This is a sample table, and does not represent current pricing).

The contract price does not include the payup price. Payup prices display at a loan-level. For more information, see View Loan-Level Payup Price Information.

When performing the best execution, reference the payup grid based on the commitment date.

Creating a Cash Specified Pool Contract

To create a Cash Specified Pool contract, do the following:

1. Click Contracts, and then click Take Out Cash Contract.
2. The **Create New Contract** page. Select **Mandatory** and **Fixed**, select a **Servicing Option**, and then click **Create Contract**.

3. The **Loan Purchase Contract Terms** page displays. Complete all required fields and then click **Price Contract**.
4. A 60-second pricing timer appears, along with the contract price information. If the contract terms and price are acceptable, click **Accept**. If the terms are not acceptable, click **Reject**, at which time the system allows you to re-price the contract.

![60-second pricing timer](image)

5. If you accept the price, the system next presents a 15-second pricing timer. If the price is acceptable, click **I AGREE**. To re-price the contract or access other functionality, click **I DO NOT AGREE**.

![15-second pricing timer](image)

6. If you click **I AGREE**, the **Cash Contract Details** screen appears. In the example that follows, loans have not been allocated to the contract.

![Cash Contract Details](image)
How to View Loan-Level Payup Price Information

You can view loan-level payup price information from the Contract Details or View Loan Pipeline pages. Follow the step-by-step instructions below to learn how.

View Loan-Level Payup Price Information from the Contract Details Page

To view loan-level price information from the Contract Details page, do the following:

1. Log on to Loan Selling Advisor, and search for the contract that contains the relevant loan.

2. From the Cash Contract Details screen, click the Total Fees link.

   To view the most up-to-date fee/credit information, ensure the loan has been priced against the contract terms. This function is available in the loan options box before the loan funds.

3. The Fee Breakdown window displays a breakdown of loan-level fees and credits. Notice the Cash Payup for Low Loan Balance credit (shown in the image that follows) is based on the UPB maximum of the Cash Specified Pool Type to which the loan has been allocated, and displays the credit both in basis points and a dollar amount.
View Loan-Level Payup Price Information from the View Loan Pipeline page

To view loan-level price information from the Loan Pipeline screen, do the following:

1. Click Loans, and then click View Loan Pipeline.

2. Enter search information, and then click SEARCH.

3. The loan information appears at the bottom of the screen. Scroll to the right to view the Total Delivery Fees information, as in the image that follows. Click the dollar value to view the Fee Breakdown window.

   Select the “Advanced View” or a custom view that contains the Total Delivery Fees column. The Basic View does not.

4. The Fee Breakdown window displays a breakdown of loan-level fees and credits. Notice the Cash Payup for Low Loan Balance credit (highlighted in the image that follows) is based on the original Note amount (in this example, less than or equal to $175,000). The credit amount displays both in basis points and a dollar amount.
Resources

For additional help, consult these resources:

  - General eligibility information for LLB and non-LLB cash payup programs information;
  - FAQs

- The import loan specification file, at [https://sf.freddiemac.com/content/_assets/resources/xml/fre_ig_selling_system_appendix_a_data_requirements.pdf](https://sf.freddiemac.com/content/_assets/resources/xml/fre_ig_selling_system_appendix_a_data_requirements.pdf).

- For questions and further assistance:
  - Cash_ex@freddiemac.com.
  - Customer Support, 800-FREDDIE.
  - Your Freddie Mac representative.

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