

Completing Letter Agreement(s) and Form 1132A



Introduction:

The Single-Family Seller/Servicer Guide (Guide) requires Freddie Mac Servicers and/or Subservicers (Servicing Agents) to submit Letter Agreement Form(s) for each Seller/Servicer number, upon establishing Principal/Interest (P&I) and Escrow (T&I) custodial fund account(s) at an eligible depository.

If Seller/Servicer or Depository has a name change and there are no changes to the existing Principal/Interest (P&I) and Escrow (T&I) custodial fund account(s), we recommend submitting completed Letter Agreement Form(s) to reflect the updated name change.

The Letter Agreement Form establishes the documented agreement of Servicers to open and maintain Fund Custodian accounts on behalf of Freddie Mac, and Form 1132A provides authorization for Freddie Mac to initiate drafts to designated Principal/Interest Fund Custodian bank accounts.

Letter Agreement Form(s):

If the Seller/Servicer has an approved Subservicer (Servicing Agent) relationship, the Subservicer (Servicing Agent) title must be captured on the form along with the Servicer's name in the "Typed name of Depositor Servicer" or "Type name of Servicer" section of the Letter Agreement Form(s) (Ex: ABC Mortgage Company subserviced by LLP Corp).

Completing a designated Letter Agreement Form(s) type is based on whether the Servicer opens the Fund Custodian bank accounts at their own financial institution or at another eligible depository. See use of forms outlined below.

Own depository: If the Servicer is an eligible depository and opens a Fund Custodian bank account at its own financial institution, the Servicer must execute and return the following documents to Freddie Mac for each Fund Custodian bank account(s):

- [Form 1059SF](#) Letter Agreement for Single-Family Principal and Interest, or P & I Disbursement Clearing Custodial Account.
- [Form 1060SF](#), Letter Agreement for Single-Family Buydown or Escrow Custodial Account.

Other Depository: If the Servicer opens a Fund Custodian bank account at an eligible depository other than its own financial institution, both the Servicer and the depository's representative must execute and return the following documents to Freddie Mac for each Fund Custodian bank account(s):

- [Form 1057SF](#), Letter Agreement for Servicer's Single-Family Principal and Interest, or P & I Disbursement Clearing Custodial Account.
- [Form 1058SF](#), Letter Agreement for Servicer's Single-Family Buydown or Escrow Custodial Account.

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Completed Letter Agreement(s) and required documents:

- Copies of the signature cards and /or bank statements that state exactly the P&I and Escrow custodial bank account title selection(s) checked on page one for each Letter Agreement Form(s).

Send completed forms and additional required documents via email to:

Letter_Agreements@freddiemac.com

Once we are in receipt and have reviewed the form(s), notification will be provided to Servicer and/or Subservicer (Servicing Agent) acknowledging the processing of the Letter Agreement form(s) with Freddie Mac.

Form 1132A:

Seller/Servicers and/or Sub-servicers (Servicing Agents) must complete and submit Form 1132A for Automatic Clearing House drafts by Freddie Mac for the processing of Principal/Interest, payoffs and other liquidations. Completed forms must be forwarded to cashcollections@freddiemac.com. Servicers must also complete the accommodating Letter Agreement Form 1057SF and/or 1059SF for the processing and set-up of the new and/or replacement of P&I custodial and P&I Disbursement Clearing account(s) for drafting.

This document is not a replacement or substitute for the information found in the Single-Family Seller/Servicer Guide, and /or terms of your other Purchase Documents. © 2021 Freddie Mac

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