

(c) Delivery of possession of documents to the Seller/Servicer

The Seller/Servicer may require physical possession of a Note and other documents in connection with Servicing a Mortgage, including, but not limited to, bringing or defending a Legal Action or conducting a foreclosure or in connection with the maturity, prepayment, repurchase, substitution, conversion, modification or assumption of a Mortgage. In such circumstances, Freddie Mac will deliver physical possession of the Note to the Seller/Servicer as set forth in this Section 8107.2(c)

When Servicing a Mortgage with respect to which the Seller/Servicer is required to be in physical possession of the Note, the Seller/Servicer shall deliver a Form 1036 to the Document Custodian.

To use an Electronic, as defined in Chapter 1401 or system-generated version of the Form 1036, the Seller/Servicer must enter into an electronic transaction agreement with the Document Custodian that:

- Defines Electronic Signature and the type(s) of electronic transmission(s) permitted
- States the Document Custodian's requirements for accepting an Electronic Signature
- States the Seller/Servicer's requirements for maintaining and controlling access to Electronic Signature information
- Clearly assigns liability when the terms of the agreement are violated

In addition, the Seller/Servicer must provide, and the Document Custodian must retain, a list of the individuals designated by the Seller/Servicer to request the release of documents electronically. The list must be signed by an authorized officer of the Seller/Servicer and contain the notarized signatures of the Seller/Servicer's designated individuals.

An Electronic or system-generated Form 1036 must contain all of the information required on the paper Form 1036. A single electronic form may be used to request multiple Notes, provided that the Note is separately listed and identified.

Upon receipt of a signed Form 1036 from the Seller/Servicer, the Document Custodian maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac, shall transfer and deliver physical possession of the Note to the Seller/Servicer. Upon receipt of the Note, the Seller/Servicer shall automatically, immediately and conclusively be deemed to be: (i) in physical possession of the Note, (ii) the holder of the Note, (iii) entitled to enforce the Note, and (iv) duly authorized by Freddie Mac to take Legal Action in connection with Servicing the related Mortgage.

If a document is no longer needed for the reason originally cited on the request, or when the Legal Action is concluded, the Seller/Servicer must promptly return the Note and related documents and a copy of the Form 1036 to the Document Custodian, or return the Note and related other documents required by the Designated Custodian. Upon receipt of the returned Note, the Document Custodian and/or Designated Custodian, as applicable, shall immediately resume maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac, as set forth in the Custodial Agreement, and update its note tracking system to reflect receipt of the Note and any other documents.

Notes and related documents may be transported only by a nationally recognized commercial or bonded carrier or courier service.

See Section 8107.1(b) for additional information on returning Notes to the Document Custodian.

(d) Form imaging and retention requirements

The Document Custodian must retain either the original or an imaged copy of the Form 1036 or its equivalent for at least three months after the date the Mortgage is paid off. The Document Custodian need not retain a Form 1034E, or Note Delivery Cover Sheet, after the related Mortgages have been certified.

Imaged copies of the forms are permitted, provided that:

- Such copies were made in the regular course of business pursuant to Document Custodian's written policy
- Each imaged copy accurately reproduces or forms a durable medium for reproducing the original document
- There is equipment to view or read and to reproduce the imaged copies into legible documents at the location where the imaged copies are maintained

The Document Custodian may destroy:

- Original Certification Schedules after making imaged copies that meet the above criteria
- Requests for Release after making imaged copies that meet the above criteria and updating Document Custodian's Note tracking system to indicate the date of and reason for release of the related documents
- All original or imaged copies of Certification Schedules and Requests for Release after expiration of the retention period

In disposing of such documents, the Document Custodian must have in place and follow procedures to ensure the confidentiality of Borrowers' private personal information and must use disposal methods that safeguard such confidentiality.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 9000: Servicing Default Management / Topic 9300: Foreclosure / Chapter 9301: Foreclosure / 9301.1: Foreclosures on Freddie Mac Mortgages (03/02/16)

9301.1: Foreclosures on Freddie Mac Mortgages (03/02/16)

The Servicer must refer to, manage and complete foreclosure in accordance with this chapter when there is no available alternative to foreclosure. Additionally, Freddie Mac requires the Servicer to manage the foreclosure process to acquire clear and marketable title to the property in a cost-effective, expeditious and efficient manner.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 9000: Servicing Default Management / Topic 9300: Foreclosure / Chapter 9301: Foreclosure / 9301.11: Obtaining the original Note (03/02/16)

9301.11: Obtaining the original Note (03/02/16)

If physical or constructive possession of the original Note is needed to perform the foreclosure, the Servicer must request the Note from the Document Custodian maintaining the Note by submitting to the Document Custodian a completed Form 1036, Request for Physical or Constructive Possession of Documents, or an electronic or system-generated version of the form (or, in the case of the Designated Custodian, a copy of the electronically generated 1036 Release Receipt Report) in accordance with the requirements of Section 8107.1(b).

If there is a full or partial reinstatement of the Mortgage, the Servicer must return the Note to the Document Custodian with either the original Form 1036 or a copy.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 9000: Servicing Default Management / Topic 9300: Foreclosure / Chapter 9301: Foreclosure / 9301.12: Foreclosing in the Servicer's name (03/02/16)

9301.12: Foreclosing in the Servicer's name (03/02/16)

(a) Conducting the foreclosure

The Servicer must instruct the foreclosure counsel to process the foreclosure in the Servicer's name and in a manner that would avoid any obligation to pay a transfer tax. However, the Servicer may instruct foreclosure counsel to conduct the foreclosure in Freddie Mac's name if applicable law:

- Precludes the Servicer from conducting the foreclosure in its name because it owns or services a subordinate Mortgage on the Mortgaged Premises, or
- Requires the foreclosure to be processed in Freddie Mac's name to avoid any obligation to pay a transfer tax and foreclosure counsel could not otherwise process the foreclosure in a manner that would successfully avoid imposition of the transfer tax obligation

For these special circumstances, the Servicer does not need to obtain written approval but must notify Freddie Mac within two Business Days of the Servicer's determination to foreclose in Freddie Mac's name and record the basis of the decision in the Mortgage file. All notifications must be sent via e-mail (**see Directory 5**). For all other circumstances in which the Servicer may need to instruct foreclosure counsel to conduct the foreclosure in Freddie Mac's name, the Servicer must obtain written approval from Freddie Mac (refer to Section 9402.2 regarding initiating legal actions on Freddie Mac's behalf).

When processing the foreclosure in Freddie Mac's name, all pleadings and related documents must comply with Section 9402.2(c). The Servicer remains obligated to notify Freddie Mac pursuant to Section 9501.12 in the event that any foreclosure conducted in Freddie Mac's name evolves into a non-routine litigation matter (see Section 9402.2).

When a Servicer conducts the foreclosure in Freddie Mac's name, the Servicer is not permitted to have the same foreclosure counsel represent the Servicer or another lien holder in the same proceeding. Freddie Mac does not consent to dual representation of Freddie Mac and another lien holder on the same property.

(b) Executing documents

If Freddie Mac needs to execute a document for the Servicer to process the foreclosure, or execute a document related to a foreclosure sale, the Servicer must submit Form 105, Multipurpose Loan Servicing Transmittal, to Freddie Mac (**see Directory 5**) with all supporting documentation, which may include, but is not limited to, the last recorded document in the chain of title, and include the document Freddie Mac needs to execute.

If an assignment of the Security Instrument to Freddie Mac has been recorded and the Servicer is conducting the foreclosure in its name, then the Security Instrument must be assigned back to the Servicer before the foreclosure counsel files the first legal action. Refer to Section 9301.16 for an explanation of first legal action.

To have the Security Instrument assigned back to the Servicer, the Servicer must submit a completed assignment with a Request for Assistance Form (available at: <http://www.freddiemac.com/cim/docex.html>), to Freddie Mac (**see Directory 9**). Freddie Mac will endeavor to execute the assignment and return it to the Servicer within 10-12 Business Days of receiving the documents.

If the Servicer is foreclosing on a Mortgage registered with MERS®, the Servicer must prepare and execute (using the Servicer's employee who is a MERS authorized "signing officer") an assignment of the Security Instrument from MERS to the Servicer. The Servicer must record the prepared assignment where required by State law. State mandated recordings are non-reimbursable by Freddie Mac, are not considered part of the Freddie Mac allowable foreclosure counsel fees and must not be billed to the Borrower.

If the Mortgage is an FHA, Section 502 GRH or VA Mortgage, then the Servicer must follow FHA, RHS or VA guidelines to determine in whose name the foreclosure action should be brought.

Refer to Section 6301.6 for additional information on Freddie Mac's requirements for assignments of the Security Instrument.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 9000: Servicing Default Management / Topic 9400: Bankruptcy and Other Litigation Involving Freddie Mac-Owned or Guaranteed Mortgages / Chapter 9401: Bankruptcy / 9401.1: Bankruptcy (10/12/16)

9401.1: Bankruptcy (10/12/16)

This chapter provides Servicers with Freddie Mac's requirements for Servicing Mortgages subject to bankruptcy proceedings or litigation. The Servicer must take appropriate action to protect Freddie Mac's interest during bankruptcy proceedings in which the Borrower is the debtor.

(Refer to Chapter 9402 for requirements **for Servicing Mortgages subject to other** litigation).

Related Guide Bulletins	Issue Date
Bulletin 2016-13	July 13, 2016

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 9000: Servicing Default Management / Topic 9400: Bankruptcy and Other Litigation Involving Freddie Mac-Owned or Guaranteed Mortgages / Chapter 9402: Other Litigation Involving Freddie Mac-Owned or Guaranteed Mortgages / 9402.2: Routine and non-routine litigation (07/13/16)

9402.2: Routine and non-routine litigation (07/13/16)

(a) Definition of routine and non-routine litigation

- **Routine litigation** generally is a contested action in which the Borrower alleges case-specific defenses or issues which, if successful, would not create negative legal precedent beyond the immediate case
- **Non-routine litigation** generally is a contested action in which the Borrower alleges case-specific defenses or issues, which, if successful, would create negative legal precedent beyond the immediate case

Examples of non-routine litigation that must be reported to Freddie Mac as non-routine litigation include, but are not limited to, the following:

- Actions that name Freddie Mac as a party
- Action that seeks monetary relief against Freddie Mac, including any claim (including counterclaims, cross-claims, or third-party claims in foreclosure or bankruptcy actions) for damages against Freddie Mac or its officers, directors, or employees
- Actions that challenge the validity, priority, or enforceability of a Freddie Mac-owned or guaranteed Mortgage or seek to impair Freddie Mac's interest in an REO including, by way of example:
 1. An action seeking to demolish a structure on the property or the property as a result of a code violation
 2. An action seeking to avoid a lien based on a failure to comply with a law or regulation
 3. An attempt by a junior lienholder to assert priority over a Freddie Mac-owned or guaranteed Mortgage or extinguish Freddie Mac's interests
 4. A quiet title action seeking to declare Freddie Mac's lien void; and
 5. An attempt by a Borrower to effect a cramdown of a Mortgage in bankruptcy as to which Freddie Mac has not delegated authority to the Servicer or law firm to address
- Actions that present an issue that may pose significant legal or reputational risk to Freddie Mac include, by way of example:
 1. Any issue involving Freddie Mac's conservatorship, its conservator, FHFA, Freddie Mac's status as a federal instrumentality, or an interpretation of Freddie Mac's charter
 2. Any assertion that Freddie Mac is a federal agency or otherwise part of the United States Government
 3. Any "due process" or other constitutional challenge
 4. Any challenge to the methods by which Freddie Mac does business
 5. Any putative class actions involving a Freddie Mac-owned or guaranteed Mortgage

6. Challenges to the standing of the Servicer to conduct foreclosures or bankruptcies which, if successful, could create negative legal precedent with an impact beyond the immediate case
7. Challenges to the methods by which MERS® does business or its ability to act as nominee under a Mortgage
8. Any "show cause orders" or motions for sanctions relating to a Freddie Mac-owned or guaranteed Mortgage, whether against Freddie Mac, the Servicer, a law firm, or a vendor of the Servicer or law firm
9. Any appellate or other action for post-judgment relief in any foreclosure, bankruptcy or legal action in which Freddie Mac is a named party
10. Foreclosures on HUD-Guaranteed Section 184 Native American Mortgages
11. Any environmental litigation relating to a Freddie Mac-owned or guaranteed Mortgage
12. A need to foreclose judicially in a State where non-judicial foreclosures predominate
13. Any claim invoking Home Affordable Modification Program (HAMP®) as a basis to challenge a foreclosure
14. Any claim brought by a governmental body
15. Cross-border insolvency proceedings under Chapter 15 of the Bankruptcy Code
16. Any claim of predatory lending or discrimination in Mortgage origination or Servicing; and
17. Any claim implicating the interpretation of the terms of the Fannie Mae/Freddie Mac Uniform Mortgage Instruments

Given the evolving nature of default-related litigation, it is not possible to provide an exhaustive list of non-routine litigation. Each contested action presents unique circumstances, and the Servicer should evaluate each action on a case-by-case basis to determine whether a contested action is routine or non-routine.

(b) Legal actions and strategies initiated by the Servicer

A Servicer **must** obtain written approval (**see Directory 5**) from the Freddie Mac Legal Division prior to initiating the following legal actions and strategies:

- Filing a new legal action, other than a Freddie Mac Default Legal Matter, on behalf of Freddie Mac
- Filing a motion to intervene in a pending legal action on behalf of Freddie Mac
- Appealing or otherwise challenging a judgment in any foreclosure or bankruptcy proceeding, or any legal action in which Freddie Mac is a named party
- Filing a notice of removal to federal district court for any legal action in which Freddie Mac is a named party
- Asserting any position in a legal action that relates to Freddie Mac's status as a Government Sponsored Enterprise (GSE), its conservatorship, or its conservator, FHFA
- Propounding discovery requests or otherwise serving or providing any discovery responses on behalf of Freddie Mac

(c) Referring to Freddie Mac in litigation

Freddie Mac must be described in legal proceedings as "Federal Home Loan Mortgage Corporation ("Freddie Mac"), a corporation organized and existing under the laws of the United States of America." Freddie Mac may not be referred to as a "government agency."

(d) MERS-registered Mortgages

See Section 8101.12(b) for additional requirements relating to notices from MERS and MERS-registered Mortgages.

Related Guide Bulletins	Issue Date
Bulletin 2016-13	July 13, 2016

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.1: Servicer's management of law firms for Freddie Mac Default Legal Matters (03/02/16)

9501.1: Servicer's management of law firms for Freddie Mac Default Legal Matters (03/02/16)

This chapter sets forth requirements for the Servicer's review and evaluation, selection, retention and management of law firms (referred to throughout this chapter as "firms") for Freddie Mac Default Legal Matters.

Effective June 1, 2013, all referrals of Freddie Mac Default Legal Matters must be conducted in accordance with the requirements of Chapter 9501. Chapter 9501 governs the referral of Freddie Mac Default Legal Matters to law firms selected by the Servicer under the requirements of Section 9501.7.

Effective August 1, 2013, Servicers must comply with all requirements of this chapter in order to refer Freddie Mac Default Legal Matters to law firms. Refer to Chapter 9502 for requirements related to Default Legal Matters referred prior to the August 1, 2013 effective date.

Each Servicer is responsible for retaining firms for Freddie Mac Default Legal Matters. Freddie Mac will continue to retain firms directly for REO-related legal services: eviction, REO closing, and related litigation (refer to Chapters 9401 and 9402 for more information relating to litigation).

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.2: Review and evaluation of firms (03/02/16)

9501.2: Review and evaluation of firms (03/02/16)

(a) Due diligence

As part of its selection process, each Servicer is responsible for obtaining and evaluating documentation and information from firms, and conducting due diligence to ensure that selected firms meet the requirements set forth in Section 9501.3. As part of the process, each Servicer must:

- Obtain and review all required documentation and information submitted by each firm
- Ensure that it selects from a pool of potentially acceptable firms that is diverse, and includes minority and women-owned firms and other diverse firms when feasible; and
- Ensure that the firm or any entity or individual performing work for the firm is not on the Freddie Mac Exclusionary List in accordance with Section 3101.1

(b) Due diligence documentation

The Servicer must provide to Freddie Mac upon request a copy of each firm's application information and related due diligence documentation. Freddie Mac reserves the right to review the process, procedures and due diligence used by the Servicer to evaluate and select a firm.

(c) Document retention requirements

The Servicer must retain all information submitted by a firm in support of the firm's application and all information otherwise gathered by the Servicer regarding the firm. The Servicer must maintain any information relating to firms that are selected and retained by the Servicer for as long as the firm is providing legal services with respect to Freddie Mac-owned or guaranteed Mortgages and, thereafter, for the longer of any retention period applicable to the Servicer or seven years. The Servicer must maintain any information relating to firms that are not selected and retained by the Servicer for the longer of any retention period applicable to the Servicer or seven years.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.3: Firm Minimum Requirements (06/29/16)

9501.3: Firm Minimum Requirements (06/29/16)

The Servicer must ensure that all firms selected and retained to handle Freddie Mac Default Legal Matters meet the firm minimum requirements specified in this section ("Firm Minimum Requirements"), and all other applicable Freddie Mac requirements. The Firm Minimum Requirements are as follows:

(a) Firm practice

The firm's practice areas must include end-to-end default-related legal services: foreclosure, bankruptcy, loss mitigation (e.g., deeds-in-lieu of foreclosure), default-related litigation and REO-related legal services: eviction, REO closing and related litigation.

The firm must:

- Be familiar with industry standards in the State in which it practices
- Understand the State legal processes and requirements in default-related and REO-related legal services; and
- Understand the substantive legal issues in the State (e.g., standing)

Additionally, the Servicer must consider firm experience in the following areas: foreclosure mediation, the Fair Debt Collection Practices Act, title curative issues, and general housing-related issues (e.g., rent control, Section 8, lead paint liability, health code violations, foreclosure redemption, confirmation and ratification, homeowners association, mobile home matters, and cooperative loans). The firm should also have some experience with delegation for loss mitigation.

The Servicer must also consider the firm's membership in default-related and REO-related trade and industry groups, attendance or participation in State bar associations, seminar and lecture participation and attendance, and any other activities relevant to default-related and REO-related law practice.

(b) Presence in State

Firms generally must have a staffed office in the State in which the firm is retained for Freddie Mac Default Legal Matters.

In addition:

- The legal work must be performed by the attorneys licensed in the State where the Mortgaged Premises is located
- The firm must be registered, as necessary, with appropriate State authorities
- For the States in which an appropriately staffed office is required, the firm must disclose to the Servicer the extent, if any, to which work will be performed by an office of the firm in another State
- The Servicer must require the firm to disclose to the Servicer where the staff handling the work in the particular State is located, and to whom the staff in that office regularly reports; and
- The Servicer must obtain office addresses for each firm it seeks to retain

1. Judicial foreclosure States

In judicial foreclosure States, the firm must have an appropriately staffed office in the State in which the firm is retained for Freddie Mac Default Legal Matters.

2. Non-Judicial foreclosure States

In non-judicial foreclosure States, a firm must have an appropriately staffed office located in the State in which the firm is retained, except in the following non-judicial foreclosure States: Alaska, District of Columbia, Idaho, New Hampshire, Rhode Island, Montana, West Virginia and Wyoming. In those States, Servicers should give preference to firms that have staffed offices in those States. However, out-of-State firms may be used to handle Freddie Mac Default Legal Matters, provided that the firm is located in the same region of the country and is able to demonstrate that it has policies, procedures and processes in place to handle cases from out of State.

Servicers may use firms outside of Puerto Rico, the U.S. Virgin Islands and Guam to handle foreclosure and bankruptcy matters in those States. Servicers should give preference to firms that have staffed offices in the State, but out-of-State firms may be used, provided that they are able to demonstrate that they have policies, procedures and processes in place to handle cases from outside the State.

If a Servicer has difficulty finding a sufficient number of firms with appropriately staffed offices in States other than those listed in the exceptions above, the Servicer may contact Freddie Mac to request an exception to the requirement that a firm have an appropriately staffed office located in the State. Requests should be sent to Freddie Mac (**see Directory 1**).

(c) State-specific industry references

The Servicer must obtain from the firm at least two State-specific mortgage servicers or default-related references, or if the firm has been in existence less than one year, the partners or shareholders of the firm must provide at least two Servicer or default-related references in connection with work performed in the particular State.

(d) Statewide coverage and use of local counsel

The Servicer must ensure that the firm has the ability to cover foreclosure, bankruptcy, eviction, REO closing matters and default-related litigation throughout the State.

If the firm has partnerships or relationships with third parties (e.g., local counsel, trustee companies or title companies) that will perform or complete some aspect of the default-related and REO-related work, the Servicer must require the firm to: (i) obtain disclosure from the firm regarding such relationships and the extent to which third parties will be relied upon and (ii) determine whether the firm has a reasonable contingency plan for the loss of any of those relationships or operational processes. In evaluating any such third-party relationship, the Servicer must consider the length of time the relationship has existed and the adequacy of the firm's written policies to mitigate third-party risk.

If a firm uses local counsel to handle matters within the State, the Servicer must ensure that the firm has a process to select, manage, and review the local counsel and their work product. The process must be designed to ensure that local attorneys are qualified and adequately trained and have a satisfactory history with respect to bar complaints, sanctions and similar matters.

For a firm's contested caseload (e.g., contested foreclosures and litigated cases), the firm's reliance on local counsel must be minimal. Any use of local counsel for these matters must be structured so that the retained firm will direct and manage the local counsel on those matters.

(e) Prior volume experience

Servicers must confirm the firm and/or managing attorney(s) has completed a sufficient number of foreclosure, bankruptcy, loss mitigation, eviction and REO matters within the past 24 months to demonstrate that the firm has experience in representing creditors in default-related matters.

For the 24-month period, the Servicer must review the total number of matters referred, the total number of matters completed and the number of matters currently pending for each of the following areas: foreclosure, bankruptcy, loss mitigation, eviction and REO closing.

What constitutes a sufficient number of completed default-related and REO-related legal services will vary depending upon the State at issue, the volume the Servicer expects to refer to the firm, and the relative size of the firm. Servicers must consider these factors when making this determination.

(f) Firm has adequate, relevant State-specific experience

The Servicer must confirm that the firm has one or more managing attorney(s) or partner(s) with no less than 8 years of relevant, State-specific experience in foreclosure (including where applicable, confirmation, redemption and ratification matters), bankruptcy, loss mitigation, eviction, and REO closings and litigation. Servicers may make exceptions to this requirement for documented reasons in the event a firm is otherwise qualified.

The Servicer must obtain the names and the years of experience in each area (foreclosure, bankruptcy, eviction, REO closings and related litigation) for the firm's managing attorney(s) or partner(s) and associates.

If the principals or partners of the firm are not actively involved in the management of the firm, the Servicer must consider the level of experience of those actively involved in managing the firm.

(g) One or more of the firm's lead attorneys has adequate, relevant litigation experience in the State

The Servicer must determine whether the firm has at least one lead attorney to handle Freddie Mac Default Legal Matters with a minimum of five years of experience in default-related and REO-related litigation in the State. The firm's partner(s) or managing attorney(s) may act as the lead attorney for Freddie Mac Default Legal Matters. If the firm will utilize staff attorneys for Freddie Mac Default Legal Matters, one or more staff attorneys must have at least three years of experience in handling default-related and REO-related litigation in the State.

(h) Attorney licensing

The Servicer must confirm that the firm's attorneys who will handle Freddie Mac Default Legal Matters are licensed to practice, and in good standing, in the State in which the firm is being retained. Legal work must be performed by attorneys licensed in the State.

(i) Staff experience

The Servicer must determine whether the firm's non-attorney staff has reasonable experience. In determining what constitutes reasonable experience, the Servicer must consider the average years of experience, education, qualifications and demonstrated ability of the non-attorney staff in relation to their respective levels of responsibility.

(j) Staff oversight

The Servicer must confirm that the firm has appropriate attorney-to-staff ratios to ensure appropriate staff oversight given the size of the firm and the firm's operational structure. The Servicer must consider whether the firm practices in a judicial or a non-judicial State, the firm's case management practices, the State-specific process, attorney and staff experience, firm technology and firm infrastructure.

(k) File oversight

The Servicer must confirm that the firm has appropriate (i) attorney-to-file and (ii) staff-to-file ratios, given the size of the firm and the firm's operational structure. The Servicer must take into consideration whether the firm practices in a judicial or a non-judicial foreclosure State, the firm's case management practices, the State-specific processes, attorney and staff experience, firm technology and firm infrastructure.

(l) Firm capacity

As of the date of the submission of the Servicer Selection Form via <https://freddiemacsats.com>, the Servicer must confirm that the firm has the ability to accept additional referrals. Additionally, the Servicer must confirm that the firm is not operating at full capacity, given the existing facilities, personnel, and technology or, alternatively, the firm must outline to the Servicer's satisfaction the steps and time frame necessary to be in a position to handle additional referrals while still maintaining appropriate firm-to-file and staff-to-file ratios. The Servicer must confirm that the firm has contingency plans to deal with a contraction in the market.

(m) Ethics and professional standards

The firm must demonstrate a history of legal practice that comports with applicable legal and ethical standards, reflecting high professional standards. The Servicer must conclude that the firm does not, in the totality of the circumstances, pose a legal and/or reputational risk or exhibit systematic issues that may lead to reputational and/or legal risk to Freddie Mac.

The Servicer must obtain the following information from the firm in order to evaluate the sufficiency of the firm's professional standards:

- Any sanctions against the firm or any of its present or former attorneys in the past five years, including the nature of the sanctions and if they relate to a loan-level matter or systemic firm practice, and if related to firm practice, any corrective actions taken by the firm
- Any bar complaints/reprimands against present and former firm attorneys in the past ten years and whether the complaints were closed, pending or resulted in some form of adverse action
- Any government investigations involving firm practices in the past ten years and whether the investigations involved firm practices or are related to client investigations
- Any damages or settlement of claims as a result of an allegation of professional negligence against the firm or its attorneys in the past five years (i) in excess of \$20,000 in any single occurrence, \$50,000 in the aggregate, or (ii) reflect a possible pattern of professional negligence, regardless of amount; and
- Any significant litigation asserting systemic issues with firm processes or legal work, such as any class action lawsuit against the firm

If the Servicer is aware of any of the above items that involve the firm's professional standards but which were not disclosed by the firm, the Servicer must disclose them to Freddie Mac in the Servicer Selection Form.

The Servicer must obtain a disclosure from the firm regarding whether the firm (or any of its partners, shareholders, or employees while acting as a partner, shareholder, or principal at another firm) has been previously terminated by Freddie Mac or Fannie Mae or had referrals suspended by Freddie Mac or Fannie Mae.

The Servicer must obtain a certification from the firm that, to the best of the firm's knowledge, the firm's documents have been and continue to be prepared, executed and/or notarized in compliance with applicable law. If the firm reports that the firm, its attorneys, notaries or third-parties that the firm relies on to perform any aspect of default-related or REO-related services have previously prepared, executed or notarized documents that have not been in compliance with applicable law, the Servicer must conclude that the firm has instituted controls, procedures, and processes to address the contributing cause(s) of the firm's failure to comply with applicable law in order to execute the Servicer Selection Form.

Freddie Mac expects Servicers to exercise sound judgment and consider the totality of the circumstances in evaluating the potential legal and reputational risks posed by a firm to Freddie Mac. The items for consideration outlined above are not intended to be exhaustive or to disqualify a firm from retention if the Servicer concludes that the firm is acceptable considering the totality of the circumstances.

(n) Timelines

The Servicer must review the firm's completion timelines, and confirm that the firm is able to track, monitor and complete foreclosure and bankruptcy matters in compliance with applicable law and Freddie Mac timeline requirements, taking into consideration outside factors that impact compliance with Freddie Mac timelines such as new foreclosure requirements and court delays.

(o) Information privacy

The firm must maintain physical, technical and procedural controls and effective information security and data management to:

- Ensure the security and confidentiality of personally identifiable information (PII) and confidential information, whether in paper, electronic or other form
- Protect against any threats or hazards to the security or integrity of such information; and
- Protect against unauthorized access to or use of such information

The firm must implement controls meeting or exceeding industry standards, including, as applicable, standards promulgated by the International Office for Standardization (ISO) or National Institute for Standards and Technology (NIST). The firm must ensure that PII that is stored on the firm's systems and workstations is encrypted at rest at all times. The firm must have secured storage for promissory notes and other original documents to prevent theft and to ensure protection against fire, flood or other damage. The firm may not perform, outsource, or send to any affiliate outside of the United States or its territories, any legal work on Freddie Mac-owned or guaranteed Mortgages, including any storage of Freddie Mac data. The firm may not send any PII underlying Freddie Mac-owned or guaranteed Mortgages, outside the United States. The firm must have written policies, procedures, and processes in place by the date of the submission of the Servicer Selection Form, related to protection of PII and fraud prevention, including policies, procedures and processes related to: background checks of all employees; protection of PII; fraud prevention and identification; and incident response and notification protocols for data breaches and other security incidents. The Servicer must review and confirm that the firm meets these requirements for information security, data management, protection of PII and fraud prevention.

(p) Daily reporting to Freddie Mac

The Servicer must confirm that the firm has the capability to provide daily reporting to Freddie Mac of key metrics (i.e., volume, milestones, delays, loss mitigation successes, litigation detail, etc.) [via the Attorney Data Reporting \(ADR\) System, a Servicing Tool](#), pursuant to Section 9501.10. The Servicer must also ensure that the firm has staff responsible for reporting data directly to Freddie Mac [using ADR](#).

(q) Technology

The Servicer must confirm that the firm has adequate technology in place or technological capabilities to provide reporting, communication and tracking of key events and milestones, including access to PACER/ECF or other similar systems to obtain case and docket information from federal appellate, district and bankruptcy court records.

Additionally, the Servicer must confirm that the firm is able to provide status reports and track significant dates and events for foreclosure, bankruptcy, evictions and REO closings and has the capability to measure the duration between various process stages, to identify process impediments (e.g., holds) and to parse holds into different categories.

If a firm is multi-jurisdictional or has partnerships or relationships with third parties (e.g., local counsel, trustee companies or title companies) that will perform or complete some aspect of the default-related or REO-related work or if the firm relies on other offices to perform some aspect of the work or provide operational support, the Servicer must confirm that the firm maintains a reliable and secure means of exchanging matter information between each office and any third party the firm relies upon.

The Servicer must require the firm to describe whether the firm currently uses a universal translation technology to communicate information between their technological system and the various Servicers' systems, or explain its method for transmitting information efficiently, accurately and securely to Servicers.

(r) Technology staffing

The Servicer must confirm that the firm has adequate in-house technical expertise or readily available vendor support to ensure compliance with Freddie Mac's automated reporting requirements.

(s) Insurance requirements

The Servicer must confirm that the firm has an appropriate level of malpractice and errors and omissions insurance coverage in place or be able to obtain an appropriate amount of insurance by the date of the submission of the Servicer Selection Form. The appropriate level of insurance coverage will depend upon the total number of Freddie Mac and Fannie Mae files the firm is managing or expects to manage when being evaluated by the Servicer. The firm must have the ability to obtain the appropriate amount of insurance coverage under the new requirements as follows:

- Tier I, volume of 0-4, 499 foreclosure matters, coverage of not less than \$1 million per occurrence with an aggregate of not less than \$3 million
- Tier II, volume of 4, 500-19, 999 foreclosure matters, coverage of not less than \$5 million per occurrence with an aggregate of not less than \$5 million; and
- Tier III, volume of 20,000 or more foreclosure matters, coverage of not less than \$8 million per occurrence with an aggregate of not less than \$8 million

The required level of insurance is determined by the higher of the Freddie Mac or Fannie Mae pending foreclosure volume. By way of example, if a firm had 2,000 Freddie Mac foreclosure matters and 4, 501 Fannie Mae foreclosure matters, the firm would fall within Tier II and the required coverage would be not less than \$5 million per occurrence with an aggregate of not less than \$5 million. Beginning in 2014, Servicers must conduct an updated coverage analysis annually, with the appropriate level of insurance to be determined by the number of matters being handled as of June 1 of each year. When an annual review reveals a need to increase a firm's coverage, firms will have until December 31 of each year to obtain any required increased coverage. Servicers may grant firms additional time to obtain increased coverage if necessary to reach the routine renewal date for the firm's policy, but may not grant extensions beyond June 1 of the following year.

(t) Financial resources

The Servicer must confirm that the firm has adequate financial resources and the financial ability to make required advances in connection with filing fees and costs necessary to process default-related and REO-related matters.

The Servicer must review the firm's financial statements and/or other firm financial documents in order to confirm that the firm has sufficient reserves or credit lines to manage operating expenses.

(u) Business continuity

The Servicer must confirm that the firm has business continuity and/or disaster recovery plans in place to recover critical business functions. The firm must have a documented succession/continuity plan in the event of loss of the firm owners/partners.

(v) Quality control

The Servicer must confirm that the firm has written policies, procedures and/or processes in place by the date of the submission of the Servicer Selection Form, to ensure the proper management and supervision of staff and the proper preparation, review, execution and notarization of default-related documents and REO-related documents. The Servicer must also confirm the firm has an escalation process for employees to raise document execution and other quality control issues to firm management.

The Servicer must obtain documentation and information related to the firm's process for ensuring compliance with its policies, procedures, processes and training, such as an internal compliance program and/or quality control reviews.

(w) Employee training

The Servicer must confirm that the firm has written policies for employee training, including privacy training. When determining whether a firm's employee training is adequate, the Servicer must review the frequency of training, the presence of policies and procedures and firm handbooks, manuals and job aids.

(x) Adverse matters

No substantial part of the firm's practice can include matters that are adverse to financial institutions, including Freddie Mac or Fannie Mae. Adverse matters to financial institutions include:

- Homeowners or condominium association foreclosures
- Consumer debtor or mortgagor representation
- Bankruptcy trustee representation; or
- Any other client(s) that may create a potential conflict of interest

(y) Conflicts of interest

Attorneys must not be affected by a conflict of interest or a potential conflict of interest when handling Freddie Mac Default Legal Matters. The Servicer must retain the most qualified attorneys in compliance with Freddie Mac requirements to assist with processing Freddie Mac Default Legal Matters without regard to arrangements that could provide a financial or personal benefit directly or indirectly to the Servicer, its employees, outsource companies or third party vendors utilized by the Servicer to assist in Servicing defaulted Mortgages.

On the Servicer Selection Form, the Servicer must disclose to Freddie Mac any current, past (within the last five years), or pending personal and/or financial relationships between (i) the Servicer and the firm, including its partners and shareholders (as applicable) and (ii) the firm, including its partners and shareholders (as applicable), and any outsourcing company or other third-party vendor utilized by the Servicer to assist in Servicing defaulted Mortgages.

(z) Disclosure of third-party service providers

The Servicer must require the firm to disclose the identity of, and relationship with, any entities the firm relies upon to provide third-party support functions performed on the Servicer's behalf, including, but not limited to, title searches, title insurance, posting, publication, and process services.

The Servicer must also require the firm to disclose whether the firm has a process to select and regularly review costs and performance of vendors of related sources to ensure competitive pricing and high quality.

(aa) Referrals

The Servicer is responsible for ensuring that the firm complies with Freddie Mac requirements and applicable laws regarding referrals and payment of related fees and benefits, as further described in Sections 9501.7 and 9501.8.

The Servicer must not require the firm to use vendors, outsource companies or other third-parties specified by the Servicer as a condition of receiving a referral of a Freddie Mac Default Legal Matter.

(bb) Diversity data

The Servicer must confirm that the firm has the capability to report diversity data to the Servicer and Freddie Mac, if necessary.

Related Guide Bulletins	Issue Date
Bulletin 2016-12	June 29, 2016

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.4: Selection of firm (03/02/16)

9501.4: Selection of firm (03/02/16)

(a) Servicer selects firm

If the Servicer determines that a firm meets the Firm Minimum Requirements specified in Section 9501.3 and all other Guide requirements, then the Servicer must complete and submit a Servicer Selection Form to Freddie Mac, via

<https://freddiemacsats.com> and receive Freddie Mac's "no objection" determination before entering into an agreement with a firm to handle Freddie Mac Default Legal Matters. If Freddie Mac requests additional information from the Servicer as part of this process, the Servicer must provide the requested information within the time frame requested by Freddie Mac. Servicers may not rely upon a previous submission of a Servicer Selection Form with respect to a firm by another Servicer that received a "no objection" determination. Each Servicer must conduct its own due diligence, submit a Servicer Selection Form and receive a "no objection" determination for each firm that the Servicer wishes to retain to handle Freddie Mac Default Legal Matters.

If a firm practices in multiple States, the Servicer must submit a Servicer Selection Form for each State office for which the Servicer wishes to retain the firm.

Servicer Attorney Tracking System (SATS) registration

Servicers must use the Servicer Attorney Tracking System (SATS), an online process, to submit a Servicer Selection Form to Freddie Mac for each law firm selected to handle Freddie Mac Default Legal Matters. To establish access to SATS, Servicers must first register to create a user ID and password at **<https://freddiemacsats.com>**. After completing the registration process, SATS will allow users to submit the information required in the Servicer Selection Form to Freddie Mac for review. SATS will also allow Servicers to respond to Freddie Mac's requests for additional information, as necessary, and will allow Servicers to track each submission's status during the review process.

Freddie Mac will not review any Servicer Selection Form completed and submitted to any Freddie Mac e-mail address. Servicers must complete and submit the Servicer Selection Form via **<https://freddiemacsats.com>**.

(b) Freddie Mac review of Servicer Selection Form

After Freddie Mac receives the Servicer Selection Form, Freddie Mac will notify the Servicer via the Servicer's registered e-mail address with SATS whether Freddie Mac:

- Objects to the Servicer's retention of the firm to handle Freddie Mac Default Legal Matters
- Has no objection to Servicer's retention of the firm to handle Freddie Mac Default Legal Matters; or
- Needs additional information or documentation, or due diligence to be conducted before deciding whether the firm may be retained. If requested, the Servicer must provide any additional information or documentation to Freddie Mac via **<https://freddiemacsats.com>**, and must conduct any further due diligence requested by Freddie Mac within the time period stated in Freddie Mac's request.

(c) Freddie Mac's response to Servicer firm selection**(i) Freddie Mac provides a "no objection" response**

The Servicer must enter into a contract with the firm (if a contract does not already exist) as further specified in Section 9501.5, to handle Freddie Mac Default Legal Matters.

(ii) Freddie Mac provides an "objection" response

If the Servicer determines not to retain a particular firm, or if Freddie Mac objects to the retention of a particular firm, the Servicer must notify the firm that the firm cannot be hired for Freddie Mac Default Legal Matters.

(d) The Servicer decides not to retain firm

The Servicer is not obligated to inform Freddie Mac:

- If the Servicer determines that a firm does not meet the Firm Minimum Requirements; or
- If the Servicer decides not to retain a firm

(e) Diversity

Servicers are reminded that they must be aware of, and comply with, Freddie Mac's requirements in Sections 1201.10 and 1301.2 The Servicer must commit to practice the principles of equal employment opportunity and non-discrimination in all its business activities, including the retention and hiring of firms retained pursuant to this section.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.5: Retention of firm (03/02/16)

9501.5: Retention of firm (03/02/16)**(a) Servicer contract with firm**

If the Servicer has not already entered into a contract with a selected firm and Freddie Mac has provided a "no objection" determination, then the Servicer must enter into a contract with the firm. The Servicer must notify Freddie Mac when the contract has been executed by updating the Servicer Attorney Tracking System (SATS) via <https://freddiemacsats.com>, and must provide a copy of the contract to Freddie Mac, upon request.

(b) Freddie Mac limited retention agreement with firm

Freddie Mac will enter into a limited retention agreement that sets forth certain key retention provisions with each selected firm for each State in which the firm has received a "no objection" determination.

(c) Conflict between Servicer's contract and limited retention agreements; Servicer's respective consent

The Servicer acknowledges that the limited retention agreement recognizes and reflects a joint attorney-client relationship between the law firm, Freddie Mac and the Servicer, and the Servicer consents to such joint representation. The Servicer consents, in advance, to the selected firm's representation of Freddie Mac in any Freddie Mac Default Legal Matter that is or might be adverse to the Servicer, and further agrees that the firm can use in such representation any information the firm gained in the course of jointly representing the Servicer and Freddie Mac. In the event of any inconsistency or conflict between the terms and conditions of the Servicer's contract with the selected firm and the terms and conditions of Freddie Mac's limited retention agreement with the firm, Freddie Mac's limited retention agreement shall control.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.6: Training of firms (03/02/16)

9501.6: Training of firms (03/02/16)

(a) Training prior to referral

The Servicer must not refer any Freddie Mac Default Legal Matters to a firm until the Servicer verifies that the firm has executed a limited retention agreement with Freddie Mac and has completed Freddie Mac's new firm training.

A firm is only required to attend Freddie Mac's new firm training once, regardless of the number of Servicers that select and retain the firm.

(b) Ongoing training

The Servicer must ensure that each firm obtains appropriate training to keep the firm apprised of updated Freddie Mac requirements. If the Servicer provides its own standard training and/or other communication materials to a firm, the Servicer must include information regarding Freddie Mac's requirements.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.7: Referral of Freddie Mac Default Legal Matters to firm (03/02/16)

9501.7: Referral of Freddie Mac Default Legal Matters to firm (03/02/16)

(a) Requirements prior to referral

Prior to referring a Freddie Mac Default Legal Matter to a firm, the Servicer must confirm that the firm is eligible to receive a referral by ensuring that:

- The firm meets the Firm Minimum Requirements, as specified in Section 9501.3
- Freddie Mac has provided a "no objection" determination, as specified in Section 9501.4
- The firm has executed a contract with the Servicer requiring the firm to comply with all applicable Freddie Mac requirements, as specified in Section 9501.5
- The firm has executed a limited retention agreement with Freddie Mac, as specified in Section 9501.5
- The firm has completed Freddie Mac training and any additional Servicer training, as specified in Section 9501.6; and
- There are no conflicts of interest with respect to the retention of the firm and referral of Freddie Mac Default Legal Matters to the firm

(b) Diversification of referrals

The Servicer must diversify its referrals of Freddie Mac Default Legal Matters to an appropriate number of firms in each State to protect the interests of Freddie Mac and to mitigate the risks related to a high concentration of Freddie Mac files. In selecting firms for referrals, the Servicer must consider firm capacity and management of staff to file ratios.

(c) Bankruptcy and foreclosure matters

The Servicer must not refer foreclosure matters directly to trustees listed on the deeds of trust.

Refer to Section 9401.10 for additional referral requirements.

(d) Providing documentation to firm

The Servicer must identify a file as a Freddie Mac Default Legal Matter when sending the file to a firm. When referring a file to a firm, the Servicer must provide all documentation required to initiate a foreclosure. If the firm requests any additional information and/or documentation at any time, the Servicer must provide such requested information and/or documents within three Business Days after receipt of the request, or within such earlier time frame if necessary to comply with timing requirements under applicable law or court orders and procedures.

For any Mortgage that the Servicer refers for foreclosure that is subsequently repurchased by the Servicer, whether voluntarily or involuntarily, the Servicer must notify foreclosure and/or bankruptcy counsel within two Business Days of the completed repurchase. (See Chapter 3602 for additional information about repurchases.)

(e) Contingency plan

All Servicers must have a contingency plan in place, either in the form of a stand-alone document or incorporated into policies and procedures, to redirect new foreclosure and bankruptcy referrals.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection,

**Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.8:
Prohibitions related to Freddie Mac Default Legal Matters (03/02/16)**

**9501.8: Prohibitions related to Freddie Mac Default Legal Matters
(03/02/16)**

Servicers must not require the firm to perform any foreclosure or bankruptcy-related services on any Freddie Mac Default Legal Matter without compensation.

(a) Prohibition against charging for, contracting for, or making arrangements to receive benefits for Servicing obligations

A Servicer, whether acting directly or through an affiliate, service provider, vendor or outsourcing company, must not directly or indirectly:

- Charge Freddie Mac or the firm for any foreclosure or bankruptcy-related Servicing obligations, including expenses covered by the Servicing Spread; or
- Contract or make any arrangements with the firm whereby the Servicer (or its affiliate, service provider, vendor or outsourcing company) receives, directly or indirectly, any financial or other benefits (including, but not limited to, payments, the provision of employees or free or discounted services or products) from the firm in connection with any Freddie Mac Default Legal Matter or Freddie Mac-owned or guaranteed Mortgage

Refer to Section 8103.3 for additional information on Servicing obligations.

(b) Prohibitions with respect to use of specific vendors, services and/or products

The Servicer, and not a service provider, vendor or outsourcing company assisting the Servicer in Servicing defaulted Mortgages, must select the firm to handle Freddie Mac Default Legal Matters, and Servicers must not permit service providers, vendors, outsourcing companies, or others to participate in or influence, in any way, the Servicer's referral process.

A Servicer must not, whether acting directly or through an affiliate, service provider, vendor or outsourcing company:

- Require the firm to contract with or use a particular service provider, vendor or outsourcing company, or to use, or pay for, a particular service or product
- Refuse to refer a file to the firm because the firm chooses not to contract with or use a particular service provider, vendor or outsourcing company, or chooses not to use, or pay for, a particular service or product; or
- Charge the firm for any aspect of the file referral or management process, including, but not limited to, the use of connectivity or invoice processing systems (e.g., licensing or subscription fees, "click" charges, or any other payment) in order for the firm to provide services necessary to handle Freddie Mac Default Legal Matters (e.g., to prosecute the foreclosure or bankruptcy case)

However, a Servicer may require the firm to use certain connectivity or invoice processing systems, provided that the firm is not required to pay for the use of, or access to, such systems.

Refer to Section 9501.9 for information about use of, and reimbursement for, connectivity and invoice processing systems.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection,

Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.9: Servicer use of connectivity and invoice processing system (03/02/16)**9501.9: Servicer use of connectivity and invoice processing system (03/02/16)**

A Servicer, whether acting directly or through any vendor, service provider or outsourcing company, may employ electronic monitoring, management, reporting or information and document delivery processes technology, referred to in this section as a "Connectivity System, " and an invoice processing system as outlined below.

(a) Connectivity System

A Servicer may employ a Connectivity System to assist with fulfilling Servicing obligations such as:

- Packaging and referring foreclosure and bankruptcy cases to the firm
- Communicating information and delivering documents between the Servicer and the firm as well as any other third parties requiring access to the Connectivity System; and
- Managing and monitoring foreclosure and bankruptcy cases

If a Servicer uses a Connectivity System:

- Freddie Mac will reimburse the Servicer for the actual cost of the connectivity fee up to the maximum expense limit specified in Section 9701.11
- The Servicer must provide the firm with use of and access to the identical Connectivity System
- The Servicer must permit, or continue to permit, the firm to integrate its own technology systems with the Connectivity System at no cost to the firm; and
- The Servicer must not pass on any Connectivity System related charges to the Borrower or the firm

(b) Invoice processing system

A Servicer may employ an invoice processing system for managing the submission and payment of invoices.

If a Servicer, whether acting directly or through a vendor or outsourcing company, processes firm invoices electronically:

- Freddie Mac will reimburse the Servicer for the actual cost of the invoicing fee up to the maximum expense limits specified in Section 9701.11; and
- The Servicer must not pass on any invoice processing related charges to the Borrower or the firm

The amounts specified in Section 9701.11 for connectivity and invoice processing systems are the maximum amounts for which a Servicer may seek reimbursement for the life of the default (i.e., the duration of the foreclosure, including any Freddie Mac Default Legal Matter such as bankruptcy).

For example, if a Servicer has already referred a Mortgage to foreclosure and it then becomes necessary to take action with respect to a bankruptcy related to such Mortgage, or if a Servicer has already referred a file for bankruptcy and foreclosure has commenced following the bankruptcy referral, the Servicer may be reimbursed only for one connectivity fee. Likewise in this scenario, if the Servicer is using an invoice processing system, then the Servicer may only seek reimbursement for one invoicing fee associated with the foreclosure and for one invoicing fee associated with the bankruptcy during the life of the default.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.10: Servicer reporting on Freddie Mac Default Legal Matters (06/29/16)

9501.10: Servicer reporting on Freddie Mac Default Legal Matters (06/29/16)

The Servicer must provide reports related to firm performance, management of foreclosure and bankruptcy processes, oversight of firm compliance and performance and other related matters as required by Freddie Mac. Servicers must ensure that all firms retained for Freddie Mac Default Legal Matters report data required by Freddie Mac directly to Freddie Mac accurately and in the time frames prescribed. This includes **required** daily reporting by its **retained law firms, via the Attorney Data Reporting (ADR) System**, of key metrics such as:

- Milestones during the lifecycle of Freddie Mac Default Legal Matters
- Delays affecting prompt and efficient completion of the Freddie Mac Default Legal Matter
- Successful loss mitigation activities
- Litigation detail during the lifecycle of certain non-routine litigation matters
- Completion of the Freddie Mac Default Legal Matter

Key metrics generally must be reported to Freddie Mac within 24 hours of occurrence, unless otherwise prescribed in related training materials for the web-based attorney reporting system. Servicers may obtain access to ADR, and monitor their law firms' reporting progress, by completing the **ADR Servicer Access Request Form** available on the Freddie Mac Default-Related Legal Services web page at http://www.freddiemac.com/singlefamily/service/default_legal_services.html

Related Guide Bulletins	Issue Date
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Bulletin 2016-12

June 29, 2016

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.11: Servicer monitoring and management of firm (03/02/16)

9501.11: Servicer monitoring and management of firm (03/02/16)

The Servicer is responsible for managing and monitoring all aspects of the firm performance, providing necessary assistance to the firm relating to Freddie Mac Default Legal Matters, and for undertaking all activities required to protect Freddie Mac's interest in the Mortgage. The Servicer must also ensure that the firm is in compliance with applicable Freddie Mac requirements, and that the firm receives all training and documentation relating to applicable Freddie Mac requirements, either separately or as part of the Servicer's standard training.

(a) Compliance processes

The Servicer must develop and have in place policies and procedures regarding oversight and compliance of firms handling Freddie Mac Default Legal Matters. The Servicer must have policies and procedures reasonably designed to ensure that firms handling Freddie Mac Default Legal Matters are in compliance with the limited retention agreement, the applicable provisions of the Guide, and applicable law.

The Servicer's ongoing compliance monitoring must address the following minimum elements:

- Ongoing eligibility under the Firm Minimum Requirements specified in Section 9501.3
- Compliance with the limited retention agreement, including the fee and cost guidelines; and
- Firm performance and processes necessary to ensure Servicer's compliance with applicable Guide requirements

The Servicer must conduct periodic compliance reviews and training as appropriate. In determining the frequency of firm compliance reviews, the Servicer must consider the overall risk posed to Freddie Mac by the firm (legal, reputational, and financial), firm file volume, performance, any changes in staffing ratios or levels, any litigation against the firm alleging systemic issues, any media coverage regarding the firm and the prior results of any firm compliance reviews.

(b) Freddie Mac review of compliance process

Freddie Mac reserves the right to review the Servicer's compliance process. Freddie Mac may require Servicers to conduct additional compliance activities related to firms handling Freddie Mac Default Legal Matters, such as additional firm compliance reviews.

The Servicer must make available to Freddie Mac upon request the materials relating to its performance and compliance monitoring of firms handling Freddie Mac Default Legal Matters, including:

- Information regarding the scope and methodology of the Servicer's compliance monitoring
- The schedule of firm compliance reviews conducted
- The identity of any vendors used in the firm compliance reviews
- All documentation from the firm compliance reviews; and
- All findings, reports or remediation plans resulting from the firm compliance reviews

In addition, Freddie Mac may require a Servicer to change the scope of its compliance process used to monitor firms handling Freddie Mac Mortgages.

(c) Freddie Mac right to audit firm

Freddie Mac also reserves the right to directly conduct firm audits and firm on-site visits as Freddie Mac deems necessary. Freddie Mac audits and visits may focus on items such as fee and cost compliance, Servicer compliance with Freddie Mac requirements, and high-risk issues, including compliance with applicable laws, reputational risk, unsatisfactory results of Servicer firm compliance reviews and conflicts of interest involving Freddie Mac-owned or guaranteed Mortgages.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.12: Escalation of firm issues to Freddie Mac (03/02/16)

9501.12: Escalation of firm issues to Freddie Mac (03/02/16)

(a) Escalation of issues

The Servicer must notify Freddie Mac via e-mail (**see Directory 1**), within two Business Days of discovery or sooner if circumstances warrant, if the Servicer becomes aware of any issues or concerns relating to a firm (including a specific employee or vendor of a firm), or a Freddie Mac Default Legal Matter, including, but not limited to:

1. Any information regarding a firm that may warrant a firm's suspension, termination or Servicer request to transfer Freddie Mac Default Legal Matters to another firm
2. Information suggesting legal or reputational risk posed by the firm such as bar complaints, sanctions, or litigation alleging systemic issues with the firm, firm attorney, or the firm's practices
3. Security incidents that compromise the security, confidentiality or integrity of "sensitive customer information" and that security incident is related to Freddie Mac-owned or guaranteed Mortgages (refer to Section 1301.2(f))
4. Actual or alleged fraud on the part of the firm
5. Federal, State, or local governmental inquiries, including congressional inquiries, regarding a firm, Freddie Mac-owned or guaranteed Mortgages, or Freddie Mac or Servicer practices affecting Freddie Mac-owned or guaranteed Mortgages
6. Non-routine litigation (as described in Section 9402.2)
7. Media inquiries relating to Freddie Mac, a firm, or Freddie Mac-owned or guaranteed Mortgages
8. Volume or capacity issues with the firm
9. Breach of the limited retention agreement between the firm and Freddie Mac, or the contract between the firm and the Servicer
10. Legal matters such as regulatory updates and specific reporting on certain matters (e.g., transfer tax matters)
11. Any systemic issues with the firm
12. Systemic Servicer issues related to file suspensions and foreclosure holds (e.g., failure to properly implement new statutory changes); and
13. Any material change in the ownership, partnership, or organization of the firm after executing the limited retention agreement. Such notifications should include instances where a named partner leaves the firm or a major practice group separates from the firm.

(b) Procedures relating to issues and concerns

When a Servicer provides Freddie Mac notice of an issue requiring Freddie Mac's attention, the Servicer must designate in its e-mail one or more points of contact. Freddie Mac may request that the Servicer obtain additional information from the firm regarding the issue that was escalated to Freddie Mac, and the Servicer must promptly provide the requested information to Freddie Mac.

(c) Freddie Mac rights

Freddie Mac reserves the right to issue direction to Servicers and firms regarding escalated issues. Refer to Section 9501.15 for more information about Freddie Mac's reservation of rights

(d) Escalated issue – confidential information

Any issue that is identified and escalated to or by Freddie Mac pursuant to this section (other than non-routine litigation) is considered to be "confidential information" as defined in Sections 1201.8 and 8101.8. The Servicer must comply with the requirements of such sections with respect to treatment of any escalated issue.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.13: File transfers, termination and suspension of firms (05/18/16)

9501.13: File transfers, termination and suspension of firms (05/18/16)

(a) Servicer-directed suspension of referrals, Freddie Mac Default Legal Matter transfers and terminations

If a Servicer becomes aware of information regarding a firm's handling Freddie Mac Default Legal Matters that might warrant a suspension of referrals of new Freddie Mac Default Legal Matters, the transfer of Freddie Mac Default Legal Matters to another firm, and/or termination of the firm (such as for legal, reputational, or operational risk), the Servicer must:

- Notify Freddie Mac within two Business Days via e-mail or sooner if circumstances warrant, as set forth in Section 9501.12; and
- Conduct due diligence with respect to the issue

If the Servicer intends to suspend referrals of new Freddie Mac Default Legal Matters, transfer Freddie Mac Default Legal Matters, and/or terminate a firm, the Servicer must provide Freddie Mac with at least five Business Days' notice (**see Directory 1**) prior to implementing the decision. Additionally, the notification must provide Freddie Mac with the implementation plan for the course of action chosen by the Servicer, pursuant to Section 9501.14.

For the transfer of Freddie Mac Default Legal Matters, once a Servicer has determined the eligible law firm(s) that will receive such file transfers, the following must also be included in the notification to Freddie Mac:

- Servicer name and the six-digit Seller/Servicer number
- The nine-digit Freddie Mac loan number
- Servicer loan number
- Date of transfer
- Original law firm name
- New law firm name
- Freddie Mac Default Legal Matter being transferred (e.g., foreclosure, bankruptcy proof of claim (POC) or bankruptcy motion for relief (MFR)) to the new law firm
- The State in which the Mortgaged Premises is located

In addition, the Servicer must:

- Upon request, provide Freddie Mac with the reason for the decision and the due diligence materials or other information supporting the decision
- Inform the firm of the decision; and
- Keep Freddie Mac periodically updated with respect to the status of implementation of the decision

Refer to Section 9501.14 for additional information relating to implementation of terminations, transfer of Freddie Mac Default Legal Matters and suspensions.

(b) Freddie Mac-directed suspension of referrals, matter transfers and terminations

Freddie Mac may direct the Servicer to initiate an investigation of a firm if Freddie Mac becomes aware of information that might warrant a suspension of referrals of new Freddie Mac Default Legal Matters, the transfer of Freddie Mac Default Legal Matters, or termination of the firm. Freddie Mac also may conduct due diligence and investigations as necessary. Freddie Mac may instruct Servicers to suspend some or all referrals of new Freddie Mac Default Legal Matters, to transfer some or all existing Freddie Mac Default Legal Matters, or to terminate a firm.

In the event of a decision by Freddie Mac to suspend referrals of new Freddie Mac Default Legal Matters, transfer Freddie Mac Default Legal Matters, or terminate a firm, Freddie Mac will:

- Inform the Servicer of the decision and provide direction with respect to required Servicer actions, including direction with respect to transfers of Freddie Mac Default Legal Matters
- Inform the firm of the decision and provide direction to the firm with respect to required firm actions; and
- Terminate the limited retention agreement between Freddie Mac and the firm, as appropriate

(c) Documentation of due diligence review

The Servicer must maintain documentation of the due diligence review, the Servicer's decision, and all other information supporting the decision for a period of seven years after such decision.

Related Guide Bulletins	Issue Date
Bulletin 2016-9	May 18, 2016

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.14: Implementing file transfers and/or the termination and suspension of firms (03/02/16)

9501.14: Implementing file transfers and/or the termination and suspension of firms (03/02/16)

(a) Implementation plan

Prior to implementing any decision to terminate a contract with a firm, suspend referrals of new Freddie Mac Default Legal Matters and/or transfer Freddie Mac Default Legal Matters from a firm, the Servicer must develop an implementation plan which addresses:

- File transfers
- The capacity of other eligible firms in the State to handle additional Freddie Mac Default Legal Matters and/or transferred Freddie Mac Default Legal Matters
- Proration of fees and costs between the transferor and transferee firms
- Contract provisions during any transition period, including insurance; and
- Other issues as necessary

The implementation plan must take into account any legal, operational or reputational risks that may arise during the transition period, and must address these risks in the most cost-efficient and effective manner. Freddie Mac reserves the right to require the modification of the implementation plan, and provide additional Servicer requirements relating to the termination of any firm, the suspension of referrals of new Freddie Mac Default Legal Matters and the transfer of Freddie Mac Default Legal Matters.

(b) Servicer monitoring of implementation plan

The Servicer must take all necessary steps to ensure that the implementation plan proceeds in an orderly manner and that all Freddie Mac interests are protected during the implementation. Such steps include, but are not limited to:

- Transferring files relating to Freddie Mac Default Legal Matters to eligible firms
- Addressing any issues arising from the transfer of files, the suspension of referrals and the termination of a firm
- Reporting periodically to Freddie Mac on the status of the plan, including such details as how many files are transferred to each new firm, which new firms receive the files and the timing of transfers; and
- Such other details as requested by Freddie Mac

Servicers may not charge Freddie Mac or Borrowers for any fees or costs associated with transferring Freddie Mac Default Legal Matters, and such amounts may not be added to Borrower Mortgage balances.

(c) Freddie Mac's rights to manage termination, suspension and/or file transfers

Freddie Mac may decide, in its sole discretion, that the legal, operational or reputational risks necessitate Freddie Mac's management of the:

- Termination of any firm with respect to its handling of Freddie Mac Default Legal Matters
- Suspension of referrals of Freddie Mac Default Legal Matters to a firm; and/or
- Transfers of files relating to Freddie Mac Default Legal Matters

In such case, the Servicer must cooperate with Freddie Mac in such management and provide all necessary documentation, files and information as requested by Freddie Mac.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and

Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.15: Reservation of rights and remedies for non-compliance concerning litigation (03/02/16)

9501.15: Reservation of rights and remedies for non-compliance concerning litigation (03/02/16)

Freddie Mac reserves the right to direct and control all litigation involving a Freddie Mac loan. The Servicer and firm handling the litigation must cooperate fully with Freddie Mac in the prosecution, defense or handling of the matter.

In addition, Freddie Mac reserves the right to:

1. Select the foreclosure counsel for a particular case, whether the case is routine or non-routine litigation
2. Direct and manage the actions taken by the foreclosure counsel, on a case-by-case or individual State basis
3. Assess additional compensatory fees against the Servicer and/or seek repayment of losses, costs or damages from the Servicer sustained due to errors, omissions or delays by the Servicer or its agent; and
4. Direct and manage the actions taken by Servicers and firms relating to escalated issues specified in Section 9501.12

Remedies for non-compliance

If a Servicer fails to comply with the provisions under Chapter 9501, Freddie Mac, in its sole discretion, and in addition to any other remedies specified in the Guide or the Servicer's other Purchase Documents, reserves the right to:

- Refuse to reimburse the Servicer for any legal fees and costs
- Offset the entire legal fee from future foreclosure expenses otherwise eligible for reimbursement from Freddie Mac or seek the Servicer's reimbursement of the entire legal fee with interest, if Freddie Mac has already reimbursed the Servicer for the costs involved in the particular foreclosure or bankruptcy
- Require the Servicer to reimburse the firm or Freddie Mac for any prohibited payments or other financial benefits
- Prohibit the Servicer from contracting, directly or through any service provider, vendor or outsourcing company, with a firm with respect to products or services ancillary to a foreclosure or bankruptcy case
- Prohibit the Servicer from contracting with the service provider, vendor or outsourcing company involved in the prohibited activities with respect to Freddie Mac-owned or guaranteed Mortgages
- Seek Servicer repayment of losses, costs or damages sustained by Freddie Mac due to errors by the Servicer or its agent; and/or require repurchase of impacted Mortgage

EXHIBIT 7-6

EXHIBIT 7-6

**Loan Status/Manager
TOS Summary Report**

Report generated on Wednesday, April 11, 2018 at 10:25 am.

SQL returned 1 rows

Fhlmc Loan Number: [REDACTED] 6084									
Date Requested	Status	Status Date	Date Effective	Servicer From	Servicer To	Servicer Family From	Servicer Family To	Global Family From	Global Family To
09/04/2014	APPROVED	09/05/2014	10/16/2014	112491 - JPMORGAN CHASE BANK, N.A. F/K/A WAMU	877903 - JPMORGAN CHASE BANK, N.A. F/K/A WAMU	139867 - JPMORGAN CHASE BANK, N.A.	139867 - JPMORGAN CHASE BANK, N.A.	139867 - JPMORGAN CHASE BANK, N.A.	139867 - JPMORGAN CHASE BANK, N.A.



EXHIBIT 7-7

EXHIBIT 7-7

Report generated on Wednesday, April 11, 2018 at 10:26 am.

SQL returned 139 rows

Filmlife Loan Number: <div></div> 6084																			
Accounting Cycle	Date Reported	Date DD/LPI Reported	Last Payment Received	Monthly P&I Due Date	Monthly P&I	Principal Due	Interest Due	Ending UPB	Int Bearing UPB	Non-Int Bearing UPB	Non-Int Bearing Principal Curtailment	Borrower Incentive	Negam Balance	Prepay Penalty	Proceeds	ANY Rate	Note Rate	Code Exception	Date Exception
03/15/2018	03/19/2018	06/01/2009	06/30/2009	03/20/2018	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
02/15/2018	02/20/2018	06/01/2009	06/30/2009	02/21/2018	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
01/15/2018	01/17/2018	06/01/2009	06/30/2009	01/18/2018	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
12/15/2017	12/19/2017	06/01/2009	06/30/2009	12/20/2017	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
11/15/2017	11/17/2017	06/01/2009	06/30/2009	11/20/2017	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
10/15/2017	10/17/2017	06/01/2009	06/30/2009	10/18/2017	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
09/15/2017	09/19/2017	06/01/2009	06/30/2009	09/20/2017	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
08/15/2017	08/17/2017	06/01/2009	06/30/2009	08/18/2017	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
07/15/2017	07/18/2017	06/01/2009	06/30/2009	07/19/2017	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
06/15/2017	06/19/2017	06/01/2009	06/30/2009	06/20/2017	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
05/15/2017	05/17/2017	06/01/2009	06/30/2009	05/18/2017	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
04/15/2017	04/18/2017	06/01/2009	06/30/2009	04/19/2017	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
03/15/2017	03/17/2017	06/01/2009	06/30/2009	03/20/2017	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
02/15/2017	02/17/2017	06/01/2009	06/30/2009	02/21/2017	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
01/15/2017	01/18/2017	06/01/2009	06/30/2009	01/19/2017	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
12/15/2016	12/19/2016	06/01/2009	06/30/2009	12/20/2016	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
11/15/2016	11/17/2016	06/01/2009	06/30/2009	11/18/2016	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
10/15/2016	10/18/2016	06/01/2009	06/30/2009	10/19/2016	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
09/15/2016	09/19/2016	06/01/2009	06/30/2009	09/20/2016	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
08/15/2016	08/17/2016	06/01/2009	06/30/2009	08/18/2016	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
07/15/2016	07/19/2016	06/01/2009	06/30/2009	07/20/2016	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
06/15/2016	06/17/2016	06/01/2009	06/30/2009	06/20/2016	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
05/15/2016	05/17/2016	06/01/2009	06/30/2009	05/18/2016	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
04/15/2016	04/19/2016	06/01/2009	06/30/2009	04/20/2016	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
03/15/2016	03/17/2016	06/01/2009	06/30/2009	03/18/2016	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		
02/15/2016	02/17/2016	06/01/2009	06/30/2009	02/18/2016	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		6.750%		

01/15/2016	01/20/2016	06/01/2009	06/30/2009	01/21/2016	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
12/15/2015	12/17/2015	06/01/2009	06/30/2009	12/18/2015	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
11/15/2015	11/17/2015	06/01/2009	06/30/2009	11/18/2015	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
10/15/2015	10/19/2015	06/01/2009	06/30/2009	10/20/2015	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
09/15/2015	09/17/2015	06/01/2009	06/30/2009	09/18/2015	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
08/15/2015	08/18/2015	06/01/2009	06/30/2009	08/19/2015	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
07/15/2015	07/17/2015	06/01/2009	06/30/2009	07/20/2015	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
06/15/2015	06/17/2015	06/01/2009	06/30/2009	06/18/2015	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
05/15/2015	05/19/2015	06/01/2009	06/30/2009	05/20/2015	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
04/15/2015	04/17/2015	06/01/2009	06/30/2009	04/20/2015	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
03/15/2015	03/18/2015	06/01/2009	06/30/2009	03/18/2015	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
02/15/2015	02/18/2015	06/01/2009	06/30/2009	02/19/2015	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
01/15/2015	01/21/2015	06/01/2009	06/30/2009	01/21/2015	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
12/15/2014	12/18/2014	06/01/2009	06/30/2009	12/18/2014	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
11/15/2014	11/18/2014	06/01/2009	06/30/2009	11/19/2014	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
10/15/2014	10/20/2014	06/01/2009	06/30/2009	10/20/2014	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
09/15/2014	09/18/2014	06/01/2009	06/30/2009	09/18/2014	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
08/15/2014	08/20/2014	06/01/2009	06/30/2009	08/20/2014	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
07/15/2014	07/18/2014	06/01/2009	06/30/2009	07/18/2014	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
06/15/2014	06/18/2014	06/01/2009	06/30/2009	06/18/2014	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
05/15/2014	05/20/2014	06/01/2009	06/30/2009	05/20/2014	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
04/15/2014	04/21/2014	06/01/2009	06/30/2009	04/18/2014	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
03/15/2014	03/19/2014	06/01/2009	06/30/2009	03/19/2014	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
02/15/2014	02/19/2014	06/01/2009	06/30/2009	02/20/2014	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
01/15/2014	01/21/2014	06/01/2009	06/30/2009	01/21/2014	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
12/15/2013	12/17/2013	06/01/2009	06/30/2009	12/18/2013	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
11/15/2013	11/19/2013	06/01/2009	06/30/2009	11/20/2013	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
10/15/2013	10/18/2013	06/01/2009	06/30/2009	10/18/2013	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
09/15/2013	09/18/2013	06/01/2009	06/30/2009	09/18/2013	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
08/15/2013	08/20/2013	06/01/2009	06/30/2009	08/20/2013	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
07/15/2013	07/18/2013	06/01/2009	06/30/2009	07/18/2013	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
06/15/2013	06/19/2013	06/01/2009	06/30/2009	06/19/2013	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
05/15/2013	05/20/2013	06/01/2009	06/30/2009	05/20/2013	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
04/15/2013	04/18/2013	06/01/2009	06/30/2009	04/18/2013	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
03/15/2013	03/21/2013	06/01/2009	06/30/2009	03/20/2013	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%

02/15/2013	02/20/2013	06/01/2009	06/30/2009	02/21/2013	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
01/15/2013	01/18/2013	06/01/2009	06/30/2009	01/18/2013	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
12/15/2012	12/18/2012	06/01/2009	06/30/2009	12/19/2012	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
11/15/2012	11/23/2012	06/01/2009	06/30/2009	11/20/2012	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
10/15/2012	10/18/2012	06/01/2009	06/30/2009	10/18/2012	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
09/15/2012	09/19/2012	06/01/2009	06/30/2009	09/19/2012	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
08/15/2012	08/20/2012	06/01/2009	06/30/2009	08/20/2012	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
07/15/2012	07/18/2012	06/01/2009	06/30/2009	07/18/2012	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
06/15/2012	06/20/2012	06/01/2009	06/30/2009	06/20/2012	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
05/15/2012	05/18/2012	06/01/2009	06/30/2009	05/18/2012	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
04/15/2012	04/18/2012	06/01/2009	06/30/2009	04/18/2012	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
03/15/2012	03/20/2012	06/01/2009	06/30/2009	03/20/2012	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
02/15/2012	02/21/2012	06/01/2009	06/30/2009	02/21/2012	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
01/15/2012	01/19/2012	06/01/2009	06/30/2009	01/19/2012	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
12/15/2011	12/21/2011	06/01/2009	06/30/2009	12/20/2011	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
11/15/2011	11/21/2011	06/01/2009	06/30/2009	11/18/2011	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
10/15/2011	10/19/2011	06/01/2009	06/30/2009	10/19/2011	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
09/15/2011	09/21/2011	06/01/2009	06/30/2009	09/20/2011	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
08/15/2011	08/22/2011	06/01/2009	06/30/2009	08/18/2011	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
07/15/2011	07/21/2011	06/01/2009	06/30/2009	07/20/2011	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
06/15/2011	06/21/2011	06/01/2009	06/30/2009	06/20/2011	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
05/15/2011	05/19/2011	06/01/2009	06/30/2009	05/18/2011	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
04/15/2011	04/21/2011	06/01/2009	06/30/2009	04/20/2011	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
03/15/2011	03/21/2011	06/01/2009	06/30/2009	03/18/2011	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
02/15/2011	02/24/2011	06/01/2009	06/30/2009	02/18/2011	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
01/15/2011	01/20/2011	06/01/2009	06/30/2009	01/20/2011	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
12/15/2010	12/21/2010	06/01/2009	06/30/2009	12/20/2010	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
11/15/2010	11/19/2010	06/01/2009	06/30/2009	11/18/2010	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
10/15/2010	10/21/2010	06/01/2009	06/30/2009	10/20/2010	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
09/15/2010	09/21/2010	06/01/2009	06/30/2009	09/20/2010	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
08/15/2010	08/19/2010	06/01/2009	06/30/2009	08/18/2010	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
07/15/2010	07/21/2010	06/01/2009	06/30/2009	07/20/2010	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
06/15/2010	06/21/2010	06/01/2009	06/30/2009	06/18/2010	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
05/15/2010	05/20/2010	06/01/2009	06/30/2009	05/19/2010	\$1,556.64	\$0.00	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%

04/15/2010	04/21/2010	06/01/2009	06/30/2009	04/20/2010	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
03/15/2010	03/19/2010	06/01/2009	06/30/2009	03/18/2010	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
02/15/2010	02/19/2010	06/01/2009	06/30/2009	02/18/2010	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
01/15/2010	01/21/2010	06/01/2009	06/30/2009	01/21/2010	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
12/15/2009	12/21/2009	06/01/2009	06/30/2009	12/18/2009	\$1,556.64	\$0.00	\$0.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
11/15/2009	11/18/2009	06/01/2009	06/30/2009	11/18/2009	\$1,556.64	\$0.00	\$1,223.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Inactivate loan
10/15/2009	10/19/2009	06/01/2009	06/30/2009	10/20/2009	\$1,556.64	\$0.00	\$1,223.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
09/15/2009	09/17/2009	06/01/2009	06/30/2009	09/18/2009	\$1,556.64	\$0.00	\$1,223.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
08/15/2009	08/18/2009	06/01/2009	06/30/2009	08/19/2009	\$1,556.64	\$0.00	\$1,223.00	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
07/15/2009	07/17/2009	06/01/2009	06/30/2009	07/20/2009	\$1,556.64	\$250.06	\$1,224.32	\$232,031.22	\$232,031.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
06/15/2009	06/17/2009	05/01/2009	05/19/2009	06/18/2009	\$1,556.64	\$248.66	\$1,225.63	\$232,281.28	\$232,281.28	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
05/15/2009	05/21/2009	04/01/2009	04/16/2009	05/20/2009	\$1,556.64	\$247.27	\$1,226.93	\$232,529.94	\$232,529.94	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
04/15/2009	04/17/2009	03/01/2009	03/16/2009	04/20/2009	\$1,556.64	\$245.89	\$1,228.23	\$232,777.21	\$232,777.21	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
03/15/2009	03/17/2009	02/01/2009	02/17/2009	03/18/2009	\$1,556.64	\$244.51	\$1,229.51	\$233,023.10	\$233,023.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
02/15/2009	02/18/2009	01/01/2009	01/16/2009	02/19/2009	\$1,556.64	\$243.14	\$1,230.80	\$233,267.61	\$233,267.61	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
01/15/2009	01/20/2009	12/01/2008	12/16/2008	01/21/2009	\$1,556.64	\$241.78	\$1,232.07	\$233,510.75	\$233,510.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
12/15/2008	12/17/2008	11/01/2008	11/17/2008	12/18/2008	\$1,556.64	\$240.43	\$1,233.34	\$233,752.53	\$233,752.53	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
11/15/2008	11/19/2008	10/01/2008	10/16/2008	11/19/2008	\$1,556.64	\$239.08	\$1,234.60	\$233,992.96	\$233,992.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
10/15/2008	10/17/2008	09/01/2008	09/16/2008	10/20/2008	\$1,556.64	\$237.75	\$1,235.85	\$234,232.04	\$234,232.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
09/15/2008	09/17/2008	08/01/2008	08/18/2008	09/18/2008	\$1,556.64	\$236.42	\$1,237.10	\$234,469.79	\$234,469.79	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
08/15/2008	08/19/2008	07/01/2008	07/16/2008	08/20/2008	\$1,556.64	\$235.10	\$1,238.34	\$234,706.21	\$234,706.21	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
07/15/2008	07/17/2008	06/01/2008	06/16/2008	07/18/2008	\$1,556.64	\$233.78	\$1,239.57	\$234,941.31	\$234,941.31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
06/15/2008	06/17/2008	05/01/2008	05/16/2008	06/18/2008	\$1,556.64	\$232.47	\$1,240.79	\$235,175.09	\$235,175.09	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
05/15/2008	05/19/2008	04/01/2008	04/16/2008	05/20/2008	\$1,556.64	\$231.17	\$1,242.01	\$235,407.56	\$235,407.56	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
04/15/2008	04/17/2008	03/01/2008	03/17/2008	04/18/2008	\$1,556.64	\$229.88	\$1,243.22	\$235,638.73	\$235,638.73	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
03/15/2008	03/18/2008	02/01/2008	02/19/2008	03/19/2008	\$1,556.64	\$228.59	\$1,244.43	\$235,868.61	\$235,868.61	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
02/15/2008	02/20/2008	01/01/2008	01/16/2008	02/21/2008	\$1,556.64	\$227.31	\$1,245.63	\$236,097.20	\$236,097.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
01/15/2008	01/17/2008	12/01/2007	12/17/2007	01/18/2008	\$1,556.64	\$226.04	\$1,246.82	\$236,324.51	\$236,324.51	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
12/15/2007	12/18/2007	11/01/2007	11/16/2007	12/19/2007	\$1,556.64	\$224.78	\$1,248.00	\$236,550.55	\$236,550.55	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
11/15/2007	11/19/2007	10/01/2007	10/16/2007	11/20/2007	\$1,556.64	\$223.52	\$1,249.18	\$236,775.33	\$236,775.33	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
10/15/2007	10/17/2007	09/01/2007	09/17/2007	10/18/2007	\$1,556.64	\$222.27	\$1,250.35	\$236,998.85	\$236,998.85	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
09/15/2007	09/19/2007	08/01/2007	08/16/2007	09/19/2007	\$1,556.64	\$221.03	\$1,251.52	\$237,221.12	\$237,221.12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
08/15/2007	08/17/2007	07/01/2007	07/16/2007	08/20/2007	\$1,556.64	\$219.79	\$1,252.68	\$237,442.15	\$237,442.15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%
07/15/2007	07/17/2007	06/01/2007	06/18/2007	07/18/2007	\$1,556.64	\$218.56	\$1,253.83	\$237,661.94	\$237,661.94	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6.750%

06/15/2007	06/19/2007	05/01/2007	05/16/2007	06/20/2007	\$1,556.64	\$217.34	\$1,254.97	\$237,880.50	\$237,880.50	\$0.00	\$0.00	\$0.00	6.750%
05/15/2007	05/17/2007	04/01/2007	04/16/2007	05/18/2007	\$1,556.64	\$216.12	\$1,256.11	\$238,097.84	\$238,097.84	\$0.00	\$0.00	\$0.00	6.750%
04/15/2007	04/17/2007	03/01/2007	03/16/2007	04/18/2007	\$1,556.64	\$214.92	\$1,257.25	\$238,313.96	\$238,313.96	\$0.00	\$0.00	\$0.00	6.750%
03/15/2007	03/20/2007	02/01/2007	02/16/2007	03/20/2007	\$1,556.64	\$213.71	\$1,258.37	\$238,528.88	\$238,528.88	\$0.00	\$0.00	\$0.00	6.750%
02/15/2007	02/20/2007	01/01/2007	01/16/2007	02/21/2007	\$1,556.64	\$212.52	\$1,259.49	\$238,742.59	\$238,742.59	\$0.00	\$0.00	\$0.00	6.750%
01/15/2007	01/17/2007	12/01/2006	12/18/2006	01/18/2007	\$1,556.64	\$211.33	\$1,260.61	\$238,955.11	\$238,955.11	\$0.00	\$0.00	\$0.00	6.750%
12/15/2006	12/19/2006	11/01/2006	11/16/2006	12/20/2006	\$1,556.64	\$210.15	\$1,261.71	\$239,166.44	\$239,166.44	\$0.00	\$0.00	\$0.00	6.750%
11/15/2006	11/17/2006	10/01/2006	10/16/2006	11/20/2006	\$1,556.64	\$208.97	\$1,262.82	\$239,376.59	\$239,376.59	\$0.00	\$0.00	\$0.00	6.750%
10/15/2006	10/18/2006	09/01/2006	09/27/2006	10/18/2006	\$1,556.64	\$0.00	\$1,262.82	\$239,585.56	\$239,585.56	\$0.00	\$0.00	\$0.00	6.750%
09/15/2006	10/03/2006				\$0.00	\$0.00	\$0.00	\$239,585.56	\$239,585.56	\$0.00	\$0.00	\$0.00	6.750%



[Download Data to an Excel Spreadsheet](#)

AA 514

EXHIBIT 8

EXHIBIT 8

(2)

Stewart Title

APN#: 177-24-514-043

AND WHEN RECORDED MAIL TO

CALIFORNIA RECONVEYANCE COMPANY

9200 Oakdale Avenue

Mail Stop: CA2-4379

Chatsworth, CA 91311

Inst #: 200910270000618

Fees: \$15.00

N/C Fee: \$0.00

10/27/2009 08:52:54 AM

Receipt #: 107152

Requestor:

SPL INC

Recorded By: GILKS Pgs: 2

DEBBIE CONWAY

CLARK COUNTY RECORDER

Space above this line for recorder's use only

Title Order No. 1024157 Trustee Sale No. 137803NV Loan No. [REDACTED] 75687

ASSIGNMENT OF DEED OF TRUST

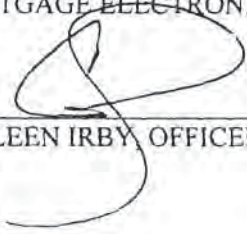
FOR VALUE RECEIVED, the undersigned hereby grants, assigns and transfers to JPMorgan Chase Bank, National Association all beneficial interest under that certain Deed of Trust dated 06/07/2006 executed by ROBERT M HAWKINS AND CHRISTINE V HAWKINS, HUSBAND AND WIFE AS JOINT TENANTS, as Trustor; to MARIN CONVEYANCING CORP., as Trustee; and Recorded 06/12/2006, Instrument 0003526, Book 20060612, Page of Official Records in the Office of the County Recorder of CLARK County, Nevada..

TOGETHER with the note or notes therein described and secured thereby, the money due and to become due thereon, with interest, and all rights accrued or to accrue under said Deed of Trust including the right to have reconveyed, in whole or in part the real property described therein.

Property Address: 3263 MORNING SPRINGS DRIVE
HENDERSON, NV 89074

Date: October 26, 2009

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.



COLLEEN IRBY, OFFICER

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On October 26, 2009 before me, C LUCAS, "Notary Public," personally appeared COLLEEN IRBY who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)

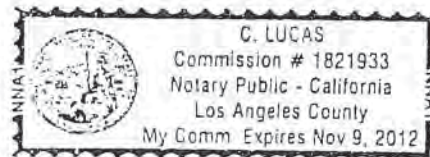


EXHIBIT 18

EXHIBIT 18

Inst #: 201303060001648
Fees: \$18.00 N/C Fee: \$0.00
RPTT: \$20.40 Ex: #
03/06/2013 11:35:06 AM
Receipt #: 1522804
Requestor:
NORTH AMERICAN TITLE SUNSET
Recorded By: DXI Pgs: 3
DEBBIE CONWAY
CLARK COUNTY RECORDER

Please mail tax statement and
when recorded mail to:
S F R Investments Pool 1, LLC
5030 Paradise Rd., B-214
Las Vegas, NV 89119

FORECLOSURE DEED

APN # 177-24-514-043
North American Title #38131

NAS # N71869

The undersigned declares:

Nevada Association Services, Inc., herein called agent (for the Pebble Canyon HOA), was the duly appointed agent under that certain Notice of Delinquent Assessment Lien, recorded August 3, 2012 as instrument number 0002972 Book 20120803, in Clark County. The previous owner as reflected on said lien is Robert M Hawkins, Christine V Hawkins. Nevada Association Services, Inc. as agent for Pebble Canyon HOA does hereby grant and convey, but without warranty expressed or implied to: S F R Investments Pool 1, LLC (herein called grantee), pursuant to NRS 116.31162, 116.31163 and 116.31164, all its right, title and interest in and to that certain property legally described as: SEASONS AT PEBBLE CANYON, PLAT BOOK 53, PAGE 45, LOT 50, BLOCK 10 Clark County

AGENT STATES THAT:

This conveyance is made pursuant to the powers conferred upon agent by Nevada Revised Statutes, the Pebble Canyon HOA governing documents (CC&R's) and that certain Notice of Delinquent Assessment Lien, described herein. Default occurred as set forth in a Notice of Default and Election to Sell, recorded on 9/20/2012 as instrument # 0001446 Book 20120920 which was recorded in the office of the recorder of said county. Nevada Association Services, Inc. has complied with all requirements of law including, but not limited to, the elapsing of 90 days, mailing of copies of Notice of Delinquent Assessment and Notice of Default and the posting and publication of the Notice of Sale. Said property was sold by said agent, on behalf of Pebble Canyon HOA at public auction on 3/1/2013, at the place indicated on the Notice of Sale. Grantee being the highest bidder at such sale, became the purchaser of said property and paid therefore to said agent the amount bid \$3,700.00 in lawful money of the United States, or by satisfaction, pro tanto, of the obligations then secured by the Delinquent Assessment Lien.

Dated: March 1, 2013



By Elissa Hollander, Agent for Association and Employee of Nevada Association Services

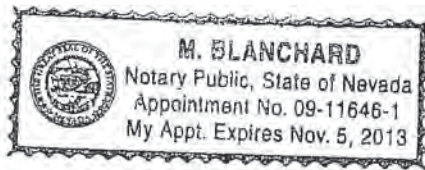
STATE OF NEVADA)
COUNTY OF CLARK)

On March 1, 2013, before me, M. Blanchard, personally appeared Elissa Hollander personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same in his/her authorized capacity, and that by signing his/her signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and seal.

(Seal)

(Signature)



M. Blanchard

STATE OF NEVADA
DECLARATION OF VALUE

1. Assessor Parcel Number(s)

a. 177-24-514-043
b. _____
c. _____
d. _____

2. Type of Property:

a. ☐ Vacant Land b. ☒ Single Fam. Res.
c. ☐ Condo/Twnhse d. ☐ 2-4 Plex
e. ☐ Apt. Bldg f. ☐ Comm'l/Ind'l
g. ☐ Agricultural h. ☐ Mobile Home
Other _____

FOR RECORDERS OPTIONAL USE ONLY

Book _____ Page: _____
Date of Recording: _____
Notes: _____

3.a. Total Value/Sales Price of Property

\$ 3,700.00

b. Deed in Lieu of Foreclosure Only (value of property (_____)

c. Transfer Tax Value: \$ 3,700.00

d. Real Property Transfer Tax Due \$ 20.40

4. If Exemption Claimed:

a. Transfer Tax Exemption per NRS 375.090, Section _____

b. Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: 100 %

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature [Signature] Capacity: Agent

Signature _____ Capacity: _____

SELLER (GRANTOR) INFORMATION
(REQUIRED)

Print Name: Nevada Association Services
Address: 6224 W. Desert Inn Rd.
City: Las Vegas
State: NV Zip: 89146

BUYER (GRANTEE) INFORMATION
(REQUIRED)

Print Name: S F R Investments Pool 1, LLC
Address: 5030 Paradise Rd., B-214
City: Las Vegas
State: NV Zip: 89119

COMPANY/PERSON REQUESTING RECORDING (Required if not seller or buyer)

North American Title Company _____ Escrow # 38131 / N71869
8485 W. Sunset Road #111 _____ State: _____ Zip: _____
Las Vegas, NV 89113 _____

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

EXHIBIT 22

EXHIBIT 22



Statement

Statement on HOA Super-Priority Lien Foreclosures

FOR IMMEDIATE RELEASE

4/21/2015

Title 12 United States Code Section 4617(j)(3) states that, while the Federal Housing Finance Agency acts as Conservator, “[no] property of the Agency shall be subject to levy, attachment, garnishment, foreclosure, or sale without the consent of the Agency.” This law precludes involuntary extinguishment of Fannie Mae or Freddie Mac liens while they are operating in conservatorships and preempts any state law that purports to allow holders of homeownership association (HOA) liens to extinguish a Fannie Mae or Freddie Mac lien, security interest, or other property interest.

As noted in our December 22, 2014 statement on certain super-priority liens, FHFA has an obligation to protect Fannie Mae's and Freddie Mac's rights, and will aggressively do so by bringing or supporting actions to contest HOA foreclosures that purport to extinguish Enterprise property interests in a manner that contravenes federal law. Consequently, FHFA confirms that it has not consented, and will not consent in the future, to the foreclosure or other extinguishment of any Fannie Mae or Freddie Mac lien or other property interest in connection with HOA foreclosures of super-priority liens.

12/22/2014: Statement of the Federal Housing Finance Agency on Certain Super-Priority Liens

###

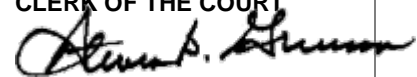
The Federal Housing Finance Agency regulates Fannie Mae, Freddie Mac and the 12 Federal Home Loan Banks. These government-sponsored enterprises provide more than \$5.6 trillion in funding for the U.S. mortgage markets and financial institutions. Additional information is available at www.FHFA.gov, on Twitter [@FHFA](https://twitter.com/FHFA), YouTube and LinkedIn.

Contacts:

Media: Corinne Russell (202) 649-3032 / Stefanie Johnson (202) 649-3030

Consumers: Consumer Communications or (202) 649-3811

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MSJD

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Attorneys for SFR Investments Pool 1, LLC

EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, NEVADA

JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION, a national association,

Plaintiff,

vs.

SFR INVESTMENTS POOL 1, LLC, a
Nevada limited liability company; DOES 1
through 10; and ROE BUSINESS ENTITIES
1 through 10, inclusive,

Defendants.

SFR INVESTMENTS POOL 1, LLC, a
Nevada limited liability company,

Counter-Claimant,

vs.

JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION, a national association;
ROBERT M. HAWKINS, an individual;
CHRISTINE V. HAWKINS, an individual;
DOES 1 10 and ROE BUSINESS ENTITIES
1 through 10 inclusive,

Counter-Defendant/Cross-Defendants

Case No. A-13-692304-C

Dept. No. XXIV

**SFR INVESTMENTS POOL 1, LLC'S
MOTION FOR SUMMARY JUDGMENT**

SFR Investments Pool 1, LLC ("SFR") hereby files its Motion for Summary Judgment against JP MORGAN CHASE BANK, NATIONAL ASSOCIATION (the "Bank") pursuant to NRCP 56(c). This Motion is based on the papers and pleadings on file herein, the following memorandum of points and authorities, the Declaration of Jacqueline A. Gilbert, Esq. ("Gilbert

Decl.”), attached hereto as **Exhibit A**, and such evidence and oral argument as may be presented at the time of hearing on this matter.

NOTICE OF HEARING

PLEASE TAKE NOTICE that on 05 day of June, 2018, in Department XXIV of the above-entitled Court, at the hour of 9:00 a.m./~~p.m.~~, or as soon thereafter as counsel may be heard, the undersigned will bring SFR’s Motion for Summary Judgment before this Court for hearing.

DATED this 13th day of April, 2018.

KIM GILBERT EBRON

/s/Jacqueline A. Gilbert
JACQUELINE A. GILBERT, ESQ.
Nevada Bar No. 10593
7625 Dean Martin Drive, Suite 110
Las Vegas, NV 89139
Attorneys for SFR Investments Pool 1, LLC

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

SFR previously filed a Motion for Summary Judgment on or about July 7, 2016. SFR prevailed on all issues. However, one of those issues was the standing of the Bank to raise 12 U.S.C. § 4617(j)(3) as a defense or claim. *See* Findings of Fact and Conclusions of Law filed on August 23, 2016. The Bank filed a Notice of Appeal (“NOA”) on or about September 16, 2016. *See* NOA filed with this Court. Based on the Nevada Supreme Court’s opinion in *Nationstar Mortgage, LLC v. SFR Investments Pool 1, LLC*, 133 Nev. Adv. Op. 34, the parties stipulated to remand back to District Court to brief **only** the issues related to §4617(j)(3) before the District Court. *See* Stipulation and Order, pg. 3 ¶ 10, filed on September 18, 2017 attached hereto as **Exhibit D**. *See also*, Stipulation to Remand filed with Nevada Supreme Court attached hereto as **Exhibit C**.¹

¹ Based on the stipulations and the order of this Court, SFR has not reargued the remaining issues decided by the Court in the initial order. SFR believes the Bank has waived the right to reargue those issues based on its stipulations. If the Court determines it will reconsider any of these other arguments by the Bank outside of the agreement to limit the issues, SFR requests the ability to brief those issues. SFR does not wish to waive its right to not waive the waiver.

Summary Judgment can be granted in SFR's favor for the following reasons: (1); the Bank's claims under 12 U.S.C. § 4617(j)(3) is barred by statute of limitations; (2) the Bank has failed to prove that FHFA/Freddie has an ownership interest; and (3) the Bank has failed to establish that it is a servicer for the FHFA/Freddie. As such, summary judgment can be granted in favor of SFR.

II. ARGUMENT

III. STATEMENT OF UNDISPUTED FACTS REGARDING CLAIMS AND DEFENSES RELATED SPECIFICALLY TO 12 U.S.C. § 4617(J)(3).

Undisputed Fact #1:

On or about June 12, 2006, a Deed of Trust ("the DOT") was recorded as Instrument No. 20060612-0003526, which purportedly states that the lender is GreenPoint Mortgage Funding, Inc. and MERS is the beneficiary under the security interest.²

Undisputed Fact #2:

On or about October 27, 2009, an Assignment was recorded, which states it transfers interest under the DOT from MERS to JP Morgan Chase Bank, National Association, due to the following language "assigns and transfers to [Chase] all beneficial interest under that certain Deed of Trust..."³

Undisputed Fact #3:

On or about October 27, 2009, a document titled Substitution of Trustee was recorded. This document states that "Marin Conveyancing Corp., was the original trustee... undersigned beneficiary, Chase, hereby substitutes California Reconveyance Company."⁴

Undisputed Fact #4:

On or about February 22, 2013, a document titled Substitution of Trustee was recorded. This document states that Chase was authorizing the substitution of National Default Servicing Corporation as the new trustee under the DOT *See* recorded Substitution of Trustee attached to

² See DOT attached to Gilbert Decl. as **Exhibit A-1**.

³ See Assignment attached to Gilbert Decl. as **Exhibit A-2**.

⁴ See Substitution of Trustee attached to Gilbert Decl. as **Exhibit A-3**.

1 Gilbert Decl. as **Exhibit A-5**.

2 **Undisputed Fact #5:**

3 On or about August 23, 2013, another document titled corporate assignment of DOT was
4 recorded, in which MERS again was assigning its interest in the DOT to JP Morgan Chase Bank,
5 National Association. See recorded corporate assignment attached to the Gilbert Decl. as
6 **Exhibit A-6**.

7 **Undisputed Fact #6:**

8 None of the documents referenced in Facts # 1-5 make any reference to any interest of
9 Freddie Mac or FHFA in the note or deed of trust.

10 **Undisputed Fact #7:**

11 The foreclosure sale at which SFR obtained its interest in the Property was held on March
12 1, 2013 and the resulting Foreclosure Deed was recorded on March 6, 2013.

13 **Undisputed Fact # 8:**

14 The Bank waited 30 months to allege any interest by Freddie Mac in the Property, deed
15 of trust or note, something it knew or should have known at the time it filed its original
16 complaint.

17 **IV. LEGAL ARGUMENT**

18 **A. Motion for Summary Judgment Standard.**

19 Summary judgment is appropriate “when the pleadings and other evidence on file
20 demonstrate that no ‘genuine issue as to any material fact [remains] and that the moving party is
21 entitled to a judgment as a matter of law.’” *Wood v. Safeway, Inc.*, 121 Nev. 724, 729, 121 P.3d
22 1026, 1029 (2005). Additionally, “[t]he purpose of summary judgment ‘is to avoid a needless
23 trial when an appropriate showing is made in advance that there is no genuine issue of fact to be
24 tried, and the movant is entitled to judgment as a matter of law.’” *McDonald v. D.P. Alexander*
25 *& Las Vegas Boulevard, LLC*, 121 Nev. 812, 815, 123 P.3d 748, 750 (2005) *quoting Coray v.*
26 *Home*, 80 Nev. 39, 40-41, 389 P.2d 76, 77 (1964). Moreover, the non-moving party “must, by
27 affidavit or otherwise, set forth specific facts demonstrating the existence of a genuine issue for
28 trial or have summary judgment entered against [it].” *Wood*, 121 Nev. at 32, 121 P.3d at 1031.

The non-moving party “is not entitled to build a case on the gossamer threads of whimsy, speculation, and conjecture.” *Id.* Rather, the non-moving party must demonstrate specific facts as opposed to general allegations and conclusions. *LaMantia v. Redisi*, 118 Nev. 27, 29, 38 P.3d 877, 879 (2002); *Wayment v. Holmes*, 112 Nev. 232,237,912 P.2d 816, 819 (1996). Though inferences are to be drawn in favor of the non-moving party, an opponent to summary judgment must show that it can produce evidence at trial to support its claim or defense. *Van Cleave v. Kietz-Mill Minit Mart*, 97 Nev. 414, 417, 633 P.2d 1220, 222 (1981).

B. The Bank’s Claims are Time-Barred.

1. The statute of limitations under § 4617(b)(12).

The statute that governs the statute of limitations in this context is 12 U.S.C. 4617(b)(12) which provides:

(12) Statute of limitations for actions brought by conservator or receiver

(A) In general. Notwithstanding any provision of any contract, the applicable statute of limitations with regard to any action brought by the Agency as conservator or receiver shall be—

(ii) in the case of any tort claim, the longer of—

- (I) the 3-year period beginning on the date on which the claim accrues; or
- (II) the period applicable under State law.

12 U.S.C. 4617(b)(12). The statute of limitations in Nevada for a wrongful foreclosure claim three years. NRS 11.190(3)(a).

By asserting § 4617(j)(3), the Bank is claiming the Association’s foreclosure was wrongful because it occurred without the Federal Housing Finance Agency’s (“FHFA”) consent. A claim for wrongful foreclosure is a tort claim. *Collins v. Union Federal Sav. & Loan Ass’n*, 99 Nev. 284, 300, 662 P.2d 610, 620 (1983). This means under § 4617(j)(12), said claim carries a **three-year statute of limitations**. To that end, the Bank’s claim accrued on the date of the sale i.e. March 1, 2013⁵, which means that Bank had **until March 1, 2016**, to bring this claim. The Banks First Amended Complaint was filed on or about March 9, 2016, which is after the

⁵ See Foreclosure Deed attached to Gilbert Decl. as **Exhibit A-4**.

1 expiration of the statute of limitations. Thus, the Bank is time barred in bringing this claim.

2 2. *The Amended Complaint does not relate back to the original filing date.*

3 The amended complaint does not relate back to the original complaint. Nothing in the
4 original complaint put SFR on notice of any claimed interest by Freddie Mac or that 12 U.S.C. §
5 4617(j)(3) was implicated. See *Wilson v. Fairchild Republic Co.*, 143 F.3d 733, 738 (2d Cir.
6 1998) (“The pertinent inquiry, in this respect, is whether the original complaint gave the
7 defendant fair notice of the newly alleged claims.” (citing *Baldwin County Welcome Center v.*
8 *Brown*, 466 U.S. 147, 149 n.3, 104 S. Ct 1723 (1984)). overruled on other grounds by *Slayton v.*
9 *Am. Express Co.*, 460 F.3d 215, 227–28 (2d Cir.2006) (adopting *de novo* standard of review for
10 Rule 15(c)). The Bank knew or should have known of the facts related to Freddie’s alleged
11 interest and made the allegations when filing its original complaint. The Bank cannot even assert
12 4617(j)(3) as a defense because this too is time barred. *City of Saint Paul, Alaska v. Evans*, 344
13 F.3d 1029, 1035-36 (9th Cir. 2003) (barring City’s defense under statute of limitations because
14 defenses were “mirror images of time-barred claims”). In *Evans*, the 9th Circuit, noted that a
15 party cannot “engage in a subterfuge to characterize a claim as a defense in order to avoid a
16 temporal bar.” *Evans*, citing *Mobil Oil Corp. v. Dep’t of Energy*, 728 F.2d 1477, 1488 (1983)
17 (holding that laches barred a pre-enforcement declaratory judgment action alleging that a price
18 regulation was invalid). See also *Gilbert v. City of Cambridge*, 932 F.2d 51, 58 (1st Cir. 1991)
19 (holding that temporal bar cannot be sidestepped by asserting a defensive declaratory judgment
20 claim); *Clark v. Slack Steel & Supply Co.*, 611 P.2d 80, 83 (Alaska 1980) (dismissing, as barred
21 by statute of limitations, plaintiff’s affirmative claim that a contract be declared void because it
22 was formed under duress). As the *Evans* Court noted, “statutes of limitations ‘are aimed at
23 lawsuits, not at the consideration of particular issues in lawsuits....’” 344 F.3d at 1035 (quoting
24 *Beach v. Ocwen Fed. Bank*, 523 U.S. 410, 416 118 S.Ct. 1408 (1998)). At the end of the day, the
25 statute of limitations applies regardless of whether the Bank couches its 4617(j)(3) assertion as a
26 claim or defense. As the *Evans* Court put it, “[n]o matter what gloss [the Bank] puts on its
27 defenses, they are simply time-barred claims masquerading as defenses and are likewise subject
28 to the statute of limitations bar.” *Evans*, at 1036.

1 Following this analysis, another court within the district held that the three-year statute of
2 limitations was applicable and that based thereon, “the allegation of a federal foreclosure bar
3 action under 12 U.S.C. Sec. 4617(j)(3) is time barred.” *See* Decision and Order in *River Glider*
4 *Avenue Trust v. Citimortgage, Inc.*, District Court Case No. A-13-680532-C (January 29, 2018)
5 attached hereto as **Exhibit B**.

6 Based thereon, the Bank’s purported claim under 12 U.S.C. § 4617 is time-barred.

7 **C. The Recorded Documents Prove Freddie Mac Has Zero Interest in the Note/Deed**
8 **of Trust.**

9 Pursuant to NRS 47.240(2) it is conclusive that “[t]he truth of the fact recited, from the
10 recital in a written instrument between the parties thereto, or their successors in interest by a
11 subsequent title.” This means the facts recited in the recorded documents are now conclusive;
12 i.e., they cannot be contradicted. Here, the recorded documents establish that MERS as nominee
13 beneficiary for GreenPoint Mortgage Funding, Inc. (“GreenPoint”) originally had the interest in
14 the Note and Deed of Trust. Then MERS, on behalf of GreenPoint assigned all its rights, title and
15 interest in the Note/Deed of Trust to Chase. While there is subsequent assignment from MERS to
16 Chase again, this assignment makes little sense given that Chase was previously assigned the
17 Note/Deed of Trust in 2009. Nevertheless, there are no assignments to Freddie Mac, and none of
18 the documents refer to Chase as nominee beneficiary for Freddie Mac.

19 As a result, it is conclusively established that Freddie Mac does not and did not have an
20 interest in the subject Note/Deed of Trust at the time of the Association foreclosure sale.
21 Because this is summary judgment, the Bank need more than proclamations to establish this fact.
22 As the non-moving party, they must demonstrate specific facts as opposed to general allegations
23 and conclusions. *LaMantia v. Redisi*, 118 Nev. 27, 29, 38 P.3d 877, 879 (2002).

24 If the recorded assignments were not enough, which they are, the Bank has not even
25 established Freddie Mac’s interest through the production of the wet-ink promissory note. The
26 proper method of transferring a mortgage note is governed by Article 3 of the Uniform
27 Commercial Code—Negotiable Instruments, because a mortgage note is a negotiable
28

instrument.⁶ *Leyva v. Nat'l Default Servicing Corp.*, 127 Nev. 470, 255 P.3d 1275, 1279–81 (2011) (citing *Birkland v. Silver State Financial Services, Inc.*, No. 2:10–CV–00035–KJD, 2010 WL 3419372, at *4 (D. Nev. Aug. 25, 2010)). *See also*, NRS 104.3301; *In re Veal*, 450 B.R. 897, 920, at *16 (B.A.P. 9th Cir. June 10, 2011) (holding that a purported servicer, did not prove that it was the party entitled to enforce, and receive payments from, a mortgage note because it “presented no evidence as to who possessed the original Note.)

“An instrument is transferred when it is delivered by a person other than its issuer for the purpose of giving to the person receiving delivery the right to enforce the instrument.” UCC § 3–203(a). “Transfer of an instrument, whether or not the transfer is a negotiation, vests in the transferee any right of the transferor to enforce the instrument. ...” UCC § 3–203(b). While the failure to obtain the endorsement of the payee or other holder does not prevent a person in possession from being the “person entitled to enforce” the note, the possessor does not have the presumption of a right to enforce. *Branch Banking & Trust Co. v. Smoke Ranch Dev., LLC*, No. 2:12–CV–00453–APG–NJK, 2014 WL 4796939, at *4 (D. Nev. Sept. 26, 2014). Rather, the possessor of the note must demonstrate both the fact and the purpose of the delivery of the note to the transferee in order to qualify as the “person entitled to enforce.” *Leyva*, 255 P.3d at 1281.

Here, there is no evidence showing that Freddie Mac possesses the Note. Although to be clear, possession of both the Note and an interest in the Deed of Trust is required. *1597 Ashfield Valley Trust v. Federal National Mortgage Association*, 2015 WL 4581220 at 8 (D. Nev. July 28, 2015) (finding that possession of “note does not qualify as in property subject to protection

⁶ *See* NRS 104.3102 (1) which applies to negotiable instruments like mortgage notes under Nevada’s adoption of UCC Article 3. Transfer of a mortgage note must be done in accordance to NRS 104.3109 (note payable to bearer or order) and properly transferred or negotiated to a subsequent holder by proper endorsement if required. *See* NRS 104.3109; 104.3201; 104.3204; *see also* *Leyva v. Nat'l Default Servicing Corp.*, 255 P.3d 1275, 1280 (Nev. 2011).

If the note is payable to the order of an identifiable party but is then sold or otherwise assigned to a new party, it must be endorsed by the party to whom it was originally payable for the note to be considered properly negotiated to the new party. *Leyva*, 255 P.3d at 1280. “When endorsed in blank, an instrument becomes payable to bearer....” NRS 104.3205(2). Further, “a note initially made payable ‘to order’ can become a bearer instrument, if it is endorsed in blank.” *Bank of New York v. Raftogianis*, 418 N.J.Super. 323, 13 A.3d 435, 439 (N.J.Super.Ct.Ch.Div.2010); *see also* U.C.C. § 3–205 cmt. 2 (2004). A party wishing to enforce a note must demonstrate it was validly negotiated or transferred by proper endorsement or proving the transaction through which, the note was acquired. *Leyva*, 255 P.3d at 1281 citing NRS 104.3203(2) and U.C.C. § 3–202 cmt 2.

1 under 12 U.S.C. § 4617(j)(3)"). As noted in *Ashfield*, "[a] promissory note connected with a
2 home mortgage loan is not an interest in the real property encumbered by the deed of trust." *Id.*
3 at *8 citing *Edelstein v. Bank of N.Y. Mellon*, 286 P.3d 249, 254 (Nev. 2012). This is so because
4 "the holder of the note is only entitled to repayment and does not have the right under the deed to
5 use the property as means of satisfying repayment." *Edelstein*, citing *Cervantes v. Countrywide*
6 *Home Loans, Inc.*, 656 F.3d 1034, 1039 (9th Cir. 2011). Thus, in order for the Bank to show that
7 4617 even applies, it has to prove Freddie Mac has both an interest in the Note and Deed of
8 Trust. The undisputed evidence belies this, and as such, 4617(j)(3) is not in play.

9 **V. CONCLUSION**

10 Based on the above, the Court should enter summary judgment in favor of SFR, stating that
11 (1) SFR holds title to the Property free and clear of the subject Deed of Trust, (2) the Deed of
12 Trust was extinguished when the Association foreclosed its lien containing super priority
13 amounts, making it unenforceable against the Property, (3) the Bank, and any agents acting on
14 its behalf or any entities on whose behalf the Bank may claim to be an agent for, are
15 permanently enjoined from taking any action based on the Deed of Trust that would affect
16 SFR's title to the Property, including but not limited to sale or transfer.

17 DATED this 13th day of April, 2018.

KIM GILBERT EBRON

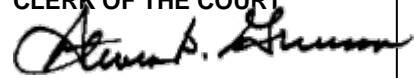
18
19 /s/Jacqueline A. Gilbert
JACQUELINE A. GILBERT, ESQ.
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 13th day of April, 2018, pursuant to NRCP 5(b), I served via the Eighth Judicial District Court electronic filing system, the **SFR INVESTMENTS POOL 1, LLC'S MOTION FOR SUMMARY JUDGMENT**, to the following parties:

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DISTRICT COURT
CLARK COUNTY, NEVADA

JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION, a national association,

Plaintiff,

vs.

SFR INVESTMENTS POOL 1, LLC, a
Nevada limited liability company

Defendants.

SFR INVESTMENTS POOL 1, LLC a
Nevada limited liability company,

Counter-Claimant,

vs.

JPMORGAN CHASE BANK NATIONAL
ASSOCIATION, a national association;
ROBERT M. HAWKINS, an individual;
CHRISTINE V. HAWKINS, an individual;
DOES 1-10 and ROE BUSINESS
ENTITIES 1 through 10, inclusive,

Counter-Defendant/Cross-
Defendants.

CASE NO. A-13-692304-C

DEPT NO. XXIV

JPMORGAN CHASE BANK, N.A' S OPPOSITION TO
SFR'S MOTION FOR SUMMARY JUDGMENT

INTRODUCTION

As described in Chase’s Motion for Summary Judgment, while Freddie Mac is in conservatorship under FHFA, none of its property “shall be subject to . . . foreclosure . . . without the consent of [FHFA].” 12 U.S.C. § 4617(j)(3) (the “Federal Foreclosure Bar”).¹ Here, at the time of the HOA Sale, Freddie Mac owned the Loan, including both the note and Deed of Trust encumbering the Property. Therefore, the HOA Sale could not extinguish that Deed of Trust without FHFA’s consent, and Plaintiff took an interest in the Property subject to that lien.

Multiple federal and state courts have resolved dozens of similar cases in favor of Fannie Mae, Freddie Mac, and their servicers on summary judgment by evaluating materially the same evidence as those in this case. *See* MSJ at 11-12 (citing cases). Plaintiff rehashes arguments that have been explicitly rejected by the appellate courts. These arguments fail as a matter of law and should be rejected.

ARGUMENT

The Nevada Supreme Court and the Ninth Circuit have held that the Federal Foreclosure Bar preempts the State Foreclosure Statute. *See, e.g., Saticoy Bay LLC Series 9641 Christine View v. Fannie Mae*, No. 69419, 2018 WL 1448731 (Nev. 2018) (unpublished disposition); *Berezovsky v. Moniz*, 869 F.3d 923 (9th Cir. 2017); *Saticoy Bay, LLC v. Flagstar Bank, FSB*, 699 Fed. App’x 658 (9th Cir. 2017); *Elmer v. JPMorgan Chase & Co.*, 707 F. App’x 426 (9th Cir. 2017). In these Ninth Circuit cases, the court analyzed the exact legal issues as this case and materially the same facts, and recognized that federal law prevents the purchaser of a property at an HOA Sale, like Plaintiff here, from acquiring a free and clear interest in property encumbered by a loan owned by an Enterprise. *Berezovsky*, 869 F.3d at 933; *Elmer*, 707 F. App’x at 428; *see also Flagstar*, 699 Fed. App’x at 659.

SFR appears to concede that the Federal Foreclosure Bar preempts the State

¹ Terms not defined herein shall take on the definition in Chase’s Motion for Summary Judgment (“MSJ”).

1 Foreclosure Statute to the extent it would allow the extinguishment of an
2 Enterprise's deed of trust. Instead, SFR makes two arguments as to why the Federal
3 Foreclosure Bar does not apply in this case: (1) Freddie Mac purportedly did not
4 have a property interest; and (2) Chase's claims are untimely. Both of these
5 arguments fail as a matter of law.

6 **I. Freddie Mac Had an Interest in the Property at the Time of the HOA Sale**

7 **A. Freddie Mac Owned the Note and Deed of Trust Under Nevada Law**

8 SFR contends that Freddie Mac had no property interest for the Federal
9 Foreclosure Bar to protect because Freddie Mac never recorded its interest. SFR's
10 MSJ at 7-9. But SFR's argument ignores that Freddie Mac's Deed of Trust *was*
11 *recorded*, and demonstrates a gross misunderstanding of Nevada law, which
12 recognizes that Freddie Mac maintains its property interest as a loan owner when its
13 servicer or nominee (such as MERS) appears as the record beneficiary of the Deed of
14 Trust. *See In re Montierth*, 354 P.3d 648 (Nev. 2015); Restatement (Third) of
15 Property: Mortgages § 5.4 (1997) ("Restatement"). Pursuant to these authorities,
16 Freddie Mac's ownership of the Loan and the appearance of its servicer, Chase, as
17 record beneficiary ensured it maintained a property interest.

18 In its motion for summary judgment, Chase explained how the Nevada
19 Supreme Court in *Montierth* recognized that an entity who owned a loan was a
20 secured creditor—meaning that it had a property interest in the collateral—while
21 MERS, an entity with which it had an agency or contractual relationship, was record
22 beneficiary of the deed of trust. *See Montierth*, 354 P.3d at 651. This case is nearly
23 identical to *Montierth*—Freddie Mac owned the loan while another entity, here a
24 servicer, was record beneficiary of the Deed of Trust. Accordingly, the loan-owner
25 nominee relationship recognizes that "a note owner remains a secured creditor with a
26 property interest in the collateral even if the recorded deed of trust names only the"
27 servicer or nominee. *Berezovsky*, 869 F.3d at 932.

28 Specifically, the Nevada Supreme Court in *Montierth* recognized that an entity

1 which owned a loan was a secured creditor—meaning that it had a property interest
2 in the collateral—while MERS, an entity with which it had an agency or contractual
3 relationship, was record beneficiary of the deed of trust. *See Montierth*, 354 P.3d at
4 651. The Restatement, which *Montierth* adopts, explains the relationship between
5 “institutional purchasers of loans” and their servicers, and states that when a
6 servicer appears in the public records as beneficiary of a mortgage, “[i]t is clear in
7 this situation that the owner of both the note and mortgage is the investor and not
8 the servicer.” Restatement § 5.4 cmt. c. Accordingly, the loan-owner servicer
9 relationship “preserves the note owner’s power to enforce its interest under the
10 security instrument, because the note owner can direct the beneficiary to foreclose on
11 its behalf.” *Berezovsky*, 869 F.3d at 932.

12 The Supreme Court of Nevada’s recent decision in *Nationstar Mortgage, LLC*
13 *v. SFR Investments Pool 1, LLC*, 396 P.3d 754 (Nev. 2017), further confirmed that
14 *Montierth* is applicable in the context of the servicer-loan owner relationship when it
15 cited *Montierth* in the context of clarifying that a loan servicer can take action,
16 including litigation, related to a mortgage on behalf of the loan owner. *See id.* at 757.

17 Moreover, the Nevada Supreme Court recently characterized *Montierth* as
18 “recognizing that it is an acceptable practice for a loan servicer to serve as the
19 beneficiary of record for the actual deed of trust beneficiary.” *Ohfuji Investments,*
20 *LLC v. Nationstar Mortg., LLC*, No. 72676, 2018 WL 1448729, at *1 (Nev. Mar. 15,
21 2018) (unpublished disposition). *Ohfuji* referenced *Montierth*’s holding in describing
22 the relationship between Nationstar, the loan servicer, and Fannie Mae, a loan
23 owner—similar to the facts here. Indeed, *Ohfuji*’s description of *Montierth* echoes
24 the Ninth Circuit’s interpretation of the same case, supporting the conclusion that
25 when a servicer or nominee appears as record beneficiary on behalf of a loan owner,
26 the loan owner maintains a secured property interest. *See Berezovsky*, 869 F.3d at
27 932.

28 ///

1 At the time of the HOA Sale, the relevant security interest, the Deed of Trust,
2 was recorded in the name of Chase, Freddie Mac's contractually authorized servicer,
3 putting SFR on notice that the Deed of Trust encumbered the Property. The Deed of
4 Trust was the instrument that Freddie Mac owned, regardless of whether Freddie
5 Mac's name appeared on the face of the instrument. *Montierth* and *Ohfuji* confirm
6 that there is no rule that every deed of trust must be recorded *in its owner's name* for
7 the owner to have a valid, secured, interest. *Montierth*, 354 P.3d at 650-51; *Ohfuji*,
8 2018 WL 1448729 at *1. Thus, "Nevada law . . . recognizes that . . . a note owner
9 remains a secured creditor with a property interest in the collateral even if the
10 recorded deed of trust names" a servicer. *Berezovsky*, 869 F.3d at 932. Here,
11 "[a]lthough the recorded deed of trust here omitted Freddie Mac's name, Freddie
12 Mac's property interest is valid and enforceable under Nevada law." *Id.*

13 Despite this clear authority, SFR claims that the only person with any interest
14 at the time of the foreclosure sale was Chase, relying solely on the assignment of the
15 Deed of Trust to Chase—an argument that appears to assume that being the record
16 beneficiary is the only possible interest one can have in a Deed of Trust. This
17 argument cannot prevail in light of *Montierth's* clear holding that different parties
18 can be the named beneficiary and the owner of the Deed of Trust.

19 Indeed, SFR's assertion that the assignment transferred *ownership* of the deed
20 of trust and note to Chase is unsupported by any language in that document. The
21 assignment merely reflects that MERS transferred to Chase whatever interest MERS
22 had at the time, and should be read in the context of both Nevada law — under which
23 MERS had an interest only as record beneficiary, not as owner — as well as
24 blackletter assignment law. The principle of *nemo dat quod non habet* — *i.e.*, one
25 cannot give what one does not have — confirms that the use of assignment language
26 could not enlarge the property rights that could be transferred to subsequent
27 servicers. *See Mitchell v. Hawley*, 83 U.S. 544, 550 (1872). This is because an
28 "assignee stands in the shoes of the assignor and ordinarily obtains only the rights

1 possessed by the assignor at the time of the assignment, and no more.” 6A C.J.S.
2 Assignments § 111; *see also* 55 Am. Jur. 2d Mortgages § 944 (An “assignee of a
3 mortgagee’s interest in a mortgage gains only the rights the assignor had at the time
4 of the assignment.”).

5 Moreover, the assignment must be read in the context of the relationships
6 between MERS, Chase, and Freddie Mac. Prior to Freddie Mac’s acquisition of the
7 Loan, MERS was beneficiary “solely as nominee for Lender and Lender’s successors
8 and assigns.” MSJ, Ex. 5. It did not own the Loan, and the original Lender sold that
9 ownership interest to Freddie Mac. Therefore, the assignment transferred only the
10 interest MERS had as record beneficiary of the deed of trust, an interest that does
11 not include *ownership*. And at the time of the assignment, Chase was Freddie Mac’s
12 servicer. Had Chase become the new owner of those instruments at the time of the
13 assignment, Chase would not have continued to report to Freddie Mac concerning the
14 Loan or remit principal and interest payments on a monthly basis. But as Freddie
15 Mac’s records show, Chase did just that. MSJ, Ex. 4 (Chase Decl.).

16 SFR’s reliance on *1597 Ashfield Valley Trust v. Fannie Mae*, No. 2:14-CV-2123
17 JCM, 2015 WL 4581220, at *8 (D. Nev. July 28, 2015), also fails. SFR’s MSJ at 8.
18 SFR fails to mention that in *Ashfield*, Judge Mahan held that Fannie Mae *did* have a
19 protected property interest, and accordingly granted Fannie Mae summary
20 judgment. Any dicta suggesting that Fannie Mae must have been assigned the Deed
21 of Trust itself to have a property interest has been rejected by Judge Mahan, who has
22 since granted summary judgment to the Enterprises in over a dozen decisions
23 following that fact pattern.² And of course, the Ninth Circuit has similarly granted

24 ² *See, e.g., Freddie Mac v. Donel*, No. 2:16-cv-176-JCM-PAL, 2017 WL 2692403
25 (D. Nev. June 21, 2017); *JPMorgan Chase v. Las Vegas Development Grp.*, No. 2:15-
26 cv-1701-JCM-VCF, 2017 WL 937722 (D. Nev. Mar. 9, 2017); *Vita Bella Homeowners*
27 *Ass’n v. Fannie Mae*, No. 2:15-cv-00515-JCM-VCF, 2017 WL 6055667 (D. Nev. Mar.
28 9, 2017); *LN Mgm’t LLC Series 7937 Sierra Rim v. Pfeiffer*, No. 2:13-cv-1934-JCM-
PAL, 2017 WL 955184 (D. Nev. Mar. 9, 2017); *Alessi & Koenig LLC v. Dolan*, No.
2:15-cv-00805-JCM-CWH, 2017 WL 773872 (D. Nev. Feb. 27, 2017); *G & P Inv.*
Enters., LLC v. Wells Fargo Bank, N.A., 199 F. Supp. 3d 1266 (D. Nev. 2016); *Saticoy*
(continued...)

summary judgment to the Enterprises and their servicers under such circumstances, including in *Flagstar*, where it affirmed Judge Mahan's order granting summary judgment.

B. The Evidence Unequivocally Proved Freddie Mac Owned the Loan.

Chase has supported its Summary Judgment Motion with Freddie Mac and Chase's business records and declarations from their employees explaining those business records and testifying to Freddie Mac's ownership of the Loan at the time of the HOA Sale. MSJ, Ex. 4 (Chase Decl.), Ex. 7 (Freddie Mac Decl.).

Included in this evidence was Freddie Mac's business-records from its MIDAS system, an electronic system of record that Freddie Mac uses in its ordinary business operations to track millions of loans it owns nationwide. MSJ, Ex. 7, 7-1. The MIDAS data shows that the "funding date" on which Freddie Mac acquired ownership of the Loan was in September 27, 2006 - long before the HOA Sale. *Id.* This data also demonstrates Freddie Mac's continued ownership of the Loan at the time of the HOA Sale. MSJ, Ex. 7, 7-1,7-6. None of this evidence has been controverted.

The declaration clearly explains the information reflected in Freddie Mac's database records that are relevant to this case. Nevada Rule of Civil Procedure 56 permits parties moving for summary judgment to support their motions with supporting affidavits that "set forth such facts as would be admissible in evidence." Nev. R. Civ. P. 56(a), (e); *see also United States v. Miller*, 771 F.2d 1219, 1237 (9th

(...continued)

Bay LLC Series 2714 Snapdragon v. Flagstar Bank, FSB, No. 2:13-cv-1589-JCM, 2016 WL 1064463 (D. Nev. Mar. 17, 2016); *Freddie Mac v. T-Shack, Inc.*, No. 2:16-cv-02664-JCM-PAL, 2018 WL 456878 (D. Nev. Jan. 17, 2018); *Green Tree Servicing LLC v. Valencia Mgt. LLC*, No. 2:15-cv-725-JCM-PAL, 2018 WL 505070 (D. Nev. Jan. 22, 2018); *Fannie Mae v. KK Real Est. Inv. Fund, LLC*, No. 2:17-cv-1289-JCM-CWH, 2018 WL 525297 (D. Nev. Jan. 23, 2018); *JP Morgan Chase Bank, N.A. v. Res. Grp., LLC*, No. 2:17-cv-00225-JCM-NJK, 2018 WL 894612, at *5 (D. Nev. Feb. 13, 2018); *MRT Assets LLC v. Nationstar Mortg., LLC*, No. 2:17-cv-0070-JCM-CWH, 2018 WL 1245501 (D. Nev. Mar. 9, 2018); *Collegium Fund Series 32 v. Snyder*, No. 2:16-cv-1640-JCM-PAL, 2018 WL 1368263 (D. Nev. Mar. 16, 2018).

1 Cir. 1985) (holding that the foundational facts for the hearsay exception “must be
2 proved through the testimony of the custodian of the records or other qualified
3 witness, though not necessarily the declarant”).

4 The Ninth Circuit evaluated the exact same type of evidence—business records
5 and a declaration from a Freddie Mac employee—in related cases and held that
6 Freddie Mac’s “database printouts” were sufficient to support a “valid and
7 enforceable” property interest under Nevada law. *Berezovsky*, 869 F.3d at 932-33 &
8 n.8. In *Elmer*, “Freddie Mac provided a record from its internal database stating . . .
9 the loan’s “funding date”[, which] was . . . well before the [foreclosure] sale[, and]
10 Freddie Mac’s employee explained that the record indicates that Freddie Mac
11 acquired ownership of the loan . . . and has owned it ever since.” *Elmer*, 707 F. App’x
12 at 428. Chase has provided the same type of evidence here—MIDAS business
13 records providing the “funding date,” which was before the HOA Sale, and an
14 employee declaration explaining the records. The submitted business records are
15 “*reliable* and uncontroverted evidence of Freddie Mac’s interest in the property on
16 the date of the foreclosure.” *Elmer*, 707 F. App’x at 428 (emphasis added). Indeed, in
17 *Elmer*, the Ninth Circuit rejected speculation by the opposing party that the records
18 might be interpreted in some way other than that presented in Freddie Mac’s
19 employee declaration. *Id.*

20 SFR suggests that Chase needs to produce the original wet-ink note. Opp. at
21 7-8. That is incorrect, as evidenced by the Ninth Circuit decisions which affirmed
22 orders granting the Enterprises summary judgment without any note in the record.
23 This is because SFR misunderstands the difference between a *holder* and an *owner* of
24 a note, and producing the note would only show that one is the *holder*, which is
25 irrelevant to the issues here.

26 Under Nevada law, the *owner* and the *holder* of a note may be two different
27 entities. A transfer of a note has no bearing on ownership, but instead “vests in the
28 transferee any right of the transferor to enforce the instrument.” NRS § 104.3203.

1 Thus, “[a] person may be a person entitled to enforce [a promissory note] even though
2 the person is not the owner of the [note].” NRS § 104.3301(2). Accordingly, “the
3 status of holder merely pertains to one who may enforce the debt and is a separate
4 concept from that of ownership.” *Thomas v. BAC Home Loans Servicing, LP*, No.
5 56587, 2011 WL 6743044, at *3 n.9 (Nev. Dec. 20, 2011).

6 Thus, SFR’s demand that Chase prove that Freddie Mac has authority to
7 enforce the note is a red herring and a request to prove it is the *holder* of the note.
8 But that fact is separate from ownership, and thus irrelevant to the issues of this
9 case. Neither Chase nor Freddie Mac is attempting to foreclose on the Property in
10 this litigation, and so Freddie Mac does not need to be able to enforce the note at this
11 time, much less at the time of the HOA Sale. *Cf. Leyva*, 255 P.3d at 1280 (explaining
12 that once a note is properly endorsed, then the “‘note holder,’ with possession is
13 entitled to enforce the note”). The parties’ claims and defenses turn on who *owned*
14 the Loan *at the time of the HOA Sale*; being a holder of a note does not prove
15 ownership.

16 SFR’s reliance on *Leyva* to argue that the note is necessary highlights its
17 mistake. *See* Opp. at 8. *Leyva* concerned the evidence required to enforce a note, *i.e.*,
18 to foreclose upon it, through Nevada’s foreclosure mediation program. *See* 255 P.3d
19 at 1277. Under that program, the foreclosing party is statutorily required to bring
20 certain documentation of its status as holder of the note to show it is entitled to
21 enforce the note. *Id.* at 1280-81. In that case, Wells Fargo attempted to prove it
22 could enforce the note by showing it had physical possession of the deed of trust and
23 a notarized statement of one of its employees. But the court held this was not
24 sufficient evidence to enforce the note through the mediation program. *Id.* At no
25 point did *Leyva* articulate a rule of evidence to support *ownership* of a loan in *district*
26 *court*. Thus, *Leyva*’s interpretation of the statutory requirements for Nevada’s
27 foreclosure mediation program has no bearing on the present case.
28

II. Chase's Claims Are Timely

SFR also asserts that Chase's invocation of the Federal Foreclosure Bar is untimely, contending that a three-year statutory limitations provision applicable to tort claims brought by FHFA somehow apply to Chase's arguments here. Opp. at 5-6. SFR is wrong for at least two reasons.

First, SFR is wrong that it would be the statute of limitations for a tort claim brought by FHFA under 12 U.S.C. § 4617(b)(12)(A). By its plain language, Section 4617(b)(12)(A) is inapposite here—FHFA did not bring this action, nor has it ever been a party to this case. Section 4617(a) describes the circumstances under which FHFA may be appointed conservator or receiver and when judicial review of that decision is permitted. Section 4617(b) discusses the powers and duties of FHFA when acting as conservator or receiver, and Section 4617(b)(12)(A) provides a statute of limitation period applicable to FHFA in those roles:

[T]he applicable statute of limitations with regard to any action brought by the Agency as conservator or receiver shall be—

(i) in the case of any contract claim, the longer of—

(I) the 6-year period beginning on the date on which the claim accrues; or

(II) the period applicable under State law; and

(ii) in the case of any tort claim, the longer of—

(I) the 3-year period beginning on the date on which the claim accrues; or

(II) the period applicable under State law.

12 U.S.C. § 4617(b)(12)(A) (emphasis added). When interpreting a statutory provision, the courts' "starting point is the plain language of the statute." *U.S. v. Williams*, 659 F.3d 1223, 1225 (9th Cir. 2011) (citation omitted). Here, the unambiguous language of statute restricts the application of the statute of limitations to actions brought by FHFA as conservator or receiver.

SFR fails to explain how FHFA ostensibly "brought" an action in a case in which it is not and has never been a party. In *Deutsche Bank National Trust Co. v. Quicken Loans Inc.*, 810 F.3d 861 (2d Cir. 2015), the Court of Appeals for the Second Circuit held that a case in which FHFA's involvement was limited to filing a

1 summons could not “reasonably be said to have been ‘brought by’ FHFA,” so the
2 statute of limitations provision of Section 4617(b)(12) did not apply. *Id.* at 868; *see*
3 *also Miller v. Tanner*, 196 F.3d 1190, 1193 (11th Cir. 1999) (interpreting the term
4 “brought” to mean “filed” in the context of an “action brought by” a party). The court
5 warned that holding that the statute of limitations in Section 4617(b)(12) applies to
6 actions by private parties would “confound common-sense notions of claims to which
7 the statute applies” and “invite litigation gamesmanship” *Deutsche Bank*, 810 F.3d
8 at 868.

9 As SFR has not and cannot allege that FHFA has brought any action against
10 any party in this case, Section 4617(b)(12) is inapplicable. Instead, Chase’s claim is a
11 quiet title claim, and equivalent quiet title claims are subject to the five-year statute
12 of limitations periods described in NRS 11.070 and NRS 11.080, as other courts have
13 recently concluded. *See, e.g., JPMorgan Chase Bank, N.A. v. SFR Invs. Pool 1, LLC*,
14 No. 2:16-cv-02005-JCM-VCF, 2017 WL 3317813, at *2 (D. Nev. Aug. 2, 2017); *Bank of*
15 *New York Mellon Trust Co., N.A. v. Jentz*, No. 2:15-cv-1167-RCJ-CWH, 2016 WL
16 4487841, at *2-3 (D. Nev. Aug. 24, 2016); *Nationstar Mortg. LLC v. Amber Hills II*
17 *Homeowners Ass’n*, No. 2:15-cv-01433-APG-CWH, 2016 WL 1298108, at *3-4 (D.
18 Nev. Mar. 31, 2016). Indeed, in a case where a bank plaintiff brought a quiet title
19 action seeking a declaration that a “foreclosure sale did not extinguish its deed of
20 trust”—a claim essentially identical to the defense Chase asserts here—one court
21 noted that “ultimately, the purpose of Plaintiff’s claims [wa]s to quiet title to the
22 Property.” *Jentz*, 2016 WL 4487841, at *2-3. As a matter of law and logic, a claim
23 whose legal “purpose” is to “quiet title to ... [p]roperty” is necessarily “founded upon
24 ... title” to the property. *See* NRS 11.070; *see also Weeping Hollow Ave. Tr. v.*
25 *Spencer*, 831 F.3d 1110, 1114 (9th Cir. 2016) (citing N.R.S. 11.070 as the governing
26 statute of limitations in Nevada for quiet-title claims); *Saticoy Bay LLC Series 2021*
27 *Gray Eagle Way v. JPMorgan Chase Bank, N.A.*, 388 P.3d 226, 232 (Nev. 2017)
28 (stating quiet-title claims between lienholders and title owners are governed by a

1 five-year statute of limitations).

2 *Second*, even if a three-year period applied, Chase timely pled its claims
3 because under the Nevada Rules of Civil Procedure, “[w]henver the claim or defense
4 asserted in the amended pleading arose out of the conduct, transaction, or occurrence
5 set forth or attempted to be set forth in the original pleading, the amendment relates
6 back to the date of the original pleading.” Nev. R. Civ. P. 15(c). In determining
7 whether an amendment “relates back” to a party’s original pleadings, the Nevada
8 Supreme Court considers whether those initial pleadings gave “fair notice of the fact
9 pattern” that give rise to the amendment. *Nelson v. City of Las Vegas*, 665 P.2d
10 1141, 1146 (Nev. 1983). Chase’s initial complaint asserted a claim for quiet title,
11 arguing that the HOA Sale had not extinguished the Deed of Trust encumbering the
12 Property. *See* Compl. at ¶23. Chase’s invocation of the Federal Foreclosure Bar as a
13 basis for its quiet title claim arises from precisely the same transaction or occurrence
14 that triggered its initial pleading—the HOA Sale and its effect on the Deed of Trust.

15 The Nevada Supreme Court’s recent decision in *Jackson v. Groenendyke*, 369
16 P.3d 362 (Nev. 2016) is instructive here. In *Jackson*, the court considered whether a
17 party in a water rights dispute could amend its pleadings to include property access
18 claims. The court noted that, barring statutory authority preventing a district court
19 from hearing related claims, “the rules of civil procedure are intended to allow the
20 court to reach the merits of claims, rather than dispose of claims on ‘technical
21 niceties.’” *Id.* at 365 (quoting *Costello v. Casler*, 254 P.3d 631, 634 (Nev. 2011)). The
22 court held that because the party’s new property access claim “arises out of the same
23 facts and circumstances of the original action, namely the determination of water
24 rights, the district court has jurisdiction to consider those claims.” *Id.* at 366.

25 The situation here is even more compelling. Chase is not asserting a new
26 claim, but rather a new basis for its original quiet title claim. Therefore, its
27 invocation of the Federal Foreclosure Bar necessarily arises out of the exact same
28 facts and circumstances of the original action—a determination of the effect of the

HOA Sale on the Deed of Trust. This Court should similarly consider the amendment by Chase to assert the protections of the Federal Foreclosure Bar as timely.

CONCLUSION

For these reasons, Chase respectfully requests that this Court grant its motion for summary judgment and declare that the HOA Sale did not extinguish the Deed of Trust.

Dated: May 4, 2018.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 4th day of May 2018, and pursuant to N.R.C.P. 5(b), a true and correct copy of the foregoing **JPMORGAN CHASE BANK, N.A'S OPPOSITION TO SFR'S MOTION FOR SUMMARY JUDGMENT** was filed and served on the following parties in the manner set forth below:

[XX] VIA THE COURT'S ELECTRONIC SERVICE SYSTEM:

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69.12: Escalation of issues to Freddie Mac (06/01/13)

ARCHIVED VERSION

(a) Escalation of issues

The Servicer must notify Freddie Mac via e-mail (**see Directory 1**), within two Business Days of discovery or sooner if circumstances warrant, if the Servicer becomes aware of any issues or concerns relating to a firm (including a specific employee or vendor of a firm), or a Freddie Mac Default Legal Matter, including, but not limited to:

- Any information regarding a firm that may warrant a firm's suspension, termination or Servicer request to transfer Freddie Mac Default Legal Matters to another firm;
- Information suggesting legal or reputational risk posed by the firm such as bar complaints, sanctions, or litigation alleging systemic issues with the firm, firm attorney, or the firm's practices;
- Security incidents that compromise the security, confidentiality or integrity of "sensitive customer information" and that security incident is related to Freddie Mac-owned or guaranteed Mortgages (refer to Sections 6.2(c), and 53.8(b));
- Actual or alleged fraud on the part of the firm;
- Federal, State, or local governmental inquiries, including congressional inquiries, regarding a firm, Freddie Mac-owned or guaranteed Mortgages, or Freddie Mac or Servicer practices affecting Freddie Mac-owned or guaranteed Mortgages;
- Non-routine litigation (as described in Section 67.17);
- Media inquiries relating to Freddie Mac, a firm, or Freddie Mac-owned or guaranteed Mortgages;
- Volume or capacity issues with the firm;
- Breach of the limited retention agreement between the firm and Freddie Mac, or the contract between the firm and the Servicer;
- Legal matters such as regulatory updates and specific reporting on certain matters (e.g., transfer tax matters);
- Any systemic issues with the firm;
- Systemic Servicer issues related to file suspensions and foreclosure holds (e.g., failure to properly implement new statutory changes); and
- Any material change in the ownership, partnership, or organization of the firm after executing the limited retention agreement. Such notifications should include instances where a named partner leaves the firm or a major practice group separates from the firm.

(b) Procedures relating to issues and concerns

When a Servicer provides Freddie Mac notice of an issue requiring Freddie Mac's attention, the Servicer must designate in its e-mail one or more points of contact. Freddie Mac may request that the Servicer obtain additional information from the firm regarding the issue that was escalated to Freddie Mac, and the Servicer must promptly provide the requested information to Freddie Mac.

(c) Freddie Mac rights

Freddie Mac reserves the right to issue direction to Servicers and firms regarding escalated issues. Refer to Section 69.15 for more information about Freddie Mac's reservation of rights

(d) Escalated issue – confidential information

Any issue that is identified and escalated to or by Freddie Mac pursuant to this section (other than non-routine litigation) is considered to be "confidential information" as defined in Sections 2.16 and 53.3. The Servicer must comply with the requirements of such sections with respect to treatment of any escalated issue.

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69.13: Termination and suspension of firms (06/01/13)**ARCHIVED VERSION****(a) Servicer-directed suspension of referrals, Freddie Mac Default Legal Matter transfers and terminations**

If a Servicer becomes aware of information regarding a firm's handling Freddie Mac Default Legal Matters that might warrant a suspension of referrals of new Freddie Mac Default Legal Matters, the transfer of Freddie Mac Default Legal Matters to another firm, and/or termination of the firm (such as for legal, reputational, or operational risk), the Servicer must:

- Notify Freddie Mac within two Business Days via e-mail (**see Directory 1**) or sooner if circumstances warrant, as set forth in Section 69.12; and
- Conduct due diligence with respect to the issue

If the Servicer intends to suspend referrals of new Freddie Mac Default Legal Matters, transfer Freddie Mac Default Legal Matters, and/or terminate a firm, the Servicer must provide Freddie Mac with at least five Business Days' notice (**see Directory 1**) prior to implementing the decision. In addition, the Servicer must:

- Provide Freddie Mac with the implementation plan for the course of action chosen by the Servicer;
- Upon request, provide Freddie Mac with the reason for the decision and the due diligence materials or other information supporting the decision;
- Inform the firm of the decision; and
- Keep Freddie Mac periodically updated with respect to the status of implementation of the decision

Refer to Section 69.14 for additional information relating to implementation of terminations, transfer of Freddie Mac Default Legal Matters and suspensions.

(b) Freddie Mac-directed suspension of referrals, matter transfers and terminations

Freddie Mac may direct the Servicer to initiate an investigation of a firm if Freddie Mac becomes aware of information that might warrant a suspension of referrals of new Freddie Mac Default Legal Matters, the transfer of Freddie Mac Default Legal Matters, or termination of the firm. Freddie Mac also may conduct due diligence and investigations as necessary. Freddie Mac may instruct Servicers to suspend some or all referrals of new Freddie Mac Default Legal Matters, to transfer some or all existing Freddie Mac Default Legal Matters, or to terminate a firm.

In the event of a decision by Freddie Mac to suspend referrals of new Freddie Mac Default Legal Matters, transfer Freddie Mac Default Legal Matters, or terminate a firm, Freddie Mac will:

- Inform the Servicer of the decision and provide direction with respect to required Servicer actions, including direction with respect to transfers of Freddie Mac Default Legal Matters;
- Inform the firm of the decision and provide direction to the firm with respect to required firm actions; and
- Terminate the limited retention agreement between Freddie Mac and the firm, as appropriate

(c) Documentation of due diligence review

The Servicer must maintain documentation of the due diligence review, the Servicer's decision, and all other information supporting the decision for a period of seven years after such decision.

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69.14: Implementing the termination and suspension of firms (06/01/13)

ARCHIVED VERSION

(a) Implementation plan

Prior to implementing any decision to terminate a contract with a firm, suspend referrals of new Freddie Mac Default Legal Matters and/or transfer Freddie Mac Default Legal Matters from a firm, the Servicer must develop an implementation plan which addresses:

- File transfers
- The capacity of other eligible firms in the State to handle additional Freddie Mac Default Legal Matters and/or transferred Freddie Mac Default Legal Matters
- Proration of fees and costs between the transferor and transferee firms
- Contract provisions during any transition period, including insurance; and
- Other issues as necessary

The implementation plan must take into account any legal, operational or reputational risks that may arise during the transition period, and must address these risks in the most cost-efficient and effective manner. Freddie Mac reserves the right to require the modification of the implementation plan, and provide additional Servicer requirements relating to the termination of any firm, the suspension of referrals of new Freddie Mac Default Legal Matters and the transfer of Freddie Mac Default Legal Matters.

(b) Servicer monitoring of implementation plan

The Servicer must take all necessary steps to ensure that the implementation plan proceeds in an orderly manner and that all Freddie Mac interests are protected during the implementation. Such steps include, but are not limited to:

- Transferring files relating to Freddie Mac Default Legal Matters to eligible firms;
- Addressing any issues arising from the transfer of files, the suspension of referrals and the termination of a firm;
- Reporting periodically to Freddie Mac on the status of the plan, including such details as how many files are transferred to each new firm, which new firms receive the files and the timing of transfers; and
- Such other details as requested by Freddie Mac

Servicers may not charge Freddie Mac or Borrowers for any fees or costs associated with transferring Freddie Mac Default Legal Matters, and such amounts may not be added to Borrower Mortgage balances.

(c) Freddie Mac's rights to manage termination, suspension and/or file transfers

Freddie Mac may decide, in its sole discretion, that the legal, operational or reputational risks necessitate Freddie Mac's management of the:

- Termination of any firm with respect to its handling of Freddie Mac Default Legal Matters;
- Suspension of referrals of Freddie Mac Default Legal Matters to a firm; and/or
- Transfers of files relating to Freddie Mac Default Legal Matters

In such case, the Servicer must cooperate with Freddie Mac in such management and provide all necessary documentation, files and information as requested by Freddie Mac.

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Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.15: Reservation of Rights and remedies for non-compliance (06/01/13)

69.15: Reservation of Rights and remedies for non-compliance (06/01/13)

ARCHIVED VERSION

Freddie Mac reserves the right to direct and control all litigation involving a Freddie Mac loan. The Servicer and firm handling the litigation must cooperate fully with Freddie Mac in the prosecution, defense or handling of the matter.

In addition, Freddie Mac reserves the right to:

1. Select the foreclosure counsel for a particular case, whether the case is routine or non-routine litigation;
2. Direct and manage the actions taken by the foreclosure counsel, on a case-by-case or individual State basis;
3. Assess additional compensatory fees against the Servicer and/or seek repayment of losses, costs or damages from the Servicer sustained due to errors, omissions or delays by the Servicer or its agent; and
4. Direct and manage the actions taken by Servicers and firms relating to escalated issues specified in Section 69.12

Remedies for non-compliance

If a Servicer fails to comply with the provisions under Chapter 69, Freddie Mac, in its sole discretion, and in addition to any other remedies specified in the Guide or the Servicer's other Purchase Documents, reserves the right to:

- Refuse to reimburse the Servicer for any legal fees and costs;
- Offset the entire legal fee from future foreclosure expenses otherwise eligible for reimbursement from Freddie Mac or seek the Servicer's reimbursement of the entire legal fee with interest, if Freddie Mac has already reimbursed the Servicer for the costs involved in the particular foreclosure or bankruptcy;
- Require the Servicer to reimburse the firm or Freddie Mac for any prohibited payments or other financial benefits;
- Prohibit the Servicer from contracting, directly or through any service provider, vendor or outsourcing company, with a firm with respect to products or services ancillary to a foreclosure or bankruptcy case;
- Prohibit the Servicer from contracting with the service provider, vendor or outsourcing company involved in the prohibited activities with respect to Freddie Mac-owned or guaranteed Mortgages;
- Seek Servicer repayment of losses, costs or damages sustained by Freddie Mac due to errors by the Servicer or its agent; and/or
- Require repurchase of impacted Mortgages

Related Guide Bulletins	Issue Date
Bulletin 2013-3	February 15, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family

Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter A69: Retention of counsel for Freddie Mac Default Legal Matters Referred Prior to August 1, 2013/Chapter A69: Retention of counsel for Freddie Mac Default Legal Matters Referred Prior to August 1, 2013

Chapter A69: Retention of counsel for Freddie Mac Default Legal Matters Referred Prior to August 1, 2013

ARCHIVED VERSION

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter A69: Retention of counsel for Freddie Mac Default Legal Matters Referred Prior to August 1, 2013/A69.1: Overview (06/01/13)

REVISION HISTORY 11/09/12 [HIDE]

REVISION NUMBER: 11092012 **DATE:** 11/09/2012
REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

A69.1: Overview (Effective: 11/09/12)

ARCHIVED VERSION

If a Freddie Mac Default Legal Matter is referred to a law firm prior to June 1, 2013, the Servicer must comply with the requirements relating to the selection and retention of counsel as set forth in this chapter rather than the requirements of Chapter 69. However, Servicers must comply with the requirements in Chapter 69 related to the monitoring and management of a law firm, reporting, escalation of issues and termination and suspension of law firms for matters referred to counsel prior to June 1, 2013.

A69.1: Overview (06/01/13)

ARCHIVED VERSION

If a Freddie Mac Default Legal Matter is referred to a law firm prior to August 1, 2013, the Servicer must comply with the requirements relating to the selection and retention of counsel as set forth in this chapter rather than the requirements of Chapter 69. However, Servicers must comply with the requirements in Chapter 69 related to the monitoring and management of a law firm, reporting, escalation of issues and termination and suspension of law firms for matters referred to counsel on or after June 1, 2013.

Related Guide Bulletins	Issue Date
Bulletin 2013-9	May 28, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter A69: Retention of counsel for Freddie Mac Default Legal Matters Referred Prior to August 1, 2013/A69.2: Litigation counsel eligibility criteria (06/01/13)

REVISION HISTORY 11/09/12 [HIDE]**REVISION NUMBER:** 11092012**DATE:** 11/09/2012**REVISION REMARKS:** THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.**A69.2: Litigation counsel eligibility criteria (Effective: 11/09/12)****ARCHIVED VERSION**

Having a single law firm handle a Mortgage from foreclosure through eviction, including bankruptcy, increases efficiency and effectiveness by eliminating learning curve problems and delays caused by hand-offs and duplicative title work. Therefore, Servicers are required to ensure that counsel retained for Freddie Mac's Mortgage foreclosures, evictions, deeds-in-lieu of foreclosure and bankruptcies meet the following criteria:

- The law firm retained as litigation counsel must have expertise in all four of the following areas: residential foreclosures, deeds-in-lieu of foreclosure, evictions and secured creditor representation in bankruptcy cases. For foreclosures or evictions on 2- to 4-unit properties, the law firm must also have experience in handling litigation matters on income-producing properties, including appointing receivers and enforcing assignment of rents.
- The attorneys at the law firm who are actually handling Freddie Mac's cases must have a minimum of three years' experience in their particular areas of expertise. For example, an attorney handling a bankruptcy case must have at least three years' experience representing secured creditors in bankruptcy cases. In the event that the attorney handling a matter for Freddie Mac is unavailable, the firm must have an attorney with similar relevant experience who can substitute for the absent attorney without causing a delay.

In addition, when selecting a law firm to handle foreclosures and bankruptcies, Servicers should consider the reputation of the firm as well as whether the firm's attorneys, principals, or managers are, or have been, subject to:

- Disciplinary action by any regulatory authority
- Sanctions imposed by a court or licensing authority
- Legal action by any governmental or regulatory authority resulting from the firm's involvement in single-family loan-level foreclosure, bankruptcy, eviction or property closing activities
- Legal action by consumers resulting from the firm's involvement in single-family loan-level foreclosure, bankruptcy, eviction or property closing activities

Freddie Mac may, at its option, designate counsel to perform specific duties. Refer to Section A69.3 regarding selecting foreclosure counsel.

Refer to Sections 67.10 through 67.15 regarding when to refer a bankruptcy case to counsel and our requirements for bankruptcy counsel, Sections 67.17 through 67.18 regarding litigation, and Exhibit 79, Designated Litigation Counsel/Trustee, which identifies our designated counsel.

A69.2: Litigation counsel eligibility criteria (06/01/13)

ARCHIVED VERSION

Having a single law firm handle a Mortgage from foreclosure through eviction, including bankruptcy, increases efficiency and effectiveness by eliminating learning curve problems and delays caused by hand-offs and duplicative title work. Therefore, Servicers are required to ensure that counsel retained for Freddie Mac's Mortgage foreclosures, evictions, deeds-in-lieu of foreclosure and bankruptcies meet the following criteria:

- The law firm retained as litigation counsel must have expertise in all four of the following areas: residential foreclosures, deeds-in-lieu of foreclosure, evictions and secured creditor representation in bankruptcy cases. For foreclosures or evictions on 2- to 4-unit properties, the law firm must also have experience in handling litigation matters on income-producing properties, including appointing receivers and enforcing assignment of rents.
- The attorneys at the law firm who are actually handling Freddie Mac's cases must have a minimum of three years' experience in their particular areas of expertise. For example, an attorney handling a bankruptcy case must have at least three years' experience representing secured creditors in bankruptcy cases. In the event that the attorney handling a matter for Freddie Mac is unavailable, the firm must have an attorney with similar relevant experience who can substitute for the absent attorney without causing a delay.

In addition, when selecting a law firm to handle foreclosures and bankruptcies, Servicers should consider the reputation of the firm as well as whether the firm's attorneys, principals, or managers are, or have been, subject to:

- Disciplinary action by any regulatory authority
- Sanctions imposed by a court or licensing authority
- Legal action by any governmental or regulatory authority resulting from the firm's involvement in single-family loan-level foreclosure, bankruptcy, eviction or property closing activities
- Legal action by consumers resulting from the firm's involvement in single-family loan-level foreclosure, bankruptcy, eviction or property closing activities

Refer to Sections 67.10 through 67.15 regarding when to refer a bankruptcy case to counsel and our requirements for bankruptcy counsel, Sections 67.17 through 67.18 regarding litigation.

Related Guide Bulletins	Issue Date
Bulletin 2013-9	May 28, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter A69: Retention of counsel for Freddie Mac Default Legal Matters Referred Prior to August 1, 2013/A69.3: How to select foreclosure counsel (06/01/13)

REVISION HISTORY 11/09/12 [HIDE]

REVISION NUMBER: 11092012 **DATE:** 11/09/2012
REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

A69.3: How to select foreclosure counsel or trustee (Effective: 11/09/12)**ARCHIVED VERSION**

The Servicer is responsible for selecting attorneys and trustees, and its selection decisions must not be influenced by inappropriate considerations. Refer to Section A69.6 for additional information on prohibitions relating to foreclosure and bankruptcy referrals.

When making foreclosure and bankruptcy referrals, the Servicer must ensure that it is diversifying referrals by engaging in a relationship with at least two law firms, or trustees, in higher-volume States (States in which the Servicer has 250 or more Freddie Mac foreclosure and bankruptcy referrals in a calendar year).

In higher-volume States, the Servicer must take one of the following approaches to diversifying foreclosure and bankruptcy referrals:

1. The Servicer must make foreclosure and bankruptcy referrals on Mortgages it services on behalf of Freddie Mac to at least two law firms or trustees, ensuring that at least a substantial minority of the referrals are made to the law firm that receives the fewest referrals; or
2. The Servicer must make foreclosure and bankruptcy referrals to at least two law firms or trustees, with respect to its entire Servicing portfolio, ensuring that at least a substantial minority of the referrals are made to the law firm that receives the fewest referrals

In addition, all Servicers must have a contingency plan in place, either in the form of a stand-alone document or incorporated into policies and procedures, to redirect new foreclosure and bankruptcy referrals in the event a law firm the Servicer is using is no longer able to accept new referrals.

The Servicer must use the same entity that it retains to represent it in a bankruptcy action on a Mortgage to process the foreclosure.

The foreclosure counsel or trustee must be free from any conflict of interest with the Borrower.

(a) Foreclosure on a property in a State where Freddie Mac has designated counsel

Freddie Mac has designated counsel in the following selected States:

1. Arizona
2. California
3. Connecticut
4. District of Columbia
5. Florida
6. Georgia
7. Illinois
8. Indiana
9. Kentucky

10. Maryland
11. Massachusetts
12. Michigan
13. Minnesota
14. Nevada
15. New Jersey
16. New York
17. North Carolina
18. Ohio
19. Pennsylvania
20. South Carolina
21. Texas
22. Virginia
23. Washington
24. West Virginia

The Servicer must use one of Freddie Mac's designated counsel for the foreclosure (unless the Mortgage on which the Servicer is foreclosing was sold to Freddie Mac with recourse or it is an FHA Mortgage, VA Mortgage, or Section 502 GRH Mortgage) if the Mortgage is secured by a:

1. 2- to 4-unit property in Arizona, California, Connecticut, the District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Texas, Virginia, Washington or West Virginia
2. A Manufactured Home in Arizona, California, Connecticut, the District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Texas, Virginia, Washington or West Virginia
3. 1- to 4-unit property in Texas and the Mortgage was a Texas Equity Section 50(a)(6) Mortgage

Additionally, Freddie Mac may require the Servicer to use Freddie Mac's designated counsel on 1-unit properties in one or more of the selected States based on Freddie Mac's evaluation of the Servicer's foreclosure performance. Freddie Mac will notify the Servicer in writing if the Servicer must use designated counsel in any of the selected States.

(b) Foreclosure on a property in a State where Freddie Mac does not have designated counsel or when the Servicer is not required to use designated counsel

Unless the Servicer uses Freddie Mac's designated counsel as required under this chapter, the Servicer must select either a foreclosure counsel or trustee, as appropriate under applicable law, to represent the Servicer in the foreclosure action.

The Servicer must use the same entity to conduct a foreclosure and any bankruptcy pertaining to a particular Mortgage. In those States where it may be common practice to use a trustee to conduct a foreclosure, the trustee must be associated with a bankruptcy law firm meeting the criteria specified in Section A69.2. Any bankruptcy filed on a Mortgage in foreclosure being processed by a trustee, must be handled by the trustee's associated bankruptcy law firm. The trustee and the associated bankruptcy law firm must transfer information regarding the case seamlessly and must not in any way increase the bankruptcy or State foreclosure time lines.

The foreclosure counsel or trustee the Servicer chooses must meet the eligibility requirements in Section A69.2.

When selecting the foreclosure counsel or trustee, the Servicer must base the selection on the prior performance of the foreclosure counsel or trustee in the following areas:

1. Completing foreclosures
2. Delivering clear and marketable title to Freddie Mac
3. Facilitating reinstatements and workouts with Borrowers
4. Resolving litigation delays (foreclosure counsel only)

The Servicer must communicate Freddie Mac's State foreclosure time line expectations and Freddie Mac's allowable fee schedule to the foreclosure counsel whom the Servicer selects. The Servicer must also communicate to the attorney or trustee that if they pay the Servicer or its vendor, either directly or indirectly, for any of the Servicing obligations covered by the Servicing Spread or any expenses itemized in Section 71.24, Freddie Mac may preclude the attorney or trustee who pays any such expenses on Freddie Mac Mortgages from processing future foreclosures or bankruptcies for Freddie Mac.

A69.3: How to select foreclosure counsel (06/01/13)

ARCHIVED VERSION

The Servicer is responsible for selecting **counsel**, and its selection decisions must not be influenced by inappropriate considerations. Refer to Section A69.6 for additional information on prohibitions relating to foreclosure and bankruptcy referrals.

When making foreclosure and bankruptcy referrals, the Servicer must ensure that it is diversifying referrals by engaging in a relationship with at least two law firms in higher-volume States (States in which the Servicer has 250 or more Freddie Mac foreclosure and bankruptcy referrals in a calendar year).

In higher-volume States, the Servicer must take one of the following approaches to diversifying foreclosure and bankruptcy referrals:

1. The Servicer must make foreclosure and bankruptcy referrals on Mortgages it services on behalf of Freddie Mac to at least two law firms, ensuring that at least a substantial minority of the referrals are made to the law firm that receives the fewest referrals; or
2. The Servicer must make foreclosure and bankruptcy referrals to at least two law firms, with respect to its entire Servicing portfolio, ensuring that at least a substantial minority of the referrals are made to the law firm that receives the fewest referrals

In addition, all Servicers must have a contingency plan in place, either in the form of a stand-alone document or incorporated into policies and procedures, to redirect new foreclosure and bankruptcy referrals in the event a law firm the Servicer is using is no longer able to accept new referrals.

The Servicer must use the same entity that it retains to represent it in a bankruptcy action on a Mortgage to process the foreclosure.

The foreclosure counsel must be free from any conflict of interest with the Borrower.

The foreclosure counsel the Servicer chooses must meet the eligibility requirements in Section A69.2.

When selecting the foreclosure counsel, the Servicer must base the selection on the prior performance of the foreclosure counsel in the following areas:

1. Completing foreclosures
2. Delivering clear and marketable title to Freddie Mac
3. Facilitating reinstatements and workouts with Borrowers
4. Resolving litigation delays (foreclosure counsel only)

The Servicer must communicate Freddie Mac's State foreclosure time line expectations and Freddie Mac's allowable fee schedule to the foreclosure counsel whom the Servicer selects. The Servicer must also communicate to the **counsel** that if they pay the Servicer or its vendor, either directly or indirectly, for any of the Servicing obligations covered by the Servicing Spread or any expenses itemized in Section 71.24, Freddie Mac may preclude the **counsel** who pays any such expenses on Freddie Mac Mortgages from processing future foreclosures or bankruptcies for Freddie Mac.

Related Guide Bulletins	Issue Date
Bulletin 2013-9	May 28, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter A69: Retention of counsel for Freddie Mac Default Legal Matters Referred Prior to August 1, 2013/A69.4: Selecting bankruptcy counsel (06/01/13)

REVISION HISTORY 11/09/12 [HIDE]

REVISION NUMBER: 11092012 DATE: 11/09/2012 REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.
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A69.4: Selecting bankruptcy counsel (Effective: 11/09/12)**ARCHIVED VERSION**

The Servicer must diversify foreclosure and bankruptcy referrals in higher-volume States (States in which the Servicer has 250 or more Freddie Mac foreclosure and bankruptcy referrals in a calendar year). In addition, the Servicer must have a contingency plan to redirect new foreclosure and bankruptcy referrals in the event a law firm or trustee that the Servicer is using is no longer able to accept new referrals (see Section A69.3).

Bankruptcy counsel must be free from any conflict of interest with the Borrower.

Servicers must use the same entity retained in a foreclosure action on a Mortgage to represent the Servicer in a subsequent bankruptcy. (For example, if the Servicer retained foreclosure counsel that is not a designated counsel, then the Servicer must use that same law firm for any bankruptcy. Servicers must not refer the bankruptcy to one of Freddie Mac's designated counsel.) Likewise, if at the dismissal or completion of the bankruptcy the Mortgage progresses to foreclosure, the Servicer must use the same law firm to handle the foreclosure as it used for the bankruptcy.

If the Servicer does not use the same entity representing the Servicer in a foreclosure action to represent it in a subsequent bankruptcy, Freddie Mac may, in its sole discretion, elect not to reimburse the Servicer. See Chapter 71 for more details on reimbursement for bankruptcy costs and fees.

If a Servicer determines that special circumstances exist that require case management by counsel on a current Mortgage, then the Servicer must obtain Freddie Mac's prior written approval to obtain counsel in accordance with the requirements in Section A69.2 and incur the legal expense by submitting a request for pre-approval via the Reimbursement System.

(a) Selecting bankruptcy counsel in a State where Freddie Mac has designated counsel

Freddie Mac has designated counsel in the following selected States:

1. Arizona
2. California
3. Connecticut
4. District of Columbia
5. Florida
6. Georgia
7. Illinois
8. Indiana
9. Kentucky
10. Maryland
11. Massachusetts
12. Michigan
13. Minnesota

14. Nevada
15. New Jersey
16. New York
17. North Carolina
18. Ohio
19. Pennsylvania
20. South Carolina
21. Texas
22. Virginia
23. Washington
24. West Virginia

Servicers must use Freddie Mac's designated counsel for the bankruptcy (unless the Mortgage on which the bankruptcy was filed was sold with recourse or it is an FHA Mortgage, VA Mortgage, or Section 502 GRH Mortgage) if the Mortgage is secured by a:

1. 2- to 4-unit property in Arizona, California, Connecticut, the District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Texas, Virginia, Washington or West Virginia
2. Manufactured Home in Arizona, California, Connecticut, the District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Texas, Virginia, Washington or West Virginia
3. 1- to 4-unit property in Texas and the Mortgage was a Texas Equity Section 50(a)(6) Mortgage
4. Servicers must also use designated bankruptcy counsel in a designated counsel State for a Mortgage regardless of property type if Freddie Mac has sent written notification to the Servicer of such a requirement

(b) Selecting bankruptcy counsel in a State where Freddie Mac does not have designated counsel

Servicers must choose bankruptcy counsel that meet the eligibility requirements in Section A69.2. In addition, Servicers must base the selection on the prior performance of the bankruptcy counsel in the following areas:

1. Timely filings of motion for relief
2. Length of time to obtain automatic stay or case dismissal
3. Facilitation of loss mitigation options where appropriate

If at the dismissal or completion of the bankruptcy the Mortgage progresses to foreclosure, the Servicer must use the same law firm to handle the foreclosure that was used for the bankruptcy. However, in those States where it may be common practice to use a trustee to conduct a foreclosure, the Servicer must use a trustee that is associated with the law firm that handled the bankruptcy.

A69.4: Selecting bankruptcy counsel (06/01/13)**ARCHIVED VERSION**

The Servicer must diversify foreclosure and bankruptcy referrals in higher-volume States (States in which the Servicer has 250 or more Freddie Mac foreclosure and bankruptcy referrals in a calendar year). In addition, the Servicer must have a contingency plan to redirect new foreclosure and bankruptcy referrals in the event a law firm that the Servicer is using is no longer able to accept new referrals (see Section A69.3).

Bankruptcy counsel must be free from any conflict of interest with the Borrower.

Servicers must use the same entity retained in a foreclosure action on a Mortgage to represent the Servicer in a subsequent bankruptcy. (For example, if the Servicer retained foreclosure counsel that is not a designated counsel, then the Servicer must use that same law firm for any bankruptcy. Servicers must not refer the bankruptcy to one of Freddie Mac's designated counsel.) Likewise, if at the dismissal or completion of the bankruptcy the Mortgage progresses to foreclosure, the Servicer must use the same law firm to handle the foreclosure as it used for the bankruptcy.

If the Servicer does not use the same entity representing the Servicer in a foreclosure action to represent it in a subsequent bankruptcy, Freddie Mac may, in its sole discretion, elect not to reimburse the Servicer. See Chapter 71 for more details on reimbursement for bankruptcy costs and fees.

If a Servicer determines that special circumstances exist that require case management by counsel on a current Mortgage, then the Servicer must obtain Freddie Mac's prior written approval to obtain counsel in accordance with the requirements in Section A69.2 and incur the legal expense by submitting a request for pre-approval via the Reimbursement System.

Related Guide Bulletins	Issue Date
Bulletin 2013-9	May 28, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter A69:

Retention of counsel for Freddie Mac Default Legal Matters Referred Prior to August 1, 2013/A69.5: Foreclosure time line compensatory fee protection for use of designated counsel when required (11/09/12)

A69.5: Foreclosure time line compensatory fee protection for use of designated counsel when required (11/09/12)

ARCHIVED VERSION

For Mortgages referred to foreclosure prior to October 1, 2011:

The Servicer will not be subject to compensatory fees for a foreclosure and/or bankruptcy handled by a designated counsel that is not completed within Freddie Mac's required time lines, as long as the delay was not caused by the Servicer's failure to refer the Mortgage to foreclosure in accordance with the Guide requirements and/or send all of the documentation, information, signatures and/or funds to the designated counsel as required.

If the Servicer elects to use Freddie Mac's designated counsel, and the Servicer does not use that same designated counsel for both foreclosure and bankruptcy, Freddie Mac will not give the Servicer credit for using designated counsel for purposes of foreclosure time line compensatory fee protection.

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter A69: Retention of counsel for Freddie Mac Default Legal Matters Referred Prior to August 1, 2013/A69.6: Prohibitions relating to foreclosure and bankruptcy referrals; Freddie Mac remedies for non-compliance (06/01/13)

REVISION HISTORY 11/09/12 [HIDE]

REVISION NUMBER: 11092012

DATE: 11/09/2012

REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

A69.6: Prohibitions relating to foreclosure and bankruptcy referrals; Freddie Mac remedies for non-compliance (Effective: 11/09/12)

ARCHIVED VERSION

Freddie Mac requires that all foreclosure and bankruptcy-related Servicing obligations, and all services and products purchased in connection with such Servicing obligations, be done in the most effective, efficient and cost-conscious manner. Servicers must not require the law firm to perform any foreclosure or bankruptcy-related services on any Freddie Mac Legal Matter without compensation.

(a) Prohibition against charging for, contracting for, or making arrangements to receive benefits for Servicing obligations

A Servicer, whether acting directly or through an affiliate, service provider, vendor or outsourcing company, must not directly or indirectly:

- Charge Freddie Mac, the trustee or attorney for any foreclosure or bankruptcy-related Servicing obligations, including expenses covered by the Servicing Spread; or
- Contract or make any arrangements with attorneys or trustees whereby the Servicer (or its affiliate, service provider, vendor or outsourcing company) receives, directly or indirectly, any financial or other benefits (including, but not limited to, payments, the provision of employees, or free or discounted services or products) from the attorneys or trustees in connection with any Freddie Mac Mortgage

Refer to Section 54.4 for additional information on Servicing obligations.

(b) Prohibition against Servicers requiring attorneys and trustees to use specific vendors, services and/or products

A Servicer must not, whether acting directly or through an affiliate, service provider, vendor or outsourcing company:

- Require an attorney or trustee to contract with or use a particular service provider, vendor or outsourcing company, or to use, or pay for, a particular service or product;
- Refuse to refer a file to an attorney or trustee because the attorney or trustee chooses not to contract with or use a particular service provider, vendor or outsourcing company, or chooses not to use, or pay for, a particular service or product; or
- Charge an attorney or trustee for any aspect of the file referral or management process, including, but not limited to, the use of connectivity or invoice processing systems (e.g., licensing or subscription fees, "click" charges, or any other payment) in order for an attorney or trustee to provide services necessary to prosecute the foreclosure or bankruptcy case

However, a Servicer may require an attorney or trustee to use certain connectivity or invoice processing systems provided that the attorney or trustee is not required to pay for the use of, or access to, such systems.

(c) Prohibition against service providers, vendors, outsourcing companies or others influencing selection of foreclosure counsel and trustees

The Servicer, and not a service provider, vendor or outsourcing company assisting the Servicer in Servicing defaulted Mortgages, must select the attorneys and trustees to work on Freddie Mac Mortgages, and Servicers must not permit service providers, vendors, outsourcing companies, or others to participate in or influence, in any way, the Servicer's selection process.

(d) Remedies for non-compliance

If a Servicer fails to comply with the provisions of Section A69.6(a), (b), or (c), Freddie Mac may, in its sole discretion and in addition to any other remedies specified in the Guide or the Servicer's other Purchase Documents:

- Refuse to reimburse the Servicer for any attorney or trustee fees and costs;
- Offset the entire legal fee from future foreclosure expenses or seek reimbursement of the entire legal fee with interest, if Freddie Mac has already reimbursed the Servicer for the costs involved in the particular foreclosure or bankruptcy;
- Require the Servicer to reimburse the attorney, trustee or Freddie Mac for any prohibited payments or other financial benefits;
- Prohibit the Servicer from contracting, directly or through any service provider, vendor or outsourcing company, with an attorney or trustee with respect to products or services ancillary to a foreclosure or bankruptcy case; and/or
- Prohibit the Servicer from contracting with the service provider, vendor or outsourcing company involved in the prohibited activities with respect to Freddie Mac Mortgages

A69.6: Prohibitions relating to foreclosure and bankruptcy referrals; Freddie Mac remedies for non-compliance (06/01/13)

ARCHIVED VERSION

Freddie Mac requires that all foreclosure and bankruptcy-related Servicing obligations, and all services and products purchased in connection with such Servicing obligations, be done in the most effective, efficient and cost-conscious manner. Servicers must not require the law firm to perform any foreclosure or bankruptcy-related services on any Freddie Mac Legal Matter without compensation.

(a) Prohibition against charging for, contracting for, or making arrangements to receive benefits for Servicing obligations

A Servicer, whether acting directly or through an affiliate, service provider, vendor or outsourcing company, must not directly or indirectly:

- Charge Freddie Mac, the **counsel** for any foreclosure or bankruptcy-related Servicing obligations, including expenses covered by the Servicing Spread; or
- Contract or make any arrangements with **counsel** whereby the Servicer (or its affiliate, service provider, vendor or outsourcing company) receives, directly or indirectly, any financial or other benefits (including, but not limited to, payments, the provision of employees, or free or discounted services or products) from the **counsel** in connection with any Freddie Mac Mortgage

Refer to Section 54.4 for additional information on Servicing obligations.

(b) Prohibition against Servicers requiring firms to use specific vendors, services and/or products

A Servicer must not, whether acting directly or through an affiliate, service provider, vendor or outsourcing company:

- Require **counsel** to contract with or use a particular service provider, vendor or outsourcing company, or to use, or pay for, a particular service or product;
- Refuse to refer a file to **counsel** because the attorney chooses not to contract with or use a particular service provider, vendor or outsourcing company, or chooses not to use, or pay for, a particular service or product; or
- Charge **counsel** for any aspect of the file referral or management process, including, but not limited to, the use of connectivity or invoice processing systems (e.g., licensing or subscription fees, "click" charges, or any other payment) in order for an attorney to provide services necessary to prosecute the foreclosure or bankruptcy case

However, a Servicer may require **counsel** to use certain connectivity or invoice processing systems provided that the attorney is not required to pay for the use of, or access to, such systems.

(c) Prohibition against service providers, vendors, outsourcing companies or others influencing selection of foreclosure counsel

The Servicer, and not a service provider, vendor or outsourcing company assisting the Servicer in Servicing defaulted Mortgages, must select **counsel** to work on Freddie Mac Mortgages, and Servicers must not permit service providers, vendors, outsourcing companies, or others to participate in or influence, in any way, the Servicer's selection process.

(d) Remedies for non-compliance

If a Servicer fails to comply with the provisions of Section A69.6(a), (b), or (c), Freddie Mac may, in its sole discretion and in addition to any other remedies specified in the Guide or the Servicer's other Purchase Documents:

- Refuse to reimburse the Servicer for any **counsel** fees and costs;
- Offset the entire legal fee from future foreclosure expenses or seek reimbursement of the entire legal fee with interest, if Freddie Mac has already reimbursed the Servicer for the costs involved in the particular foreclosure or bankruptcy;
- Require the Servicer to reimburse the **counsel** or Freddie Mac for any prohibited payments or other financial benefits;
- Prohibit the Servicer from contracting, directly or through any service provider, vendor or outsourcing company, with **counsel** with respect to products or services ancillary to a foreclosure or bankruptcy case; and/or
- Prohibit the Servicer from contracting with the service provider, vendor or outsourcing company involved in the prohibited activities with respect to Freddie Mac Mortgages

Related Guide Bulletins	Issue Date
Bulletin 2013-9	May 28, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter A69:

Retention of counsel for Freddie Mac Default Legal Matters Referred Prior to August 1, 2013/A69.7: Providing information to the foreclosure counsel; Servicer use of connectivity and invoice processing systems (06/01/13)

REVISION HISTORY 11/09/12 [HIDE]

REVISION NUMBER: 11092012

DATE: 11/09/2012

REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

A69.7: Providing information to the foreclosure counsel or trustee; Servicer use of connectivity and invoice processing systems (Effective: 11/09/12)

ARCHIVED VERSION

(a) Responsibility to provide information to foreclosure counsel or trustee

For any Mortgage that the Servicer refers for foreclosure, the Servicer must provide complete written reinstatement or payoff figures to the attorney, trustee, workout specialist, or outsourcing vendor requesting the information. This information must be provided within two Business Days of the date on which a written request is received. The Servicer may provide the written reinstatement or payoff figures via a paper document, facsimile or e-mail.

If the foreclosure counsel requests additional documentation from the Servicer (such as certificates of judgment or proofs of claim) while a case is pending, the Servicer must provide the additional documentation within two Business Days of receiving the request.

For any Mortgage that the Servicer refers for foreclosure, but the Mortgage is subsequently repurchased by the Servicer, whether voluntarily or involuntarily, the Servicer must notify foreclosure and/or bankruptcy counsel within two Business Days of the completed repurchase. (See Chapter 72 for additional information about repurchases.)

(b) Connectivity and invoice processing systems

A Servicer, whether acting directly or through any vendor, service provider or outsourcing company, may employ electronic monitoring, management, reporting or information and document delivery processes technology, referred to here as a "Connectivity System," and an invoice processing system as outlined below.

i) Connectivity System

A Servicer may employ a Connectivity System to assist with fulfilling Servicing obligations such as:

- Packaging and referring foreclosure and bankruptcy cases to attorneys and trustees;
- Communicating information and delivering documents between the Servicer and its attorneys and trustees as well as any other third parties requiring access to the Connectivity System; and
- Managing and monitoring foreclosure and bankruptcy cases

If a Servicer uses a Connectivity System:

- Freddie Mac will reimburse a Servicer for the actual cost of the connectivity fee up to the maximum expense limit specified in Exhibit 57, 1- to 4- Unit Property Approved Expense Amounts;
- The Servicer must provide all attorneys and trustees the use of and access to the identical Connectivity System;
- The Servicer must permit, or continue to permit, attorneys and trustees to integrate their own technology systems with the Connectivity System at no cost to the attorneys or trustees; and
- The Servicer must not pass on any Connectivity System related charges to the Borrower or the attorney or trustee

ii) Invoice processing system

A Servicer may employ an invoice processing system for managing the submission and payment of invoices.

If a Servicer, whether acting directly or through a vendor or outsourcing company, processes attorney or trustee invoices electronically:

- Freddie Mac will reimburse the Servicer for the actual cost of the invoicing fee up to the maximum expense limits specified in Exhibit 57; and
- The Servicer must not pass on any invoice processing related charges to the Borrower or the attorney or trustee

The amounts specified in Exhibit 57 for connectivity and invoice processing systems are the maximum amounts for which a Servicer may seek reimbursement for the life of the default (i.e., the duration of the foreclosure, including any related bankruptcy referral).

For example, if a Servicer has already referred a file to foreclosure and it then becomes necessary to take action with respect to a bankruptcy related to such Mortgage, or if a Servicer has already referred a file for bankruptcy and foreclosure has commenced following the bankruptcy referral, the Servicer may be reimbursed only for one connectivity fee. Likewise in this scenario, if the Servicer is using an invoice processing system, then the Servicer may only seek reimbursement for one invoicing fee associated with the foreclosure and for one invoicing fee associated with the bankruptcy during the life of the default.

A69.7: Providing information to the foreclosure counsel; Servicer use of connectivity and invoice processing systems (06/01/13)**ARCHIVED VERSION****(a) Responsibility to provide information to foreclosure counsel**

For any Mortgage that the Servicer refers for foreclosure, the Servicer must provide complete written reinstatement or payoff figures to the **counsel** workout specialist, or outsourcing vendor requesting the information. This information must be provided within two Business Days of the date on which a written request is received. The Servicer may provide the written reinstatement or payoff figures via a paper document, facsimile or e-mail.

If the foreclosure counsel requests additional documentation from the Servicer (such as certificates of judgment or proofs of claim) while a case is pending, the Servicer must provide the additional documentation within two Business Days of receiving the request.

For any Mortgage that the Servicer refers for foreclosure, but the Mortgage is subsequently repurchased by the Servicer, whether voluntarily or involuntarily, the Servicer must notify foreclosure and/or bankruptcy counsel within two Business Days of the completed repurchase. (See Chapter 72 for additional information about repurchases.)

(b) Connectivity and invoice processing systems

A Servicer, whether acting directly or through any vendor, service provider or outsourcing company, may employ electronic monitoring, management, reporting or information and document delivery processes technology, referred to here as a "Connectivity System," and an invoice processing system as outlined below.

i) Connectivity System

A Servicer may employ a Connectivity System to assist with fulfilling Servicing obligations such as:

- Packaging and referring foreclosure and bankruptcy cases to **counsel**;
- Communicating information and delivering documents between the Servicer and its **counsel** as well as any other third parties requiring access to the Connectivity System; and
- Managing and monitoring foreclosure and bankruptcy cases

If a Servicer uses a Connectivity System:

- Freddie Mac will reimburse a Servicer for the actual cost of the connectivity fee up to the maximum expense limit specified in Exhibit 57, 1- to 4- Unit Property Approved Expense Amounts;
- The Servicer must provide all attorneys the use of and access to the identical Connectivity System;
- The Servicer must permit, or continue to permit, **counsel** to integrate their own technology systems with the Connectivity System at no cost to the **counsel**; and
- The Servicer must not pass on any Connectivity System related charges to the Borrower or the **counsel**

ii) Invoice processing system

A Servicer may employ an invoice processing system for managing the submission and payment of invoices.

If a Servicer, whether acting directly or through a vendor or outsourcing company, processes **counsel** invoices electronically:

- Freddie Mac will reimburse the Servicer for the actual cost of the invoicing fee up to the maximum expense limits specified in Exhibit 57; and
- The Servicer must not pass on any invoice processing related charges to the Borrower or the **counsel**

The amounts specified in Exhibit 57 for connectivity and invoice processing systems are the maximum amounts for which a Servicer may seek reimbursement for the life of the default (i.e., the duration of the foreclosure, including any related bankruptcy referral).

For example, if a Servicer has already referred a file to foreclosure and it then becomes necessary to take action with respect to a bankruptcy related to such Mortgage, or if a Servicer has already referred a file for bankruptcy and foreclosure has commenced following the bankruptcy referral, the Servicer may be reimbursed only for one connectivity fee. Likewise in this scenario, if the Servicer is using an invoice processing system, then the Servicer may only seek reimbursement for one invoicing fee associated with the foreclosure and for one invoicing fee associated with the bankruptcy during the life of the default.

Related Guide Bulletins	Issue Date
Bulletin 2013-9	May 28, 2013

EXHIBIT 7-5

EXHIBIT 7-5

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Freddie Mac - Seller/Servicer Relationship / Series 1000: General Contract Terms / Topic 1100: The Guide / Chapter 1101: The Guide / 1101.2: Legal effect of the Guide and other Purchase Documents (03/02/16)

1101.2: Legal effect of the Guide and other Purchase Documents (03/02/16)

(a) Status as a contract

(i) Effect of the Guide and other Purchase Documents

The Guide governs the business relationship between a Seller/Servicer and Freddie Mac relating to the sale and Servicing of Mortgages. Each Seller/Servicer must complete and submit a Form 16SF, Annual Eligibility Certification Report, that certifies that the Seller/Servicer has access to the Electronic version of the Guide as an Electronic Record, as those terms are defined in Chapter 1401, and is in compliance with all requirements of the Purchase Documents.

In connection with the sale of Mortgages to Freddie Mac, the Seller/Servicer agrees that each transaction is governed by the Guide, the applicable Purchase Contract and all other Purchase Documents.

A Seller/Servicer must service all Mortgages that the Seller/Servicer has sold to Freddie Mac and/or has agreed to service for Freddie Mac in accordance with the standards set forth in the Seller/Servicer's Purchase Documents. All of a Seller/Servicer's obligations to service Mortgages for Freddie Mac are considered to constitute, and must be performed pursuant to a unitary, indivisible master Servicing contract, and the Servicing obligations assumed pursuant to any contract to sell Mortgages to Freddie Mac are deemed to be merged into, and must be performed pursuant to, such unitary, indivisible master Servicing contract.

A Seller/Servicer acknowledges that Freddie Mac's agreement to purchase Mortgages from the Seller/Servicer pursuant to any individual Purchase Contract is based upon the Seller/Servicer's agreement that the Mortgages purchased will be serviced by the Seller/Servicer pursuant to the unitary, indivisible master Servicing contract. The Seller/Servicer agrees that any failure to service any Mortgage in accordance with the terms of the unitary, indivisible master Servicing contract, or any breach of any of the Seller/Servicer's obligations under any aspect of the unitary, indivisible master Servicing contract, shall be deemed to constitute a breach of the entire contract and shall entitle Freddie Mac to terminate all or a portion of the Servicing. The termination of a portion of the Servicing shall not alter the unitary, indivisible nature of the Servicing contract.

If a Servicer who services Mortgages for Freddie Mac is not also the Seller of the Mortgages to Freddie Mac, the Servicer must agree to service Mortgages for Freddie Mac by separate agreement, which incorporates the applicable Purchase Documents. In such case, the separate agreement shall be deemed to be one of the "Purchase Documents" that constitute the unitary, indivisible master Servicing contract.

In addition, in certain cases, a Seller and/or Servicer who uses certain Freddie Mac services will, by virtue of the provisions of the Guide, be deemed to have agreed upon certain terms and conditions related to such services and their use.

(ii) Amendments to the Guide

Freddie Mac may, in its sole discretion, amend or supplement the Guide from time to time. Amendments to the Guide may be a paper Record or an Electronic Record, as those terms are defined in Chapter 1401. The Guide may not be amended orally. Freddie Mac may amend the Guide by:

- Publishing Bulletins, which apply to all Sellers/Servicers, or
- Entering into a Purchase Contract or other written or Electronic agreement, which applies to the Seller/Servicer that is a party to the Purchase Contract or agreement

Bulletins expressly amend, supplement, revise or terminate specific provisions of the

Guide. An amendment, supplement, revision or termination of a provision in the Guide is effective as of the date specified by Freddie Mac in the applicable Bulletin.

A Purchase Contract or other written agreement or Electronic agreement amends or supplements specific provisions of the Guide for purposes of such Purchase Contract or other agreement, as applicable. Such amendments or supplements to the Guide are effective as of the date specified in the Purchase Contract or other agreement. See Section 1501.2(d) for information about how amendments and supplements to the Guide amend or otherwise apply to a Seller's Purchase Contracts and other Purchase Documents.

(iii) Publication of Guide and Bulletins

The Guide is posted on the AllRegs® web site of Ellie Mae, Inc., which operates the AllRegs brand ("AllRegs") and which posts the Guide under license from and with the express permission of Freddie Mac. AllRegs is the exclusive third-party electronic publisher of the Guide. Seller/Service providers also can access the Guide on the AllRegs web site by using the link on FreddieMac.com.

Freddie Mac makes no representation or warranty regarding availability, features or functionality of the AllRegs web site.

By using the web site, Seller/Service providers acknowledge and agree (individually and on behalf of the entity for which they access the Guide) neither Freddie Mac nor AllRegs shall be liable to them (or the entity for which they access the Guide) for any losses or damages whatsoever resulting directly or indirectly from Freddie Mac's designation of the Guide as found on the AllRegs web site as the official Electronic version, as an Electronic Record, and AllRegs expressly disclaims any warranty as to the results to be obtained by Seller/Service providers (and the entity for which Seller/Service providers access the Guide) from use of the AllRegs web site, and AllRegs shall not be liable to Seller/Service providers (and the entity for which Seller/Service providers access the Guide) for any damages arising directly or indirectly out of the use of the AllRegs web site by them (and the entity for which they access the Guide).

Bulletins are published on AllRegs and FreddieMac.com. A Seller/Service provider with an AllRegs subscription may receive notice of Bulletins directly from AllRegs. If a Seller/Service provider does not receive notice of Bulletins through AllRegs, the Seller/Service provider must take the steps necessary to receive the applicable Freddie Mac Single-Family Update e-mails, which will notify Seller/Service provider of Bulletin publications. A Seller/Service provider's failure to take the appropriate steps to receive notices of Bulletins does not relieve the Seller/Service provider of its legal obligations to comply with the terms of the Bulletins.

(iv) Effective Date

The effective date of each section of the Guide is located at the beginning of each section, to the right of the section number and name.

(b) Reliance

By entering into a Purchase Contract or into the unitary, indivisible master Servicing contract with Freddie Mac, the Seller/Service provider acknowledges that it is not relying upon Freddie Mac or any employee, agent or representative thereof, in making its decision to enter into the contract and that it has relied upon the advice and counsel of its own employees, agents and representatives as to the regulatory, business, corporate, tax, accounting and other consequences of entering into and performing its obligations under a Purchase Contract or the unitary, indivisible master Servicing contract.

(c) Assignments; security interests

A Seller/Servicer shall not, in whole or in part, assign, sell, convey, hypothecate, pledge or in any other way or transfer, conditionally or otherwise, or grant a security interest in, any of its obligations, rights or interest under any Purchase Contract or under the unitary, indivisible master Servicing contract, including any of its rights or obligations under this Guide or any of the Purchase Documents, without Freddie Mac's prior written consent. Any purported or attempted assignment or transfer of, or grant of a security interest in, any such obligations, rights or interest is prohibited and shall be null and void.

Freddie Mac has the unconditional right to sell, assign, convey, hypothecate, pledge or in any way transfer, in whole or in part, its rights and interest under the Purchase Documents with respect to any Mortgage it purchases. Freddie Mac has the right to direct the Servicer to send remittances, notices, reports and other communications to any party designated by Freddie Mac and may designate any such party to exercise any and all of Freddie Mac's rights hereunder.

(d) Notice**(i) Seller/Servicer notices to Freddie Mac**

Except as otherwise provided in the Guide or other Purchase Documents, any communication, advice, consent, document, notice or direction given, made, sent or withdrawn by the Seller/Servicer pursuant to the Purchase Documents must be in writing and will be deemed to have been duly given to and received by Freddie Mac on the day such communication, advice, consent, document, notice or direction is actually received by Freddie Mac at the address specified below:

Address: In writing to Freddie Mac (**see Directory 1**) by first class mail

Other addresses may be substituted for the above upon notice of the substitution.

(ii) Freddie Mac notices to Seller/Servicer

Any communication, advice, consent, document, notice or direction given, made, sent or withdrawn by Freddie Mac pursuant to the Purchase Documents may be in writing or may be in electronic form in accordance with Chapter 1401. Such notice will be deemed to have been duly given to the Seller/Servicer on the date such communication, advice, consent, document, notice or direction is:

- Received in writing by first class mail by the Seller/Servicer at the address set forth in the Purchase Documents, or
- Received in electronic form (e-mail) as an Electronic Record by the Seller/Servicer's computer information processing system at its Internet e-mail address provided to Freddie Mac by the Seller/Servicer, or
- Received in electronic form (facsimile) as a Record or Electronic Record by the Seller/Servicer's electronic facsimile machine or system at the facsimile telephone number provided to Freddie Mac by the Seller/Servicer

Other addresses may be substituted for the above upon notice of the substitution.

(e) Severability

If any provision of this Guide shall be held invalid, the legality and enforceability of all remaining provisions shall not in any way be affected or impaired thereby, and this Guide shall be interpreted as if such invalid provision were not contained herein.

(f) Defined terms

Initial capitalization of words in the Guide generally denotes terms that are defined in (i) the Glossary, (ii) the chapter in which capitalized words appear, or (iii) an expressly referenced chapter.

(g) Construction of the Guide

This Guide shall not be construed against Freddie Mac as being the drafter hereof.

(h) Entire agreement

This Guide, including the exhibits attached to the Guide and all Purchase Documents incorporated by reference in the Guide, constitutes the entire understanding between Freddie Mac and the Seller/Servicer and supersedes all other agreements, covenants, representations, warranties, understandings and communications between the parties, whether oral or written or Electronic, with respect to the transactions contemplated by the Guide.

(i) Governing law

This Guide shall be construed, and the rights and obligations of Freddie Mac and the Seller/Servicer hereunder determined, in accordance with the laws of the United States. Insofar as there may be no applicable precedent, and insofar as to do so would not frustrate any provision of this Guide or the transactions governed thereby, the laws of the State of New York shall be deemed reflective of the laws of the United States.

(j) Copyright

The Guide (including related supplements and Bulletins) and Industry Letters are copyrighted. Limited permission to reproduce the Guide is granted to Seller/Servicers strictly for their own use in originating and selling Mortgages to, and in Servicing Mortgages for, Freddie Mac. No part of the Guide may be reproduced for any other reason (in any form or by any means) without the express written permission of Freddie Mac. Requests for such permission to reproduce the Guide must be sent to Freddie Mac (**see Directory 1**).

Requests will be reviewed and answered by Freddie Mac in the ordinary course of business.

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(k) Headings and design features

Headings and design features are written for convenience of reference only and do not constitute a part of this Purchase Document.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Freddie Mac - Seller/Servicer Relationship / Series 1000: General Contract Terms / Topic 1200: General Freddie Mac Policies / Chapter 1201: General Freddie Mac Policies / 1201.9: The Mortgage file, Mortgage data and related records (03/02/16)

1201.9: The Mortgage file, Mortgage data and related records (03/02/16)

(a) Ownership

All documents in the Mortgage file, all data related to Mortgages owned or guaranteed by Freddie Mac to which the Servicer obtains access in connection with any agreement with Freddie Mac, including, without limitation, data in the documents in the Mortgage file (collectively, Mortgage data) and all other documents and records related to the Mortgage of whatever kind or description (whether prepared or originated by the Servicer or others, or whether prepared or maintained or held by the Servicer or others acting for and on behalf of the Servicer), including all current and historical computerized data files, will be, and will remain at all times, the property of Freddie Mac. All of these records and Mortgage data in the possession of the Servicer are retained by the Servicer in a custodial capacity only.

(b) Permitted use of Mortgage data

The Servicer may use these records and Mortgage data only for the following purposes:

- Servicing Mortgages (and, in compliance with the provisions of the Guide, retaining subservicers to service Mortgages) on behalf of, and in the interest of, Freddie Mac
- As background information for the Servicer's use related to marketing or cross-selling of the Servicer's own primary market products and services in compliance with applicable laws, provided that such marketing and cross-selling does not involve disclosure of these records or Mortgage data to any third parties, other than vendors assisting the Servicer in its marketing activities who are themselves bound by these requirements
- As necessary to enable a vendor to provide analytic services to the Servicer with respect to the Servicer's Servicing portfolio, for the Servicer's internal use only, provided the vendor is bound by these requirements, and
- As necessary to enable the Servicer to comply with its obligations under applicable law including, without limitation, any disclosures required in connection with audits by regulatory agencies with jurisdiction over the Servicer's operations

Except as expressly authorized by Freddie Mac in writing, Servicers may not use or disclose, or authorize or permit third parties to use or disclose, these records or Mortgage data for any other purpose, including, without limitation, resale or licensing of Mortgage data, either alone or with other data. See Section 8101.8, for additional requirements related to confidentiality.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Freddie Mac - Seller/Servicer Relationship / Series 1000: General Contract Terms / Topic 1300: General Responsibilities of the Seller/Servicer / Chapter 1301: General Responsibilities of the Seller/Servicer / 1301.10: Survival of warranties; remedies (03/02/16)

1301.10: Survival of warranties; remedies (03/02/16)

The warranties and representations in the Purchase Documents for any Mortgage purchased by Freddie Mac survive payment of the purchase price by Freddie Mac. The warranties and representations are not affected by any investigation made by, or on behalf of, Freddie Mac, except when expressly waived in writing by Freddie Mac.

When any party has purchased a Mortgage from Freddie Mac that Freddie Mac previously purchased from a Seller, Freddie Mac may exercise any rights or remedies at law or in equity on behalf of the party to the extent that the party does not affirmatively do so. Freddie Mac may also exercise its discretion to disqualify or suspend a Seller or a Servicer pursuant to Chapter 2301 or Section 9102.1.

For each Mortgage purchased by Freddie Mac, the Seller and the Servicer agree that Freddie Mac may, at any time and without limitation, require the Seller or the Servicer, at the Seller's or the Servicer's expense, to make such endorsements to and assignments and recordations of any of the Mortgage documents so as to reflect the interests of Freddie Mac and/or its successors and assigns.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Freddie Mac - Seller/Servicer Relationship / Series 3000: Risk Management and Remedies / Topic 3300: Mortgage File Contents and Retention / Chapter 3302: Mortgage File Retention / 3302.5: Transfer of file custody; security of file information (03/02/16)

3302.5: Transfer of file custody; security of file information (03/02/16)

Freddie Mac may at any time require the Servicer to deliver the following documents to a Document Custodian approved by Freddie Mac or a transferee designated by Freddie Mac:

- Any original Note, Security Instrument, assignment and modifying instrument still in the Servicer's custody
- Any Mortgage file, document within a Mortgage file or other related documents and records in the Servicer's or its Document Custodian's custody, whether maintained as originals or as copies in accordance with Section 3302.2

The Servicer may, without Freddie Mac's prior approval, entrust custody of all or part of the Mortgage file to the Document Custodian holding Notes and assignments under Section 2202.2. When requested, the Servicer must be able to identify to Freddie Mac those file items held by the Document Custodian and document to Freddie Mac the Document Custodian's acknowledgment that such file items:

- Are Freddie Mac's property
- Will be maintained by the Document Custodian according to standards at least equal to those set in this chapter
- Will be maintained in such a way as to ensure the security and confidentiality of the information; protect against anticipated threats or hazards to the security or integrity of the information; and protect against unauthorized access to or use of such information
- Will be surrendered to Freddie Mac at any time Freddie Mac may request them

The Servicer agrees to indemnify Freddie Mac and hold Freddie Mac harmless for any loss, damage or expense (including court costs and reasonable attorney fees) that Freddie Mac may incur as a result of the Document Custodian's holding all or part of the Mortgage file.

The Servicer must maintain a copy (in a form allowable under Section 3302.2) of any original document that has been entrusted to the Document Custodian for safekeeping. If all or part of the Mortgage file is held by the Servicer's Document Custodian, the Servicer agrees to recover from the Document Custodian (at the Servicer's expense) and provide to Freddie Mac (at the place and within the time frame specified by Freddie Mac) any Document Custodian-held original document requested by Freddie Mac for the postfunding quality control detailed in Chapter 3301 or in conjunction with a Freddie Mac desktop or on-site review of the Servicer's Servicing operations.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Selling / Series 6000: Selling and Delivery / Topic 6300: Delivery of All Mortgages / Chapter 6301: Documentation Delivery / 6301.6: Assignment of Security Instrument (10/09/17)

6301.6: Assignment of Security Instrument (10/09/17)

The Seller/Servicer is not required to prepare an assignment of the Security Instrument to Freddie Mac. However, Freddie Mac may, at its sole discretion and at any time, require a Seller/Servicer, at the Seller/Servicer's expense, to prepare, execute and/or record assignments of the Security Instrument to Freddie Mac.

If an assignment of the Security Instrument to Freddie Mac has been prepared, the Seller/Servicer must not record it unless directed to do so by Freddie Mac. Any statement in the assignment to the effect that the assignment is made without recourse will in no way affect the Seller/Servicer's repurchase obligations under the Purchase Documents.

For transfer or assignment of Freddie Mac's interest in the Mortgage, the Seller/Servicer shall prepare at its own expense any assignment necessary to transfer the Security Instrument to Freddie Mac's assignee, designee or transferee.

Intervening Assignments must be prepared in accordance with the requirements of this section.

NOTE: Special provisions for preparing assignments for Mortgages secured by Manufactured Homes located in certificate of title States where there is no provision for surrender and cancellation of the certificate of title are set forth in Section 5703.7(c), paragraph 3. Mortgages secured by Manufactured Homes located in certificate of title States where there is no provision for surrender and cancellation of the certificate of title may not be registered with MERS®.

(a) Mortgages not registered with MERS

For a Mortgage not registered with MERS, the Seller/Servicer must ensure that the chain of assignments is complete and recorded from the original mortgagee on the Security Instrument to the Seller. If the Seller concurrently or subsequently transfers the Servicing, an assignment to the new Servicer must be completed and recorded where required, thus keeping the chain complete.

If a State does not accept assignments for recordation, the Seller must so state in an affidavit maintained with the unrecorded assignment.

(b) Mortgages registered with MERS

For a Mortgage registered with MERS, if MERS is not the original mortgagee of record, the Seller/Servicer must ensure that:

- An assignment of the Security Instrument to MERS has been prepared, duly executed and recorded in all places necessary to perfect a First Lien security interest in the Mortgaged Premises in favor of MERS, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns. Mortgages subsequently assigned to MERS in the States of Montana, Oregon and Washington are not eligible for sale to Freddie Mac.
- The chain of assignments is complete and recorded from the original mortgagee to MERS

If the Seller/Servicer concurrently or subsequently transfers the Servicing of a Mortgage registered with MERS, no further assignments are required if the Transferee Servicer is a MERS Member. If the Transferee Servicer is not a MERS Member, or if the Mortgage has not been, or is no longer, registered with MERS, the Seller/Servicer must complete the assignments in accordance with the requirements in Section 6301.6(a).

(c) Mortgages registered with MERS naming MERS as original mortgagee of record

No assignments are required for a Mortgage registered with MERS if:

- The Mortgage is originated naming MERS as the original mortgagee of record, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns, and
- The Seller/Servicer has ensured that the Security Instrument is properly executed, acknowledged, delivered and recorded in all places necessary to perfect a First Lien security interest in the Mortgaged Premises in favor of MERS, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns

(d) Concurrent Transfers of Servicing

If the Mortgage is registered with MERS, and the Transferee Servicer is not a MERS Member, then the requirements for Mortgages not registered with MERS must be followed.

For a Concurrent Transfer of Servicing when a Mortgage is registered with MERS:

- The **Seller** must notify MERS of the Transfer of Servicing and reflect such Transfer of Servicing on the MERS System
- The Transferee Servicer must follow the document custodial procedures in Section 7101.9, and deliver the assignments to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 6304.2, unless the Transferee Servicer has elected to retain all assignments for MERS-registered Mortgages in the Mortgage files. The Transferee Servicer must also supply its Document Custodian with any documentation necessary for the Document Custodian to determine whether the Seller/Servicer has elected to hold all assignments in the Mortgage files.

For a Concurrent Transfer of Servicing when a Mortgage is not registered with MERS:

- The Seller must record any Intervening Assignments to complete the chain of assignments from the original mortgagee to the Seller, in accordance with Section 6301.6(a)
- The **Seller** must then assign the Security Instruments to the Transferee Servicer and record the assignments
- The Transferee Servicer must follow the document custodial procedures set forth in Section 7101.9, and deliver the assignments to the Transferee Document Custodian, to be verified and certified in accordance with the requirements of Section 6304.2

Special provisions for Concurrent Transfers of Servicing of Mortgages secured by Manufactured Homes located in certificate of title States where there is no provision for surrender and cancellation of the certificate of title are set forth in Section 5703.7 (c), paragraph 3.

Related Guide Bulletins	Issue Date
Bulletin 2017-10	July 12, 2017

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 7000: Transfers of Servicing / Topic 7100: Transfers of Servicing / Chapter 7101: Transfers of Servicing / 7101.6: Endorsement of Notes and assignment of Security Instruments related to Transfers of Servicing (03/02/16)

7101.6: Endorsement of Notes and assignment of Security Instruments related to Transfers of Servicing (03/02/16)

When a Mortgage is sold to Freddie Mac, the Seller must endorse the Note in blank in accordance with Section 6301.3. When a Transfer of Servicing occurs, the Transferor Servicer may not complete the blank endorsement or further endorse the Note, but must prepare and complete assignments according to the following requirements:

(a) Concurrent Transfer of Servicing for a Mortgage not registered with MERS®

To prepare and complete assignment of the Security Instrument for a Concurrent Transfer of Servicing for a Mortgage not registered with MERS, the Transferor Servicer must:

- Record any Intervening Assignments to complete the chain of assignments to it from the original mortgagee, in accordance with Section 6301.6(a)
- Assign the Security Instruments to the Transferee Servicer, and record the assignment
- Follow the document custodial procedures set forth in Section 7101.9 and deliver the assignment to the Transferee Document Custodian to be verified in accordance with the requirements of Section 6304.2

See Section 6301.6(a) for additional information.

(b) Concurrent Transfer of Servicing for a Mortgage registered with MERS

To prepare and complete an assignment of the Security Instrument for a Concurrent Transfer of Servicing of a Mortgage that is registered with MERS:

- If the **Transferee Servicer is a MERS Member**, no further assignment is needed. The Transferor Servicer must notify MERS of the Transfer of Servicing.
- If the **Transferee Servicer is not a MERS Member**, then for a Concurrent Transfer of Servicing:
 - The Transferor Servicer must prepare and record an assignment of the Security Instrument (on behalf of MERS) from MERS to the Transferee Servicer
 - The Transferor Servicer must follow the document custodial procedures set forth in Section 7101.9, and deliver the assignment to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 6304.2

See Section 6301.6(b) for additional information.

(c) Subsequent Transfer of Servicing for a Mortgage not registered with MERS

To prepare and complete an assignment of a Security Instrument for a Subsequent Transfer of Servicing for a Mortgage not registered with MERS, the Transferor Servicer must:

- Recover and destroy any original unrecorded assignments to Freddie Mac that may have been prepared
- Assign the Security Instrument to the Transferee Servicer and record the assignment
- Follow the document custody procedures set forth in Section 7101.9, and deliver assignment(s) to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 6304.2

If an original assignment to Freddie Mac was recorded, no additional assignment need be made.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 7000: Transfers of Servicing / Topic 7100: Transfers of Servicing / Chapter 7101: Transfers of Servicing / 7101.15: Liabilities of the Transferor Servicer and Transferee Servicer (03/02/16)

7101.15: Liabilities of the Transferor Servicer and Transferee Servicer (03/02/16)

(a) Warranties

Except as stated in the following paragraph, for Transfer of Servicing requests received by Freddie Mac, the Transferee Servicer is liable to Freddie Mac for all sale and Servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages and REO for which Servicing is transferred, whether or not the Transferor Servicer had such liability. The Transferee Servicer's assumption of responsibilities, representations, covenants and warranties upon transfer does not release the Transferor Servicer, any prior Servicer, or the original Seller of their responsibilities, representations, covenants and warranties with respect to the transferred Mortgages, their liability being joint and several with the Transferee Servicer. However, a Transferor Servicer does not assume such liability for Servicing violations occurring in all respects after the effective date of its transfer and based in all respects upon the actions or omissions of later Transferee Servicers.

For Mortgages sold through Gold Cash Xtra[®] and the Servicing Released Sales Process, the Seller remains solely liable to Freddie Mac for all sale representations, covenants and warranties in the Purchase Documents (sale representations and warranties) with respect to the Mortgages for which Servicing is transferred. The Transferee Servicer is liable to Freddie Mac for all servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages for which Servicing is transferred. For subsequent Transfers of Servicing of such Mortgages:

- The Seller Transferor remains solely liable to Freddie Mac for all sale representations and warranties with respect to the Mortgages for which Servicing is transferred; and
- The subsequent Transferee Servicer is liable to Freddie Mac for all Servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages and REO for which Servicing is transferred, but the Transferee Servicer's assumption of responsibilities, representations, covenants and warranties upon transfer does not release the subsequent Transferor Servicer or any prior Servicer of their responsibilities, representations, covenants and warranties with respect to Servicing of the transferred Mortgages, their liability being joint and several with the Transferee Servicer. However, a Transferor Servicer does not assume such liability for Servicing violations occurring in all respects after the effective date of its transfer and based in all respects upon the actions or omissions of later Transferee Servicers.

Note: For provisions applicable to the concurrent transfer of servicing rights of Mortgages sold to Freddie Mac through Gold Cash Xtra, see Exhibit 28, Loan Servicing Purchase and Sale Agreement.

(b) Hold harmless

The Transferor Servicer and the Transferee Servicer, jointly and severally, fully indemnify and agree to hold Freddie Mac, its successors and assigns, harmless from and against any and all losses, claims, demands, actions, suits, damages, costs and expenses (including reasonable attorney fees) of every nature and character that may arise or be made against or be incurred by Freddie Mac as a result of the Transferor Servicer's or the Transferee Servicer's failure to comply with applicable law or failure to comply with Freddie Mac's Servicing requirements as set forth in the Purchase Documents, including, but not limited to failure to provide the notices required by Section 7101.14, failure to make any payment to the appropriate parties for which Escrow is collected and failure to credit properly any payments received from Borrowers.

(c) Servicing

The Transferee Servicer hereby agrees to service the Mortgages in accordance with the terms of the unitary, indivisible master Servicing contract comprising the Guide, applicable Bulletins, applicable users' guides and any other applicable Purchase Documents, all of which are fully incorporated herein by reference.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 8000: Servicing All Mortgages / Topic 8100: General Freddie Mac Servicing Policies / Chapter 8105: Servicing Compensation / 8105.3: Servicing obligations to be performed for the Servicing compensation (03/02/16)

8105.3: Servicing obligations to be performed for the Servicing compensation (03/02/16)

In consideration for the Servicing Spread, a Servicer is responsible for the performance of all of its Servicing obligations described in the Guide and other Purchase Documents for each of the Mortgages purchased by Freddie Mac. The Servicer's Servicing obligations compensated by the Servicing Spread include, among other things, undertaking all activities required to protect Freddie Mac's interest in the Mortgage in the event of a foreclosure of the property or a bankruptcy of the Borrower, such as:

- Preparing and delivering foreclosure and bankruptcy referrals to attorneys
- Providing all documents and information necessary for the attorneys to prosecute foreclosure or bankruptcy cases (including, but not limited to, missing documents such as Notes, title insurance policies, and Intervening Assignments)
- When necessary, paying for the preparation and recordation of missing documents, such as Intervening Assignments, necessary for the prosecution of foreclosure or bankruptcy cases
- Resolving any title issues that are the result of the Seller's or Servicer's action or inaction
- Managing attorneys, including but not limited to:
 - Collecting, receiving, processing, reviewing and paying attorneys' invoices
 - Supervising and providing necessary assistance to attorneys in the foreclosure and bankruptcy proceedings
 - Making available any monitoring, management, reporting, information and document delivery processes or systems, and paying the fees and costs for such processes or systems (refer to Section 9501.9 for information on connectivity and invoice processing systems)
- Continuing to work with the Borrower to resolve the delinquency through loss mitigation activities
- Handling the bankruptcy management activities specified in Chapter 9401

Nothing in the Guide is intended to prohibit a foreclosure or bankruptcy attorney from assisting a Servicer by working with a Borrower to facilitate a reinstatement of the Mortgage or loss mitigation activity.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 8000: Servicing All Mortgages / Topic 8100: General Freddie Mac Servicing Policies / Chapter 8107: Document Custody / 8107.1: Servicer responsibilities related to document custody (03/02/16)

8107.1: Servicer responsibilities related to document custody (03/02/16)

(a) Delivery of modifications to a Document Custodian

If a Note is subsequently modified, pursuant to the requirements of the Guide, the original modifying instrument must be delivered to the Document Custodian holding the original Note.

(b) Obtaining physical or constructive possession of documents

Seller/Servicers may need to obtain physical or constructive possession of a Note or other documents from a Document Custodian to take appropriate action in conjunction with the payoff, foreclosure, repurchase, substitution, conversion, modification or assumption of a Mortgage:

- To obtain physical or constructive possession of a Note and/or other documents from the Designated Custodian, the Seller/Servicer may complete and send the Form 1036, Request for Physical or Constructive Possession of Documents, or make an electronic request ("Web Release Request") using the Designated Custodian's specified Internet web site. Contact the Designated Custodian for further information (**see Directory 4**). The Seller/Servicer must promptly: (i) if physical possession was obtained by Seller/Servicer, return the Note and any other documents to the Designated Custodian when the reason for having physical possession is no longer required for Servicing the Mortgage (do not return the Note and any other documents to the Designated Custodian if the related Mortgage was repurchased or paid in full), or (ii) if constructive possession was obtained, send notice (a copy of the original Form 1036 with a notice of termination of constructive possession or otherwise as instructed by the Designated Custodian's specified Internet web site) to the Designated Custodian, when the reason for constructive possession is no longer required for Servicing the Mortgage. Seller/Servicers using the Designated Custodian's Internet web site Asset Repository and Collateral System (ARK) to request physical or constructive possession of Notes and other documents must include a copy of the 1036 Release Receipt Report when returning such items to the Designated Custodian. The Release Receipt Report can be electronically generated from the Designated Custodian's ARK web site.
- To obtain physical or constructive possession of a Note and/or other documents from a Document Custodian (excluding the Designated Custodian), the Seller/Servicer must complete Form 1036, and send the Form 1036 to the Document Custodian. The Seller/Servicer must promptly: (i) if physical possession was obtained by the Seller/Servicer, return the Note and any other documents to the Document Custodian when the reason for having physical possession is no longer required for Servicing the Mortgage (do not return the Note and any other documents to the Document Custodian if the related Mortgage was repurchased or paid in full), or (ii) if constructive possession was obtained by the Seller/Servicer, send notice (copy of the original Form 1036 with a request for termination of constructive possession) to the Document Custodian, when constructive possession is no longer required for Servicing the Mortgage.

Seller/Servicers must follow prudent business practices in protecting and safeguarding all Notes and documents physically transferred and delivered to them by the Document Custodian until these documents are returned to the Document Custodian. These practices include protection from external elements, such as fire, and identification as a Freddie Mac asset and segregation from other non-related documents.

See Section 8107.2(b) when Servicing a Mortgage with respect to which the Seller/Servicer is required to be in physical or constructive possession of the Note to take legal action, such as a Freddie Mac Default Legal Matter or other litigation (collectively, "Legal Action"), and the Document Custodian has physical custody of the Note.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 8000: Servicing All Mortgages / Topic 8100: General Freddie Mac Servicing Policies / Chapter 8107: Document Custody / 8107.2: Document Custodian's custodial functions (03/02/16)

8107.2: Document Custodian's custodial functions (03/02/16)

(a) General duties

Each Document Custodian is responsible for maintaining custody of the original Notes and assignments, in trust, for the benefit of Freddie Mac by:

- Storing the original Notes and assignments in secure, fire-resistant facilities as required by Section 2202.2(b). If the Seller/Servicer delivers supplemental documents, such as original modifying instruments, the Document Custodian must place the supplemental documents with the related Note.
- Affixing the Freddie Mac loan number to the Note, if advised by the Seller/Servicer that Freddie Mac requires it. If the Note for a Mortgage contains the Freddie Mac loan number, changing the Freddie Mac loan number on a Note if advised in writing by the Seller/Servicer that Freddie Mac has changed the Freddie Mac loan number for the related Mortgage.

(b) Physical or constructive possession to take legal action

The Seller/Servicer may be required to be in physical or constructive possession of the Note to take legal action, such as a Freddie Mac Default Legal Matter or other litigation (collectively, "Legal Action"), in connection with Servicing a Mortgage. If the Seller/Servicer concludes that constructive possession is the appropriate type of possession for the Legal Action, the Seller/Servicer shall automatically, immediately and conclusively be deemed to be in constructive possession of the Note upon the earlier of: (i) that date such Legal Action commences, or (ii) the date the Document Custodian receives the Seller/Servicer's Form 1036 requesting constructive possession of the Note, until the Legal Action is concluded.

When the Document Custodian, during any such Legal Action, maintains physical custody of the Note, it does so in trust for the benefit of the Seller/Servicer. For the duration of the Legal Action, the Seller/Servicer shall be: (i) in constructive possession of the Note, (ii) the holder of the Note, (iii) entitled to enforce the Note, and (iv) duly authorized by Freddie Mac to take Legal Action in connection with Servicing the related Mortgage. When the Legal Action is concluded, the Document Custodian shall automatically and immediately cease maintaining physical custody of the Note, in trust, for the benefit of the Seller/Servicer and resume maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac.

The Seller/Servicer must complete, sign and submit a Form 1036, or its equivalent, including the Designated Custodian's Web Release Request described in Section 8107.1(b) (Form 1036 and such the Designated Custodian's Web Release Request, collectively referred to herein as "Form 1036") requesting constructive possession from the Document Custodian or Designated Custodian, as applicable. The date that the constructive possession commences shall be the earlier of the date: (i) the Document Custodian receives the Form 1036 from the Seller/Servicer requesting constructive possession, or (ii) the Seller/Servicer commences the Legal Action. A single Form 1036 may be used to request multiple Notes, provided that each Note is separately listed and identified.

(h) Governing law

This Guide shall be construed, and the rights and obligations of Freddie Mac and the Seller or Servicer hereunder determined, in accordance with the laws of the United States. Insofar as there may be no applicable precedent, and insofar as to do so would not frustrate any provision of this Guide or the transactions governed thereby, the laws of the State of New York shall be deemed reflective of the laws of the United States.

1.2: Legal effect of the *Single-Family Seller/Servicer Guide* (09/24/13)**ARCHIVED VERSION****(a) Status as a contract**

1. **Effect of the Guide.** The Guide governs the business relationship between a Seller/Servicer and Freddie Mac relating to the sale and Servicing of Mortgages. Each Seller/Servicer must complete and submit a Form 16SF, Annual Eligibility Certification Report, that certifies that the Seller/Servicer has access to the Electronic version of the Guide as an Electronic Record, as those terms are defined in Chapter 3, and is in compliance with all requirements of the Purchase Documents.
2. **Volume 1 of the Guide.** In connection with the sale of Mortgages to Freddie Mac, the Seller/Servicer agrees that each transaction is governed by the Guide, the applicable Purchase Contract and all other Purchase Documents.

3. **Volume 2 of the Guide.** A Seller/Service~~r~~ must service all Mortgages that the Seller/Service~~r~~ has sold to Freddie Mac and/or has agreed to service for Freddie Mac in accordance with the standards set forth in the Seller/Service~~r~~'s Purchase Documents. All of a Seller/Service~~r~~'s obligations to service Mortgages for Freddie Mac are considered to constitute, and must be performed pursuant to a unitary, indivisible master Servicing contract, and the Servicing obligations assumed pursuant to any contract to sell Mortgages to Freddie Mac are deemed to be merged into, and must be performed pursuant to, such unitary, indivisible master Servicing contract.

A Seller/Service~~r~~ acknowledges that Freddie Mac's agreement to purchase Mortgages from the Seller/Service~~r~~ pursuant to any individual Purchase Contract is based upon the Seller/Service~~r~~'s agreement that the Mortgages purchased will be serviced by the Seller/Service~~r~~ pursuant to the unitary, indivisible master Servicing contract. The Seller/Service~~r~~ agrees that any failure to service any Mortgage in accordance with the terms of the unitary, indivisible master Servicing contract, or any breach of any of the Seller/Service~~r~~'s obligations under any aspect of the unitary, indivisible master Servicing contract, shall be deemed to constitute a breach of the entire contract and shall entitle Freddie Mac to terminate all or a portion of the Servicing. The termination of a portion of the Servicing shall not alter the unitary, indivisible nature of the Servicing contract.

If a Servicer who services Mortgages for Freddie Mac is not also the Seller of the Mortgages to Freddie Mac, the Servicer must agree to service Mortgages for Freddie Mac by separate agreement, which incorporates the applicable Purchase Documents. In such case, the separate agreement shall be deemed to be one of the "Purchase Documents" that constitute the unitary, indivisible master Servicing contract.

In addition, in certain cases, a Seller and/or Servicer who uses certain Freddie Mac services will, by virtue of the provisions of the Guide, be deemed to have agreed upon certain terms and conditions related to such services and their use.

4. **Amendments to the Guide.** Freddie Mac may, in its sole discretion, amend or supplement the Guide from time to time. Amendments to the Guide may be a paper Record or an Electronic Record, as those terms are defined in Chapter 3. The Guide may not be amended orally. Freddie Mac may amend the Guide by:

- Publishing Bulletins, which apply to all Sellers/Service~~r~~s, or
- Entering into a Purchase Contract or other written or Electronic agreement, which applies to the Seller that is a party to the Purchase Contract or agreement

Bulletins expressly amend, supplement, revise or terminate specific provisions of the Guide. An amendment, supplement, revision or termination of a provision in Volume 1 or Volume 2 of the Guide is effective as of the date specified by Freddie Mac in the applicable Bulletin.

A Purchase Contract or other written agreement or Electronic agreement amends or supplements specific provisions of the Guide for purposes of such Purchase Contract or other agreement, as applicable. Such amendments or supplements to the Guide are effective as of the date specified in the Purchase Contract or other agreement. See Section 12.3(d) for information about how amendments and supplements to Volume 1 of the Guide amend or otherwise apply to a Seller's Purchase Contracts and other Purchase Documents.

5. **Publication of Guide and Bulletins.** The Guide is posted on the AllRegs® web site of Mortgage Resource Center, Inc. (MRC), which posts the Guide under license from and with the express permission of Freddie Mac. MRC is the exclusive third-party electronic publisher of the Guide. Freddie Mac makes no representation or warranty regarding availability, features or functionality of the AllRegs web site. The Guide is also available through FreddieMac.com.

By using the web site, Seller/Serviceers acknowledge and agree (individually and on behalf of the entity for which they access the Guide) neither Freddie Mac nor MRC shall be liable to them (or the entity for which they access the Guide) for any losses or damages whatsoever resulting directly or indirectly from Freddie Mac's designation of the Guide as found on the AllRegs web site as the official Electronic version, as an Electronic Record, and MRC expressly disclaims any warranty as to the results to be obtained by Seller/Serviceers (and the entity for which Seller/Serviceers access the Guide) from use of the AllRegs web site, and MRC shall not be liable to Seller/Serviceers (and the entity for which Seller/Serviceers access the Guide) for any damages arising directly or indirectly out of the use of the AllRegs web site by them (and the entity for which they access the Guide).

Bulletins are published on AllRegs and FreddieMac.com. Sellers and Serviceers with an AllRegs subscription may receive notice of Bulletins directly from AllRegs. If a Seller or Serviceer does not receive notice of Bulletins through AllRegs, the Seller or Serviceer must take the steps necessary to receive the applicable Freddie Mac Single-Family Update e-mails, which will notify Sellers and Serviceers of Bulletin publications. A Seller or Serviceer's failure to take the appropriate steps to receive notices of Bulletins does not relieve the Seller or Serviceer of its legal obligations to comply with the terms of the Bulletins.

6. **Effective Date.** The effective date of each section of the Guide is located at the beginning of each section, to the right of the section number and name.

(b) Copyright

The Guide (including related supplements and Bulletins) and Industry Letters are copyrighted. Limited permission to photocopy the Guide is granted to Seller/Serviceers strictly for their own use in originating and selling Mortgages to, and in Servicing Mortgages for, Freddie Mac. No part of the Guide may be reproduced for any other reason (in any form or by any means) without the express written permission of Freddie Mac. Requests for such permission to reproduce the Guide must be sent to Freddie Mac (**see Directory 1**).

Requests will be reviewed and answered by Freddie Mac in the ordinary course of business.

Freddie Mac reserves the right to revoke permission to reproduce the Guide upon 60 days' notice to any and all Sellers and Serviceers. Under no circumstances will Freddie Mac permit the Guide to be reproduced by any Electronic or mechanical means, including, but not limited to, reproduction in, or as a component of, any information storage and retrieval system.

(c) Reliance

By entering into a Purchase Contract or into the unitary, indivisible master Servicing contract with Freddie Mac, the Seller or Servicer acknowledges that it is not relying upon Freddie Mac or any employee, agent or representative thereof, in making its decision to enter into the contract and that it has relied upon the advice and counsel of its own employees, agents and representatives as to the regulatory, business, corporate, tax, accounting and other consequences of entering into and performing its obligations under a Purchase Contract or the unitary, indivisible master Servicing contract.

(d) Assignments; security interests

A Seller or Servicer shall not, in whole or in part, assign or transfer or grant a security interest in, any of its obligations, rights or interest under any Purchase Contract or under the unitary, indivisible master Servicing contract, including any of its rights or obligations under this Guide or any of the Purchase Documents, without Freddie Mac's prior written consent. Any purported or attempted assignment or transfer of, or grant of a security interest in, any such obligations, rights or interest is prohibited and shall be null and void.

Freddie Mac has the right to sell, assign, convey, hypothecate, pledge or in any way transfer, in whole or in part, its interest under the Purchase Documents with respect to any Mortgage it purchases.

(e) Severability

If any provision of this Guide shall be held invalid, the legality and enforceability of all remaining provisions shall not in any way be affected or impaired thereby, and this Guide shall be interpreted as if such invalid provision were not contained herein.

(f) Construction of Guide

This Guide shall not be construed against Freddie Mac as being the drafter hereof.

(g) Entire agreement

This Guide, including the exhibits attached to the Guide and all Purchase Documents incorporated by reference in the Guide, constitutes the entire understanding between Freddie Mac and the Seller or Servicer and supersedes all other agreements, covenants, representations, warranties, understandings and communications between the parties, whether oral or written or Electronic, with respect to the transactions contemplated by the Guide.

(h) Governing law

This Guide shall be construed, and the rights and obligations of Freddie Mac and the Seller or Servicer hereunder determined, in accordance with the laws of the United States. Insofar as there may be no applicable precedent, and insofar as to do so would not frustrate any provision of this Guide or the transactions governed thereby, the laws of the State of New York shall be deemed reflective of the laws of the United States.

Related Guide Bulletins	Issue Date
Bulletin 2013-18	September 24, 2013

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 51-57: General Freddie Mac Policies / Chapter 52: Mortgage File Retention / 52.5: The Mortgage file, Mortgage data and related records (05/17/11)

52.5: The Mortgage file, Mortgage data and related records (05/17/11)

ARCHIVED VERSION

- (a) **Ownership** All documents in the Mortgage file, all data related to Mortgages owned or guaranteed by Freddie Mac to which the Servicer obtains access in connection with any agreement with Freddie Mac, including, without limitation, data in the documents in the Mortgage file (collectively, Mortgage data) and all other documents and records related to the Mortgage of whatever kind or description (whether prepared or originated by the Servicer or others, or whether prepared or maintained or held by the Servicer or others acting for and on behalf of the Servicer), including all current and historical computerized data files, will be, and will remain at all times, the property of Freddie Mac. All of these records and Mortgage data in the possession of the Servicer are retained by the Servicer in a custodial capacity only.

(b) **Permitted use of Mortgage data**

The Servicer may use these records and Mortgage data only for the following purposes:

- Servicing Mortgages (and, in compliance with the provisions of the Guide, retaining subservicers to service Mortgages) on behalf of, and in the interest of, Freddie Mac;
- As background information for the Servicer's use related to marketing or cross-selling of the Servicer's own primary market products and services in compliance with applicable laws, provided that such marketing and cross-selling does not involve disclosure of these records or Mortgage data to any third parties, other than vendors assisting the Servicer in its marketing activities who are themselves bound by these requirements;
- As necessary to enable a vendor to provide analytic services to the Servicer with respect to the Servicer's Servicing portfolio, for the Servicer's internal use only, provided the vendor is bound by these requirements; and
- As necessary to enable the Servicer to comply with its obligations under applicable law, including, without limitation, any disclosures required in connection with audits by regulatory agencies with jurisdiction over the Servicer's operations.

Except as expressly authorized by Freddie Mac in writing, Servicers may not use or disclose, or authorize or permit third parties to use or disclose, these records or Mortgage data for any other purpose, including, without limitation, resale or licensing of Mortgage data, either alone or with other data. See Section 53.3, Confidential Information; Privacy; Conflicts of Interest, Misuse of Material Information; Security of Information, for additional requirements related to confidentiality.

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Servicer Guide, Volume 1 / Chs. 4-7: Seller/Servicer Requirements and Warranties / Chapter 6: General Warranties and Responsibilities of the Seller/Servicer / 6.6: Survival of warranties; remedies (05/05/00)

6.6: Survival of warranties; remedies (05/05/00)

ARCHIVED VERSION

The warranties and representations in the Purchase Documents for any Mortgage purchased by Freddie Mac survive payment of the purchase price by Freddie Mac. The warranties and representations are not affected by any investigation made by, or on behalf of, Freddie Mac, except when expressly waived in writing by Freddie Mac.

When any party has purchased a Mortgage from Freddie Mac that Freddie Mac previously purchased from a Seller, Freddie Mac may exercise any rights or remedies at law or in equity on behalf of the party to the extent that the party does not affirmatively do so. Freddie Mac may also exercise its discretion to disqualify or suspend a Seller or a Servicer pursuant to Chapter 5 or 53.

For each Mortgage purchased by Freddie Mac, the Seller and the Servicer agree that Freddie Mac may, at any time and without limitation, require the Seller or the Servicer, at the Seller's or the Servicer's expense, to make such endorsements to and assignments and recordations of any of the Mortgage documents so as to reflect the interests of Freddie Mac and/or its successors and assigns.

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 51-57: General Freddie Mac Policies / Chapter 52: Mortgage File Retention / 52.7: Transfer of file custody; security of file information (10/01/09)

52.7: Transfer of file custody; security of file information (10/01/09)

ARCHIVED VERSION

Freddie Mac may at any time require the Servicer to deliver the following documents to a Document Custodian approved by Freddie Mac or a transferee designated by Freddie Mac:

- Any original Note, Security Instrument, assignment and modifying instrument still in the Servicer's custody
- Any Mortgage file, document within a Mortgage file or other related documents and records in the Servicer's or its Document Custodian's custody, whether maintained as originals or as copies in accordance with Section 52.2

The Servicer may, without Freddie Mac's prior approval, entrust custody of all or part of the Mortgage file to the Document Custodian holding Notes and assignments under Section 18.2. When requested, the Servicer must be able to identify to Freddie Mac those file items held by the Document Custodian and document to Freddie Mac the Document Custodian's acknowledgment that such file items:

- Are Freddie Mac's property
- Will be maintained by the Document Custodian according to standards at least equal to those set in this chapter
- Will be maintained in such a way as to ensure the security and confidentiality of the information; protect against anticipated threats or hazards to the security or integrity of the information; and protect against unauthorized access to or use of such information
- Will be surrendered to Freddie Mac at any time Freddie Mac may request them

The Servicer agrees to indemnify Freddie Mac and hold Freddie Mac harmless for any loss, damage or expense (including court costs and reasonable attorney fees) that Freddie Mac may incur as a result of the Document Custodian's holding all or part of the Mortgage file.

The Servicer must maintain a copy (in a form allowable under Section 52.2) of any original document that has been entrusted to the Document Custodian for safekeeping. If all or part of the Mortgage file is held by the Servicer's Document Custodian, the Servicer agrees to recover from the Document Custodian (at the Servicer's expense) and provide to Freddie Mac (at the place and within the timeframe specified by Freddie Mac) any Document Custodian-held original document requested by Freddie Mac for the postfunding quality control detailed in Chapter 47 or in conjunction with a Freddie Mac desktop or on-site review of the Servicer's Servicing operations.

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Servicer Guide, Volume 1 / Chs. 22-28: General Mortgage Eligibility / Chapter 22: General Mortgage Eligibility / 22.14: Assignment of Security Instrument (10/01/09)

22.14: Assignment of Security Instrument (10/01/09)

ARCHIVED VERSION

The Seller/Servicer is not required to prepare an assignment of the Security Instrument to the Federal Home Loan Mortgage Corporation (Freddie Mac). However, Freddie Mac may, at its sole discretion and at any time, require a Seller/Servicer, at the Seller/Servicer's expense, to prepare, execute and/or record assignments of the Security Instrument to Freddie Mac.

If an assignment of the Security Instrument to Freddie Mac has been prepared, Seller/Servicer must not record it unless directed to do so by Freddie Mac. Any statement in the assignment to the effect that the assignment is made without recourse will in no way affect the Seller/Servicer's repurchase obligations under the Purchase Documents.

Intervening Assignments must be prepared as required in Sections 22.14(a), 22.14(b) or 22.14(c) below.

Special provisions for preparing assignments for Mortgages secured by Manufactured Homes located in certificate of title States where there is no provision for surrender and cancellation of the certificate of title are set forth in Section H33.7(c), paragraph 3. Mortgages secured by Manufactured Homes located in certificate of title States where there is no provision for surrender and cancellation of the certificate of title may not be registered with MERS.

- (a) Preparation and completion of assignments for Mortgages not registered with MERS** For a Mortgage not registered with MERS, the Seller/Servicer must ensure that the chain of assignments is complete and recorded from the original mortgagee on the Security Instrument to the Seller. If the Seller concurrently or subsequently transfers the Servicing, an assignment to the new Servicer must be completed and recorded where required, thus keeping the chain complete.

If a State does not accept assignments for recordation, the Seller must so state in an affidavit maintained with the unrecorded assignment.

- (b) Preparation and completion of assignments for Mortgages registered with MERS**

For a Mortgage registered with MERS, if MERS is not the original mortgagee of record, the Seller/Servicer must ensure that:

- An assignment to MERS has been prepared, duly executed and recorded
- The chain of assignments is complete and recorded from the original mortgagee to MERS

If the Seller/Servicer concurrently or subsequently transfers the Servicing of a Mortgage registered with MERS, no further assignments are required if the Transferee Servicer is a MERS member. If the Transferee Servicer is not a MERS member, or if the Mortgage has not been, or is no longer, registered with MERS, the Seller/Servicer must complete the assignments in accordance with the requirements in Section 22.14(a).

(c) Mortgages registered with MERS naming MERS as original mortgagee of record

No assignments are required for a Mortgage registered with MERS if:

- The Mortgage is originated naming MERS as the original mortgagee of record, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns, and
- The Seller/Servicer has ensured that the Security Instrument is properly executed, acknowledged, delivered and recorded in all places necessary to perfect a First Lien security interest in the Mortgaged Premises in favor of MERS, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns

(d) Concurrent Transfers of Servicing

If the Mortgage is registered with MERS, and the Transferee Seller/Servicer is not a MERS Member, then the requirements for Mortgages not registered with MERS in the first paragraph of Section 22.14(a) must be followed.

For a Concurrent Transfer of Servicing when a Mortgage is registered with MERS:

- The Transferor Seller must notify MERS of the Transfer of Servicing
- The Transferee Seller/Servicer must follow the document custodial procedures in Section 56.9, and deliver the assignments to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 18.5, unless the Transferee Seller/Servicer has elected to retain all assignments for MERS-registered Mortgages in the Mortgage files. The Transferee Seller/Servicer must also supply its Document Custodian with any documentation necessary for the Document Custodian to determine whether the Seller/Servicer has elected to hold all assignments in the Mortgage files

For a Concurrent Transfers of Servicing when a Mortgage is not registered with MERS:

- The Transferor Seller must record any Intervening Assignments to complete the chain of assignments from the original mortgagee to the Transferor Seller, in accordance with Section 22.14(a)
- The Transferor Servicer must then assign the Security Instruments to the Transferee Servicer and record the assignments
- The Transferee Servicer must follow the document custodial procedures set forth in Section 56.9, and deliver the assignments to the Transferee Document Custodian, to be verified and certified in accordance with the requirements of Section 18.5

Special provisions for Concurrent Transfers of Servicing of Mortgages secured by Manufactured Homes located in certificate of title States where there is no provision for surrender and cancellation of the certificate of title are set forth in Section H33.7 (c), paragraph 3.

(e) Delivery to a Document Custodian

The Seller/Servicer must deliver all Intervening Assignments for each Mortgage to the Document Custodian, unless the Mortgage is registered with MERS and the Seller/Servicer has elected to retain all assignments for MERS-registered Mortgages in the Mortgage files. The Seller/Servicer must also supply its Document Custodian with any documentation necessary for the Document Custodian to determine if it should expect to receive assignments for MERS-registered Mortgages.

If a recorder's office has not yet returned a recorded Intervening Assignment to the Seller/Servicer, the Seller/Servicer must deliver a certified copy of the assignment sent for recordation to the Document Custodian.

The original recorded assignment must be delivered to the Document Custodian immediately after the Seller/Servicer receives it from the recorder's office. If a jurisdiction does not accept assignments for recordation, the Seller/Servicer must so indicate in an affidavit delivered to the Document Custodian with the unrecorded Intervening Assignment.

(f) Transfer or assignment of Freddie Mac's interests

For transfer or assignment of Freddie Mac's interest in the Mortgage, the Seller/Servicer shall prepare at its own expense any assignment necessary to transfer the Security Instrument to Freddie Mac's assignee, designee or transferee.

(g) Transfer of Servicing

See Sections 56.7 and 56.9.

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 51-57: General Freddie Mac Policies / Chapter 56: Transfers of Servicing / 56.7: Endorsement of Notes and assignment of Security Instruments (10/01/09)

56.7: Endorsement of Notes and assignment of Security Instruments (10/01/09)

ARCHIVED VERSION

When a Mortgage is sold to Freddie Mac, the Seller must endorse the Note in blank in accordance with Section 16.4. When a Transfer of Servicing occurs, the Transferor Servicer may not complete the blank endorsement or further endorse the Note, but must prepare and complete assignments according to the following requirements:

(a) Concurrent Transfer of Servicing for a Mortgage not registered with the Mortgage Electronic Registration Systems Inc. (MERS)

To prepare and complete assignment of the Security Instrument for a Concurrent Transfer of Servicing for a Mortgage not registered with MERS, the Transferor Servicer must:

- Record any Intervening Assignments to complete the chain of assignments to it from the original mortgagee, in accordance with Section 22.14(a)
- Assign the Security Instruments to the Transferee Servicer, and record the assignment
- Follow the document custodial procedures set forth in Section 56.9 and deliver the assignment to the Transferee Document Custodian to be verified in accordance with the requirements of Section 18.5

See Section 22.14(a) for additional information.

(b) Concurrent Transfer of Servicing for a Mortgage registered with MERS

To prepare and complete an assignment of the Security Instrument for a Concurrent Transfer of Servicing of a Mortgage that is registered with MERS:

- If the **Transferee Servicer is a MERS Member**, no further assignment is needed. The Transferor Servicer must notify MERS of the Transfer of Servicing.
- If the **Transferee Servicer is not a MERS Member**, then for a Concurrent Transfer of Servicing:
 - The Transferor Servicer must prepare and record an assignment of the Security Instrument (on behalf of MERS) from MERS to the Transferee Servicer
 - The Transferor Servicer must follow the document custodial procedures set forth in Section 56.9, and deliver the assignment to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 18.5

See Section 22.14(b) for additional information.

(c) Subsequent Transfer of Servicing for a Mortgage not registered with MERS

To prepare and complete an assignment of a Security Instrument for a Subsequent Transfer of Servicing for a Mortgage not registered with MERS, the Transferor Servicer must:

- Recover and destroy any original unrecorded assignments to Freddie Mac that may have been prepared
- Assign the Security Instrument to the Transferee Servicer and record the assignment
- Follow the document custody procedures set forth in Section 56.9, and deliver the assignment(s) to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 18.5

If an original assignment to Freddie Mac was recorded, no additional assignment need be made.

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 51-57: General Freddie Mac Policies / Chapter 56: Transfers of Servicing / 56.15: Liabilities of the Transferor Servicer and Transferee Servicer (10/03/12)

**56.15: Liabilities of the Transferor Servicer and Transferee Servicer
(10/03/12)**

ARCHIVED VERSION

(a) Warranties

Except as stated in the following paragraph, for Transfer of Servicing requests received by Freddie Mac, the Transferee Servicer is liable to Freddie Mac for all sale and Servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages and Real Estate Owned (REO) for which Servicing is transferred, whether or not the Transferor Servicer had such liability. The Transferee Servicer's assumption of responsibilities, representations, covenants and warranties upon transfer does not release the Transferor Servicer, any prior Servicer, or the original Seller of their responsibilities, representations, covenants and warranties with respect to the transferred Mortgages, their liability being joint and several with the Transferee Servicer. However, a Transferor Servicer does not assume such liability for Servicing violations occurring in all respects after the effective date of its transfer and based in all respects upon the actions or omissions of later Transferee Servicers.

For Mortgages sold through Gold Cash Xtra[®] and the Servicing Released Sales Process, the Seller remains solely liable to Freddie Mac for all sale representations, covenants and warranties in the Purchase Documents (sale representations and warranties) with respect to the Mortgages for which Servicing is transferred. The Transferee Servicer is liable to Freddie Mac for all servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages for which Servicing is transferred. For subsequent Transfers of Servicing of such Mortgages:

- The Seller Transferor remains solely liable to Freddie Mac for all sale representations and warranties with respect to the Mortgages for which Servicing is transferred; and
- The subsequent Transferee Servicer is liable to Freddie Mac for all Servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages and Real Estate Owned (REO) for which Servicing is transferred, but the Transferee Servicer's assumption of responsibilities, representations, covenants and warranties upon transfer does not release the subsequent Transferor Servicer or any prior Servicer of their responsibilities, representations, covenants and warranties with respect to Servicing of the transferred Mortgages, their liability being joint and several with the Transferee Servicer. However, a Transferor Servicer does not assume such liability for Servicing violations occurring in all respects after the effective date of its transfer and based in all respects upon the actions or omissions of later Transferee Servicers.

(b) Hold harmless

The Transferor Servicer and the Transferee Servicer, jointly and severally, fully indemnify and agree to hold Freddie Mac, its successors and assigns, harmless from and against any and all losses, claims, demands, actions, suits, damages, costs and expenses (including reasonable attorney fees) of every nature and character that may arise or be made against or be incurred by Freddie Mac as a result of the Transferor Servicer's or the Transferee Servicer's failure to comply with applicable law or failure to comply with Freddie Mac's Servicing requirements as set forth in the Purchase Documents, including, but not limited to failure to provide the notices required by Section 56.14, failure to make any payment to the appropriate parties for which Escrow is collected and failure to credit properly any payments received from Borrowers.

(c) Servicing

The Transferee Servicer hereby agrees to service the Mortgages in accordance with the terms of the unitary, indivisible master Servicing contract comprising the Guide, applicable bulletins, applicable *users' guides* and any other applicable Purchase Documents, all of which are fully incorporated herein by reference.

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 51-57: General Freddie Mac Policies / Chapter 54: Servicing Compensation / 54.4: Servicing obligations to be performed for the Servicing compensation (06/01/13)

REVISION HISTORY 03/23/11 [HIDE]**REVISION NUMBER:** 03232011**DATE:** 03/23/2011**REVISION REMARKS:** THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.**54.4: Servicing obligations to be performed for the Servicing compensation (Effective: 03/23/11)****ARCHIVED VERSION**

In consideration for the Servicing Spread, a Servicer is responsible for the performance of all of its Servicing obligations described in the Guide and other Purchase Documents for each of the Mortgages purchased by Freddie Mac. The Servicer's Servicing obligations compensated by the Servicing Spread include, among other things, undertaking all activities required to protect Freddie Mac's interest in the Mortgage in the event of a foreclosure of the property or a bankruptcy of the Borrower, such as:

- Preparing and delivering foreclosure and bankruptcy referrals to attorneys or trustees
- Providing all documents and information necessary for the attorneys or trustees to prosecute foreclosure or bankruptcy cases (including, but not limited to, missing documents such as Notes, title insurance policies, and Intervening Assignments)
- When necessary, paying for the preparation and recordation of missing documents, such as Intervening Assignments, necessary for the prosecution of foreclosure or bankruptcy cases
- Resolving any title issues that are the result of the Seller's or Servicer's action or inaction
- Managing attorneys, including but not limited to:
 - Collecting, receiving, processing, reviewing and paying attorneys' and trustees' invoices
 - Supervising and providing necessary assistance to attorneys and trustees in the foreclosure and bankruptcy proceedings
 - Making available any monitoring, management, reporting, information and document delivery processes or systems, and paying the fees and costs for such processes or systems
- Continuing to work with the Borrower to resolve the delinquency through loss mitigation activities
- Handling the bankruptcy management activities specified in Chapter 67

Refer to Section 66.25 for information on connectivity and invoice processing systems and reimbursement of fees for use of such systems.

Nothing in the Guide is intended to prohibit a foreclosure or bankruptcy attorney or a trustee from assisting a Servicer by working with a Borrower to facilitate a reinstatement of the Mortgage or loss mitigation activity.

54.4: Servicing obligations to be performed for the Servicing compensation (06/01/13)

ARCHIVED VERSION

In consideration for the Servicing Spread, a Servicer is responsible for the performance of all of its Servicing obligations described in the Guide and other Purchase Documents for each of the Mortgages purchased by Freddie Mac. The Servicer's Servicing obligations compensated by the Servicing Spread include, among other things, undertaking all activities required to protect Freddie Mac's interest in the Mortgage in the event of a foreclosure of the property or a bankruptcy of the Borrower, such as:

- Preparing and delivering foreclosure and bankruptcy referrals to attorneys
- Providing all documents and information necessary for the attorneys to prosecute foreclosure or bankruptcy cases (including, but not limited to, missing documents such as Notes, title insurance policies, and Intervening Assignments)
- When necessary, paying for the preparation and recordation of missing documents, such as Intervening Assignments, necessary for the prosecution of foreclosure or bankruptcy cases
- Resolving any title issues that are the result of the Seller's or Servicer's action or inaction
- Managing attorneys, including but not limited to:
 - Collecting, receiving, processing, reviewing and paying attorneys' invoices
 - Supervising and providing necessary assistance to attorneys in the foreclosure and bankruptcy proceedings
 - Making available any monitoring, management, reporting, information and document delivery processes or systems, and paying the fees and costs for such processes or systems
- Continuing to work with the Borrower to resolve the delinquency through loss mitigation activities
- Handling the bankruptcy management activities specified in Chapter 67

Refer to Section 66.25 for information on connectivity and invoice processing systems and reimbursement of fees for use of such systems.

Nothing in the Guide is intended to prohibit a foreclosure or bankruptcy attorney from assisting a Servicer by working with a Borrower to facilitate a reinstatement of the Mortgage or loss mitigation activity.

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Servicer Guide, Volume 1 / Chs. 16-21: Delivery / Chapter 18: Document Custody / 18.4: Seller/Servicer responsibilities (10/01/09)

18.4: Seller/Servicer responsibilities (10/01/09)

ARCHIVED VERSION

(a) Responsibility for documents and Document Custodian compliance

The Seller/Servicer agrees to indemnify Freddie Mac and hold Freddie Mac harmless for any loss, damage or expense (including court costs and reasonable attorney fees) that Freddie Mac may incur as a result of the Seller/Servicer's Document Custodian holding Notes and any other documents.

The Seller/Servicer is responsible for ensuring that its Document Custodian complies with all applicable Freddie Mac requirements regarding Note custody. Freddie Mac's Document Custody Procedure Handbook is available to Seller/Servicers and Document Custodians on AllRegs, or at <http://www.freddiemac.com/cim/handbook.html>. Seller/Servicers and Document Custodians will find this handbook to be a useful resource in fulfilling these requirements.

(b) Monitoring the eligibility status of the Document Custodian

The Seller/Servicer is responsible for monitoring its Document Custodian for compliance with Freddie Mac's Document Custodian eligibility requirements, and must ensure that its Document Custodian is in compliance with all eligibility requirements at all times, provided, however, that Freddie Mac will perform this monitoring for the Designated Custodian.

If, at any time, the Document Custodian fails to comply with any eligibility requirement, the Seller/Servicer must contact Freddie Mac (**see Directory 1**) in writing within one day of the Seller/Servicer learning of the noncompliance. Freddie Mac, at its discretion, may allow the Seller/Servicer a period of time to work with its Document Custodian to ensure that the Document Custodian takes all necessary steps to meet the requirements. However, Freddie Mac reserves the right to immediately terminate a custodial agreement. Further, Freddie Mac may direct the Seller/Servicer to transfer the Notes to the Designated Custodian or a new Document Custodian pursuant to Sections 18.1 through 18.3, and transfer all Notes and assignments for Mortgages serviced for Freddie Mac from the old Document Custodian to the new Document Custodian, pursuant to the requirements of Section 18.6.

(c) Transit insurance requirements

If the Seller/Servicer has not contractually agreed with the Document Custodian to have the Document Custodian assume liability for Notes and assignments while in transit, the Seller/Servicer must obtain insurance covering physical damage or destruction to, or loss of, any Notes and assignments while such documents are in transit between the Document Custodian's vault and anywhere, regardless of the means by which they are transported. For the purpose of this insurance, Mortgage Notes are to be defined as "Negotiable Instruments" per Section 3-104 of the Uniform Commercial Code (UCC).

At a minimum, the required insurance coverage must:

- Be underwritten by an insurer that has an A- (A minus) or better rating according to the A.M. Best Company
- Be maintained in amounts that are deemed adequate for the number of Notes and assignments held in custody and that are deemed appropriate based on prudent business practice
- Each have a deductible amount no more than the greater of 5% of the Seller/Servicer's GAAP net worth or \$100,000, but in no case greater than \$10,000,000

In the event that a Seller/Servicer is covered under its parent's insurance program rather than by its own insurance:

- The acceptable deductible amount for each insurance coverage may be no more than the greater of 5% of the parent's GAAP net worth or \$100,000, but in no case greater than \$10,000,000
- The Seller/Servicer must be a named insured
- The parent's insurance policy(ies) must meet requirements as stated in this subsection

In the event of cancellation or non-renewal of any of the required insurance coverages, the Seller/Servicer or the Seller/Servicer's insurer, insurance broker or agent must provide Freddie Mac (**see Directory 1**) a minimum of 30 days advance written notice thereof.

Freddie Mac's insurance requirements as stated in this subsection do not diminish, restrict or otherwise limit the Seller/Servicer's responsibilities and obligations as stated in the Form 1035, Form 1035DC, or otherwise in the Purchase Documents.

(d) Transfers of Servicing

For Transfers of Servicing pursuant to Chapter 56, the Seller/Servicer must meet the document custody requirements of Section 18.7 and Section 56.9, including the transfer of the Notes from the Transferor Servicer's Document Custodian to the Transferee Servicer's Document Custodian.

(e) Obtaining documents

Seller/Servicers may need to request the Note or other documents held by a Document Custodian to take appropriate action in conjunction with the payoff, foreclosure, repurchase substitution, conversion, modification or assumption of a Mortgage or the recordation of the assignment of a Security Instrument to Freddie Mac.

- To obtain a Note and/or other documents from the Designated Custodian, the Seller/Servicer must make an electronic request ("Web Release Request") using the Designated Custodian's Web portal. Contact the Designated Custodian for further information **(see Directory 4)**. Unless the related Mortgage was repurchased or paid in full, the Seller/Servicer must promptly return the Note and documents when they are no longer required for servicing to the Designated Custodian. Seller/Servicers using the Designated Custodian's internet website Asset Repository and Collateral System (ARK) to request release of Notes and other documents must include a copy of the 1036 Release Receipt Report when returning such items to the Designated Custodian. The Release Receipt Report can be electronically generated from the Designated Custodian's ARK web site.
- To obtain a Note and/or other documents from a Document Custodian other than the Designated Custodian, the Seller/Servicer must complete Form 1036, Request for Release of Documents, and send the form to the Document Custodian. Unless the related Mortgage was repurchased or paid in full, the Seller/Servicer must promptly return the Notes and documents and Form 1036 when they are no longer required for servicing to the Document Custodian.

Seller/Servicers must follow prudent business practices in protecting and safeguarding all Notes and documents released to them by the Document Custodian until these documents are returned to the Document Custodian. These practices include protection from external elements, such as fire, and identification as a Freddie Mac asset and segregation from other non-related documents.

Freddie Mac Single Family / Archive of Single-Family Seller/Service Guide / Archive of Single-Family Seller/Service Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Service Guide, Volume 1 / Chs. 16-21: Delivery / Chapter 18: Document Custody / 18.6: Document Custodian's functions and duties (06/01/13)

REVISION HISTORY 07/20/12 [HIDE]**REVISION NUMBER:** 07202012**DATE:** 07/20/2012**REVISION REMARKS:** THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.**18.6: Document Custodian's functions and duties (Effective: 07/20/12)****ARCHIVED VERSION**

(a) General duties

Each Document Custodian is responsible for:

1. Maintaining custody and control of the original Notes and assignments on behalf of Freddie Mac. If the Seller/Servicer delivers supplemental documents, such as original modifying instruments, the Document Custodian must place the supplemental documents with the related original Notes.
2. Holding the Notes and assignments in secure, fire-resistant facilities as described in Section 18.2(b)
3. Affixing the Freddie Mac loan number to the Note, if advised by the Seller/Servicer that Freddie Mac requires it. If the Note for a Mortgage contains the Freddie Mac loan number, changing the Freddie Mac loan number on a Note if advised in writing by the Seller/Servicer that Freddie Mac has changed the Freddie Mac loan number for the related Mortgage.
4. Making available for review by Freddie Mac (or its designee), at any time during normal business hours, with or without prior notice, the Notes and assignments and related storage facilities, maintenance and release procedures, and control and tracking mechanisms, and other evidence of compliance with eligibility requirements as requested
5. Making the custodial staff available for interview by Freddie Mac or its designee, at any time during normal business hours, with or without prior notice, for an assessment of the staff's familiarity with and adherence to Freddie Mac's custodial requirements and the Document Custodian's internal controls
6. Indemnifying Freddie Mac for such losses as may occur as a result of any negligence by the Document Custodian in the performance of its duties under the Guide pertaining to Notes and assignments held for Freddie Mac and Form 1035, Custodial Agreement: Single-Family Mortgages, and Form 1035DC, Designated Custodial Agreement: Single-Family Mortgages
7. Providing, in an electronic format acceptable to Freddie Mac, an accounting of all Notes held for Freddie Mac as described in Section 18.2 (b)

Freddie Mac may, at any time, and in its sole discretion, require a Document Custodian to segregate the Notes it holds for Freddie Mac from those held for other investors.

(b) Verifications

Upon receiving the Notes from the Seller/Servicer, the Document Custodian must verify that the following requirements have been met:

- Note: The information on each Note matches all corresponding information for the related Mortgage contained in the Freddie Mac Selling System ("Selling System"). The Document Custodian is not required to verify the Seller/Servicer number.
- Note endorsement: Each Note is endorsed as required by Section 16.4. If the Seller/Servicer delivering the Note is not the original payee on a Note, the Document Custodian must verify that the chain of endorsements is proper and complete from the original payee on the Note to the Seller delivering the Note to Freddie Mac — not to the Servicer.
- Assignments: The assignments of the Security Instruments from the original Mortgagee to the Seller/Servicer or to MERS® are prepared, executed and recorded where required, in accordance with Sections 22.14 and 56.7. The Seller/Servicer must provide its Document Custodian with any documentation necessary for the Document Custodian to determine whether the Seller/Servicer has elected to hold all assignments for Mortgages registered with MERS in the Mortgage files, as provided in Section 22.14.

(c) Certification

The Document Custodian must comply with the applicable requirements of the Purchase Documents whenever the Document Custodian is completing the certification process for Mortgages sold to Freddie Mac.

The Document Custodian consents to conduct Electronic Transactions, as defined in Chapter 3, with the Seller/Servicer and Freddie Mac in connection with its functions, duties and obligations under this Section 18.6 and Form 1035. In accordance with Form 1035, the Document Custodian adopts as its signature its Freddie Mac Document Custodian number. The Document Custodian must comply with the requirements of Chapter 3 as if each reference to the word "Seller/Servicer" were a reference to the "Document Custodian."

The Document Custodian must not execute the Custodian Certification if any of the information or documentation required to be verified does not match the specifications in Section 18.6(b) or if any discrepancy is not sufficiently justified. The Document Custodian must inform the delivering Seller/Servicer of any discrepancy for corrective action.

(d) Duties to Freddie Mac

Upon certification of the Notes and assignments, the Document Custodian must hold the Notes and assignments in trust for the sole benefit of Freddie Mac. The Document Custodian may not enter into any understanding, agreement, or relationship with any party by which any such party would obtain, retain or claim any interest (including an ownership or security interest) in such documents or the underlying Mortgages, unless otherwise specifically approved by Freddie Mac.

If the Document Custodian's facilities are affected by a disaster, the Document Custodian must notify Freddie Mac (**see Directory 9**) within 24 hours of the disaster.

(e) Release of documents to the Seller/Servicer

The Seller/Servicer may require Notes and related documents in conjunction with the maturity, prepayment, foreclosure, repurchase, substitution, conversion, modification or assumption of a Mortgage or the recordation of the assignment of a Security Instrument to Freddie Mac.

The Document Custodian will release to the Seller/Servicer any Note and related documents in the Document Custodian's custody upon receiving from the Seller/Servicer a properly completed and executed Form 1036, Request for Release of Documents, (or its equivalent, each such form, a "Request for Release"), (or in the case of the Designated Custodian, a request via its web portal (see section 18.4(e)). To use an electronic or system-generated version of the Form 1036, the Seller/Servicer must enter into an agreement with the Document Custodian that:

- Defines electronic signatures and the type of electronic transmission permitted
- States the Document Custodian's requirements for accepting electronic signatures
- States the Seller/Servicer's requirements for maintaining and controlling access to electronic signature information
- Clearly assigns liability when the terms of the agreement are violated

In addition, the Seller/Servicer must provide, and the Document Custodian must retain, a list of the individuals designated to request the release of documents electronically. The list must be signed by an authorized officer of the Seller/Servicer and contain the notarized signatures of the designees.

An electronic or system-generated Form 1036 must contain all of the information required on the paper form. A single electronic form can be used to request multiple Notes provided that the Note list is attached.

See Section 18.6(g) for additional information on imaging and retention requirements. If a document is no longer needed for the reason originally cited on the request, the Seller/Servicer must return the Note and related documents and a copy of the Form 1036 to the Document Custodian, or return the Note and any other documentation required by the Designated Custodian, which will resume its custody and update its note tracking system to reflect receipt of the documents.

See Section 18.4(e) for additional information on returning documents to the Document Custodian or Designated Custodian. Seller/Servicers must follow prudent business practices in protecting and safeguarding all documents released to them while those documents are in their possession. These practices include protection from destructive elements, such as fire, identification from Freddie Mac assets, and segregation from other non-related documents.

(f) Release of documents to designated counsel

Designated counsel may require Notes in conjunction with the foreclosure of a Mortgage. The Document Custodian must release to the designated counsel any Note in the Document Custodian's custody upon receipt of a properly completed and executed Form 1036DC, Designated Counsel's Request for Release of Documents, from the designated counsel.

Prior to releasing the documents, the Document Custodian must:

- Verify that the designated counsel requesting the documents using Form 1036DC is in fact Freddie Mac's designated counsel by using the list (Guide Exhibit 79, Designated Counsel/Trustee) on our web site at http://www.freddiemac.com/service/msp/design_counsel.html, or by calling (800) FREDDIE.
- Verify that the information provided for each Mortgage is correct, for example, that the named Borrower corresponds to the Freddie Mac loan number. If the Document Custodian has reason to believe the information provided is incorrect, contact the Servicer or Freddie Mac's Settlement Operations at fmmdm@freddiemac.com, and do not release the documents.
- Fax or e-mail a copy of the Form 1036DC that accompanies any documents that are released to designated counsel to the Servicer indicated on the form and obtain "in transit" insurance coverage for the documents released to the designated counsel.
- Retain the Form 1036DC as required by Form 1035.

The Seller/Servicer will be responsible for any release fees and delivery expenses with respect to documents that the Document Custodian releases to the designated counsel.

If the foreclosure is not completed, the designated counsel will return the Note with a copy of the Form 1036DC to the Document Custodian, which will resume its custody and update its note tracking system to reflect receipt of the documents.

(g) Imaging and retention requirements

The Document Custodian must retain either the original or an imaged copy of each Form 1036 (or its equivalent, each such form, a "Request for Release") for at least three months after the date the Mortgage is paid off or the Note is returned to the Document Custodian. The Document Custodian need not retain a Form 1034E, or Note Delivery Cover Sheet, after the related Mortgages have been certified.

Imaged copies of the forms are permitted, provided that:

- Such copies were made in the regular course of business pursuant to Document Custodian's written policy
- Each imaged copy accurately reproduces or forms a durable medium for reproducing the original document
- There is equipment to view or read and to reproduce the imaged copies into legible documents at the location where the imaged copies are maintained

The Document Custodian may destroy:

- Original Certification Schedules after making imaged copies that meet the above criteria
- Requests for Release after making imaged copies that meet the above criteria and updating Document Custodian's note tracking system to indicate the date of release of the related documents and the reason for their release
- All original or imaged copies of Certification Schedules and Requests for Release after expiration of the retention period

In disposing of such documents, Document Custodian must have in place and follow procedures to ensure the confidentiality of Borrowers' private personal information and must use disposal methods that safeguard such confidentiality.

18.6: Document Custodian's functions and duties (06/01/13)**ARCHIVED VERSION**

(a) General duties

Each Document Custodian is responsible for:

1. Maintaining custody and control of the original Notes and assignments on behalf of Freddie Mac. If the Seller/Servicer delivers supplemental documents, such as original modifying instruments, the Document Custodian must place the supplemental documents with the related original Notes.
2. Holding the Notes and assignments in secure, fire-resistant facilities as described in Section 18.2(b)
3. Affixing the Freddie Mac loan number to the Note, if advised by the Seller/Servicer that Freddie Mac requires it. If the Note for a Mortgage contains the Freddie Mac loan number, changing the Freddie Mac loan number on a Note if advised in writing by the Seller/Servicer that Freddie Mac has changed the Freddie Mac loan number for the related Mortgage.
4. Making available for review by Freddie Mac (or its designee), at any time during normal business hours, with or without prior notice, the Notes and assignments and related storage facilities, maintenance and release procedures, and control and tracking mechanisms, and other evidence of compliance with eligibility requirements as requested
5. Making the custodial staff available for interview by Freddie Mac or its designee, at any time during normal business hours, with or without prior notice, for an assessment of the staff's familiarity with and adherence to Freddie Mac's custodial requirements and the Document Custodian's internal controls
6. Indemnifying Freddie Mac for such losses as may occur as a result of any negligence by the Document Custodian in the performance of its duties under the Guide pertaining to Notes and assignments held for Freddie Mac and Form 1035, Custodial Agreement: Single-Family Mortgages, and Form 1035DC, Designated Custodial Agreement: Single-Family Mortgages
7. Providing, in an electronic format acceptable to Freddie Mac, an accounting of all Notes held for Freddie Mac as described in Section 18.2(b)

Freddie Mac may, at any time, and in its sole discretion, require a Document Custodian to segregate the Notes it holds for Freddie Mac from those held for other investors.

(b) Verifications

Upon receiving the Notes from the Seller/Servicer, the Document Custodian must verify that the following requirements have been met:

- Note: The information on each Note matches all corresponding information for the related Mortgage contained in the Freddie Mac Selling System ("Selling System"). The Document Custodian is not required to verify the Seller/Servicer number.
- Note endorsement: Each Note is endorsed as required by Section 16.4. If the Seller/Servicer delivering the Note is not the original payee on a Note, the Document Custodian must verify that the chain of endorsements is proper and complete from the original payee on the Note to the Seller delivering the Note to Freddie Mac — not to the Servicer.
- Assignments: The assignments of the Security Instruments from the original Mortgagee to the Seller/Servicer or to MERS® are prepared, executed and recorded where required, in accordance with Sections 22.14 and 56.7. The Seller/Servicer must provide its Document Custodian with any documentation necessary for the Document Custodian to determine whether the Seller/Servicer has elected to hold all assignments for Mortgages registered with MERS in the Mortgage files, as provided in Section 22.14.

(c) Certification

The Document Custodian must comply with the applicable requirements of the Purchase Documents whenever the Document Custodian is completing the certification process for Mortgages sold to Freddie Mac.

The Document Custodian consents to conduct Electronic Transactions, as defined in Chapter 3, with the Seller/Servicer and Freddie Mac in connection with its functions, duties and obligations under this Section 18.6 and Form 1035. In accordance with Form 1035, the Document Custodian adopts as its signature its Freddie Mac Document Custodian number. The Document Custodian must comply with the requirements of Chapter 3 as if each reference to the word "Seller/Servicer" were a reference to the "Document Custodian."

The Document Custodian must not execute the Custodian Certification if any of the information or documentation required to be verified does not match the specifications in Section 18.6(b) or if any discrepancy is not sufficiently justified. The Document Custodian must inform the delivering Seller/Servicer of any discrepancy for corrective action.

(d) Duties to Freddie Mac

Upon certification of the Notes and assignments, the Document Custodian must hold the Notes and assignments in trust for the sole benefit of Freddie Mac. The Document Custodian may not enter into any understanding, agreement, or relationship with any party by which any such party would obtain, retain or claim any interest (including an ownership or security interest) in such documents or the underlying Mortgages, unless otherwise specifically approved by Freddie Mac.

If the Document Custodian's facilities are affected by a disaster, the Document Custodian must notify Freddie Mac (**see Directory 9**) within 24 hours of the disaster.

(e) Release of documents to the Seller/Servicer

The Seller/Servicer may require Notes and related documents in conjunction with the maturity, prepayment, foreclosure, repurchase, substitution, conversion, modification or assumption of a Mortgage or the recordation of the assignment of a Security Instrument to Freddie Mac.

The Document Custodian will release to the Seller/Servicer any Note and related documents in the Document Custodian's custody upon receiving from the Seller/Servicer a properly completed and executed Form 1036, Request for Release of Documents, (or its equivalent, each such form, a "Request for Release"), (or in the case of the Designated Custodian, a request via its web portal (see section 18.4(e)). To use an electronic or system-generated version of the Form 1036, the Seller/Servicer must enter into an agreement with the Document Custodian that:

- Defines electronic signatures and the type of electronic transmission permitted
- States the Document Custodian's requirements for accepting electronic signatures
- States the Seller/Servicer's requirements for maintaining and controlling access to electronic signature information
- Clearly assigns liability when the terms of the agreement are violated

In addition, the Seller/Servicer must provide, and the Document Custodian must retain, a list of the individuals designated to request the release of documents electronically. The list must be signed by an authorized officer of the Seller/Servicer and contain the notarized signatures of the designees.

An electronic or system-generated Form 1036 must contain all of the information required on the paper form. A single electronic form can be used to request multiple Notes provided that the Note list is attached.

See Section 18.6(g) for additional information on imaging and retention requirements. If a document is no longer needed for the reason originally cited on the request, the Seller/Servicer must return the Note and related documents and a copy of the Form 1036 to the Document Custodian, or return the Note and any other documentation required by the Designated Custodian, which will resume its custody and update its note tracking system to reflect receipt of the documents.

See Section 18.4(e) for additional information on returning documents to the Document Custodian or Designated Custodian. Seller/Servicers must follow prudent business practices in protecting and safeguarding all documents released to them while those documents are in their possession. These practices include protection from destructive elements, such as fire, identification as Freddie Mac assets, and segregation from other non-related documents.

(f) Imaging and retention requirements

The Document Custodian must retain either the original or an imaged copy of each Form 1036 (or its equivalent, each such form, a "Request for Release") for at least three months after the date the Mortgage is paid off or the Note is returned to the Document Custodian. The Document Custodian need not retain a Form 1034E, or Note Delivery Cover Sheet, after the related Mortgages have been certified.

Imaged copies of the forms are permitted, provided that:

- Such copies were made in the regular course of business pursuant to Document Custodian's written policy
- Each imaged copy accurately reproduces or forms a durable medium for reproducing the original document
- There is equipment to view or read and to reproduce the imaged copies into legible documents at the location where the imaged copies are maintained

The Document Custodian may destroy:

- Original Certification Schedules after making imaged copies that meet the above criteria
- Requests for Release after making imaged copies that meet the above criteria and updating Document Custodian's note tracking system to indicate the date of release of the related documents and the reason for their release
- All original or imaged copies of Certification Schedules and Requests for Release after expiration of the retention period

In disposing of such documents, Document Custodian must have in place and follow procedures to ensure the confidentiality of Borrowers' private personal information and must use disposal methods that safeguard such confidentiality.

Freddie Mac Single Family / Archive of Single-Family Seller/Service Guide / Archive of Single-Family Seller/Service Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Service Guide, Volume 2 / Chs. 63-A69: Servicing Nonperforming Mortgages / Chapter 66: Foreclosure / 66.1: Introduction (10/01/11)

FUTURE REVISION 01/10/14 [SHOW]

66.1: Introduction (10/01/11)

ARCHIVED VERSION

The Servicer must initiate foreclosure in accordance with this chapter only when there is no viable alternative to foreclosure. Additionally, Freddie Mac requires the Servicer to manage the foreclosure process to acquire clear and marketable title to the property in a cost-effective, expeditious and efficient manner.

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66.20: Obtaining the original Note (11/09/12)

ARCHIVED VERSION

If the original Note is needed to perform the foreclosure, the Servicer must request the Note from the Document Custodian holding the Note by submitting to the Document Custodian a completed Form 1036, Request for Release of Documents, or an electronic or system-generated version of the form (or, in the case of the Designated Custodian, a copy of the electronically generated 1036 Release Receipt Report) in accordance with the requirements of Section 18.4 (e).

If there is a full or partial reinstatement of the Mortgage, the Servicer must return the Note to the Document Custodian with either the original Form 1036 or a copy.

Before June 1, 2013, the designated counsel may request the Note from the Document Custodian holding the Note by submitting to the Document Custodian a completed Form 1036DC, Designated Counsel's Request for Release of Documents. The designated counsel may contact the Servicer to identify the Document Custodian holding the Note, and the Servicer must cooperate in providing the necessary information. In addition, the Servicer must pay any release fees and expenses required by the Document Custodian.

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 63-A69: Servicing Nonperforming Mortgages / Chapter 66: Foreclosure / 66.17: Foreclosing in the Servicer's name (10/18/13)

REVISION HISTORY 06/14/13 [SHOW]

REVISION HISTORY 06/01/13 [SHOW]

REVISION HISTORY 06/13/12 [HIDE]

REVISION NUMBER: 06132012

DATE: 06/13/2012

REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

66.17: Foreclosing in the Servicer's name (Effective: 06/13/12)

ARCHIVED VERSION

The Servicer must instruct the foreclosure counsel or trustee to process the foreclosure in the Servicer's name.

If an assignment of the Security Instrument to Freddie Mac has been recorded, then the Security Instrument must be assigned back to the Servicer before the foreclosure counsel or trustee files the first legal action. Refer to Section 66.18 for an explanation of first legal action.

To have the Security Instrument assigned back to the Servicer, the Servicer must submit a completed assignment with Form 105, Multipurpose Loan Servicing Transmittal, to Freddie Mac (**see Directory 9**). Freddie Mac will execute the assignment and return it to the Servicer within seven Business Days of receiving the documents.

If the Servicer is foreclosing on a Mortgage registered with MERS®, the Servicer must prepare and execute (using the Servicer's employee who is a MERS authorized "signing officer") an assignment of the Security Instrument from MERS to the Servicer and instruct the foreclosure counsel or trustee to foreclose in the Servicer's name and take title in Freddie Mac's name according to the requirements of Section 66.54. The Servicer must record the prepared assignment where required by State law. State mandated recordings are non-reimbursable by Freddie Mac, are not considered part of the Freddie Mac allowable attorney fees and must not be billed to the Borrower.

If the Mortgage is an FHA, Section 502 GRH or VA Mortgage, then the Servicer must follow FHA, Rural Housing Service (RHS) or VA guidelines to determine in whose name the foreclosure action should be brought.

If the Servicer is foreclosing on a property in the State of Oregon, the Servicer must destroy any unrecorded assignment to Freddie Mac no later than 10 days after the date the Servicer refers the foreclosure to its foreclosure attorney or trustee. If the Borrower subsequently reinstates his or her Mortgage, the Servicer does not need to prepare a new assignment to Freddie Mac. Refer to Section 22.14 for additional information on Freddie Mac's requirements for assignments of the Security Instrument.

66.17: Foreclosing in the Servicer's name (10/18/13)**ARCHIVED VERSION**

The Servicer must instruct the foreclosure counsel to process the foreclosure in the Servicer's name. However, if applicable law precludes the Servicer from conducting the foreclosure in its name because it owns or services a subordinate Mortgage on the Mortgaged Premises, then the Servicer may instruct foreclosure counsel to conduct the foreclosure in Freddie Mac's name. Servicers do not need to obtain written approval (refer to Section 67.17 regarding initiating legal actions on Freddie Mac's behalf) but must notify Freddie Mac within two Business Days of the Servicer's determination to foreclose in Freddie Mac's name and record the basis of the decision in the Mortgage file. All notifications must be sent via e-mail (**see Directory 5**). When processing the foreclosure in Freddie Mac's name, all pleadings and related documents must comply with Section 67.17(c). The Servicer remains obligated to notify Freddie Mac pursuant to Section 69.12(a) in the event that any foreclosure conducted in Freddie Mac's name evolves into a non-routine litigation matter (see Section 67.17).

When a Servicer conducts the foreclosure in Freddie Mac's name, the Servicer is not permitted to have the same foreclosure counsel represent the Servicer or another lien holder in the same proceeding. Freddie Mac does not consent to dual representation of Freddie Mac and another lien holder on the same property.

If an assignment of the Security Instrument to Freddie Mac has been recorded, then the Security Instrument must be assigned back to the Servicer before the foreclosure counsel files the first legal action. Refer to Section 66.18 for an explanation of first legal action.

To have the Security Instrument assigned back to the Servicer, the Servicer must submit a completed assignment with a Request for Assistance Form (available at:

<http://www.freddiemac.com/cim/docex.html>), to Freddie Mac (**see Directory 9**). Freddie Mac will endeavor to execute the assignment and return it to the Servicer within 10-12 Business Days of receiving the documents.

If the Servicer is foreclosing on a Mortgage registered with MERS®, the Servicer must prepare and execute (using the Servicer's employee who is a MERS authorized "signing officer") an assignment of the Security Instrument from MERS to the Servicer. The Servicer must record the prepared assignment where required by State law. State mandated recordings are non-reimbursable by Freddie Mac, are not considered part of the Freddie Mac allowable foreclosure counsel fees and must not be billed to the Borrower.

If the Mortgage is an FHA, Section 502 GRH or VA Mortgage, then the Servicer must follow FHA, Rural Housing Service (RHS) or VA guidelines to determine in whose name the foreclosure action should be brought.

Refer to Section 22.14 for additional information on Freddie Mac's requirements for assignments of the Security Instrument.

Related Guide Bulletins	Issue Date
Bulletin 2013-22	October 18, 2013
Bulletin 2013-10	June 14, 2013

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 63-A69: Servicing Nonperforming Mortgages / Chapter 67: Adverse Matters / 67.6: Introduction (11/09/12)

67.6: Introduction (11/09/12)

ARCHIVED VERSION

This part of the chapter provides Servicers with Freddie Mac's requirements for Servicing Mortgages subject to bankruptcy proceedings or litigation. The Servicer must take appropriate action to protect Freddie Mac's interest during bankruptcy proceedings in which the Borrower is the debtor or when there is litigation of either a routine or non-routine nature (Refer to Section 67.17 for information regarding routine and non-routine litigation).

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters

Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters

ARCHIVED VERSION

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.1: Overview (06/01/13)

69.1: Overview (06/01/13)

ARCHIVED VERSION

This chapter sets forth requirements for the Servicer's review and evaluation, selection, retention and management of law firms (referred to throughout this chapter as "firms") for Freddie Mac Default Legal Matters.

Effective June 1, 2013, all referrals of Freddie Mac Default Legal Matters must be conducted in accordance with the requirements of either Chapter 69 or A69. Chapter 69 governs the referral of Freddie Mac Default Legal Matters to law firms selected by the Servicer under the requirements of Section 69.7.

During the period of June 1, 2013 through July 31, 2013, Servicers may also refer Freddie Mac Default Legal Matters to law firms selected by Servicers pursuant to the new requirements of Chapter A69 and must comply with the requirements of Sections 69.10 through 69.14.

Effective August 1, 2013, Servicers must comply with all requirements of this chapter in order to refer Freddie Mac Default Legal Matters to law firms.

Each Servicer is responsible for retaining firms for Freddie Mac Default Legal Matters. Freddie Mac will continue to retain firms directly for REO-related legal services: eviction, REO closing, and related litigation (refer to Chapter 67 for more information relating to litigation).

Related Guide Bulletins	Issue Date
Bulletin 2013-9	May 28, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.2: Review and evaluation of firms (06/01/13)

69.2: Review and evaluation of firms (06/01/13)

ARCHIVED VERSION

(a) Due diligence

As part of its selection process, each Servicer is responsible for obtaining and evaluating documentation and information from firms, and conducting due diligence to ensure that selected firms meet the requirements set forth in Section 69.3. As part of the process, each Servicer must:

- Obtain and review all required documentation and information submitted by each firm;
- Ensure that it selects from a pool of potentially acceptable firms that is diverse, and includes minority and women-owned firms and other diverse firms when feasible; and
- Ensure that the firm or any entity or individual performing work for the firm is not on the Freddie Mac Exclusionary List in accordance with Section 2.24

(b) Due diligence documentation

The Servicer must provide to Freddie Mac upon request a copy of each firm's application information and related due diligence documentation. Freddie Mac reserves the right to review the process, procedures and due diligence used by the Servicer to evaluate and select a firm.

(c) Document retention requirements

The Servicer must retain all information submitted by a firm in support of the firm's application and all information otherwise gathered by the Servicer regarding the firm. The Servicer must maintain any information relating to firms that are selected and retained by the Servicer for as long as the firm is providing legal services with respect to Freddie Mac-owned or guaranteed Mortgages and, thereafter, for the longer of any retention period applicable to the Servicer or seven years. The Servicer must maintain any information relating to firms that are not selected and retained by the Servicer for the longer of any retention period applicable to the Servicer or seven years.

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.3: Firm Minimum Requirements (06/01/13)

69.3: Firm Minimum Requirements (06/01/13)**ARCHIVED VERSION**

The Servicer must ensure that all firms selected and retained to handle Freddie Mac Default Legal Matters meet the firm minimum requirements specified in this section ("Firm Minimum Requirements"), and all other applicable Freddie Mac requirements. The Firm Minimum Requirements are as follows:

(a) Firm practice

The firm's practice areas must include end-to-end default-related legal services: foreclosure, bankruptcy, loss mitigation (e.g., deeds-in-lieu of foreclosure), default-related litigation and Real Estate Owned (REO)-related legal services: eviction, REO closing and related litigation.

The firm must:

- Be familiar with industry standards in the State in which it practices;
- Understand the State legal processes and requirements in default-related and REO-related legal services; and
- Understand the substantive legal issues in the State (e.g., standing)

Additionally, the Servicer must consider firm experience in the following areas: foreclosure mediation, the Fair Debt Collection Practices Act, title curative issues, and general housing-related issues (e.g., rent control, Section 8, lead paint liability, health code violations, foreclosure redemption, confirmation and ratification, homeowners association, mobile home matters, and cooperative loans). The firm should also have some experience with delegation for loss mitigation.

The Servicer must also consider the firm's membership in default-related and REO-related trade and industry groups, attendance or participation in State bar associations, seminar and lecture participation and attendance, and any other activities relevant to default-related and REO-related law practice.

(b) Presence in State

Firms generally must have a staffed office in the State in which the firm is retained for Freddie Mac Default Legal Matters.

In addition:

- The legal work must be performed by the attorneys licensed in the State where the Mortgaged Premises is located;
- The firm must be registered, as necessary, with appropriate State authorities;
- For the States in which an appropriately staffed office is required, the firm must disclose to the Servicer the extent, if any, to which work will be performed by an office of the firm in another State;
- The Servicer must require the firm to disclose to the Servicer where the staff handling the work in the particular State is located, and to whom the staff in that office regularly reports; and
- The Servicer must obtain office addresses for each firm it seeks to retain

1. Judicial foreclosure States

In judicial foreclosure States, the firm must have an appropriately staffed office in the State in which the firm is retained for Freddie Mac Default Legal Matters.

2. Non-Judicial foreclosure States

In non-judicial foreclosure States, a firm must have an appropriately staffed office located in the State in which the firm is retained, except in the following non-judicial foreclosure States: Alaska, District of Columbia, Idaho, New Hampshire, Rhode Island, Montana, West Virginia and Wyoming. In those States, Servicers should give preference to firms that have staffed offices in those States. However, out-of-State firms may be used to handle Freddie Mac Default Legal Matters, provided that the firm is located in the same region of the country and is able to demonstrate that it has policies, procedures and processes in place to handle cases from out of State.

Servicers may use firms outside of Puerto Rico, the U.S. Virgin Islands and Guam to handle foreclosure and bankruptcy matters in those States. Servicers should give preference to firms that have staffed offices in the State, but out-of-State firms may be used, provided that they are able to demonstrate that they have policies, procedures and processes in place to handle cases from outside the State.

If a Servicer has difficulty finding a sufficient number of firms with appropriately staffed offices in States other than those listed in the exceptions above, the Servicer may contact Freddie Mac to request an exception to the requirement that a firm have an appropriately staffed office located in the State. Requests should be sent to Freddie Mac (**see Directory 1**).

(c) State-specific industry references

The Servicer must obtain from the firm at least two State-specific mortgage servicers or default-related references, or if the firm has been in existence less than one year, the partners or shareholders of the firm must provide at least two Servicer or default-related references in connection with work performed in the particular State.

(d) Statewide coverage and use of local counsel

The Servicer must ensure that the firm has the ability to cover foreclosure, bankruptcy, eviction, REO closing matters and default-related litigation throughout the State.

If the firm has partnerships or relationships with third parties (e.g., local counsel, trustee companies or title companies) that will perform or complete some aspect of the default-related and REO-related work, the Servicer must require the firm to: (i) obtain disclosure from the firm regarding such relationships and the extent to which third parties will be relied upon and (ii) determine whether the firm has a reasonable contingency plan for the loss of any of those relationships or operational processes. In evaluating any such third-party relationship, the Servicer must consider the length of time the relationship has existed and the adequacy of the firm's written policies to mitigate third-party risk.

If a firm uses local counsel to handle matters within the State, the Servicer must ensure that the firm has a process to select, manage, and review the local counsel and their work product. The process must be designed to ensure that local attorneys are qualified and adequately trained and have a satisfactory history with respect to bar complaints, sanctions and similar matters.

For a firm's contested caseload (e.g., contested foreclosures and litigated cases), the firm's reliance on local counsel must be minimal. Any use of local counsel for these matters must be structured so that the retained firm will direct and manage the local counsel on those matters.

(e) Prior volume experience

Servicers must confirm the firm and/or managing attorney(s) has completed a sufficient number of foreclosure, bankruptcy, loss mitigation, eviction and REO matters within the past 24 months to demonstrate that the firm has experience in representing creditors in default-related matters.

For the 24-month period, the Servicer must review the total number of matters referred, the total number of matters completed and the number of matters currently pending for each of the following areas: foreclosure, bankruptcy, loss mitigation, eviction and REO closing.

What constitutes a sufficient number of completed default-related and REO-related legal services will vary depending upon the State at issue, the volume the Servicer expects to refer to the firm, and the relative size of the firm. Servicers must consider these factors when making this determination.

(f) Firm has adequate, relevant State-specific experience

The Servicer must confirm that the firm has one or more managing attorney(s) or partner(s) with no less than 8 years of relevant, State-specific experience in foreclosure (including where applicable, confirmation, redemption and ratification matters), bankruptcy, loss mitigation, eviction, and REO closings and litigation. Servicers may make exceptions to this requirement for documented reasons in the event a firm is otherwise qualified.

The Servicer must obtain the names and the years of experience in each area (foreclosure, bankruptcy, eviction, REO closings and related litigation) for the firm's managing attorney(s) or partner(s) and associates.

If the principals or partners of the firm are not actively involved in the management of the firm, the Servicer must consider the level of experience of those actively involved in managing the firm.

(g) One or more of the firm's lead attorneys has adequate, relevant litigation experience in the State

The Servicer must determine whether the firm has at least one lead attorney to handle Freddie Mac Default Legal Matters with a minimum of five years of experience in default-related and REO-related litigation in the State. The firm's partner(s) or managing attorney(s) may act as the lead attorney for Freddie Mac Default Legal Matters. If the firm will utilize staff attorneys for Freddie Mac Default Legal Matters, one or more staff attorneys must have at least three years of experience in handling default-related and REO-related litigation in the State.

(h) Attorney licensing

The Servicer must confirm that the firm's attorneys who will handle Freddie Mac Default Legal Matters are licensed to practice, and in good standing, in the State in which the firm is being retained. Legal work must be performed by attorneys licensed in the State.

(i) Staff experience

The Servicer must determine whether the firm's non-attorney staff has reasonable experience. In determining what constitutes reasonable experience, the Servicer must consider the average years of experience, education, qualifications and demonstrated ability of the non-attorney staff in relation to their respective levels of responsibility.

(j) Staff oversight

The Servicer must confirm that the firm has appropriate attorney-to-staff ratios to ensure appropriate staff oversight given the size of the firm and the firm's operational structure. The Servicer must consider whether the firm practices in a judicial or a non-judicial State, the firm's case management practices, the State-specific process, attorney and staff experience, firm technology and firm infrastructure.

(k) File oversight

The Servicer must confirm that the firm has appropriate (i) attorney-to-file and (ii) staff-to-file ratios, given the size of the firm and the firm's operational structure. The Servicer must take into consideration whether the firm practices in a judicial or a non-judicial foreclosure State, the firm's case management practices, the State-specific processes, attorney and staff experience, firm technology and firm infrastructure.

(l) Firm capacity

As of the date of the submission of the Servicer Selection Form via <https://freddiemacsats.com>, the Servicer must confirm that the firm has the ability to accept additional referrals. Additionally, the Servicer must confirm that the firm is not operating at full capacity, given the existing facilities, personnel, and technology or, alternatively, the firm must outline to the Servicer's satisfaction the steps and time frame necessary to be in a position to handle additional referrals while still maintaining appropriate firm-to-file and staff-to-file ratios. The Servicer must confirm that the firm has contingency plans to deal with a contraction in the market.

(m) Ethics and professional standards

The firm must demonstrate a history of legal practice that comports with applicable legal and ethical standards, reflecting high professional standards. The Servicer must conclude that the firm does not, in the totality of the circumstances, pose a legal and/or reputational risk or exhibit systematic issues that may lead to reputational and/or legal risk to Freddie Mac.

The Servicer must obtain the following information from the firm in order to evaluate the sufficiency of the firm's professional standards:

- Any sanctions against the firm or any of its present or former attorneys in the past five years, including the nature of the sanctions and if they relate to a loan-level matter or systemic firm practice, and if related to firm practice, any corrective actions taken by the firm;
- Any bar complaints/reprimands against present and former firm attorneys in the past ten years and whether the complaints were closed, pending or resulted in some form of adverse action;
- Any government investigations involving firm practices in the past ten years and whether the investigations involved firm practices or are related to client investigations;
- Any damages or settlement of claims as a result of an allegation of professional negligence against the firm or its attorneys in the past five years (i) in excess of \$20,000 in any single occurrence, \$50,000 in the aggregate, or (ii) reflect a possible pattern of professional negligence, regardless of amount; and
- Any significant litigation asserting systemic issues with firm processes or legal work, such as any class action lawsuit against the firm

If the Servicer is aware of any of the above items that involve the firm's professional standards but which were not disclosed by the firm, the Servicer must disclose them to Freddie Mac in the Servicer Selection Form.

The Servicer must obtain a disclosure from the firm regarding whether the firm (or any of its partners, shareholders, or employees while acting as a partner, shareholder, or principal at another firm) has been previously terminated by Freddie Mac or Fannie Mae or had referrals suspended by Freddie Mac or Fannie Mae.

The Servicer must obtain a certification from the firm that, to the best of the firm's knowledge, the firm's documents have been and continue to be prepared, executed and/or notarized in compliance with applicable law. If the firm reports that the firm, its attorneys, notaries or third-parties that the firm relies on to perform any aspect of default-related or REO-related services have previously prepared, executed or notarized documents that have not been in compliance with applicable law, the Servicer must conclude that the firm has instituted controls, procedures, and processes to address the contributing cause(s) of the firm's failure to comply with applicable law in order to execute the Servicer Selection Form.

Freddie Mac expects Servicers to exercise sound judgment and consider the totality of the circumstances in evaluating the potential legal and reputational risks posed by a firm to Freddie Mac. The items for consideration outlined above are not intended to be exhaustive or to disqualify a firm from retention if the Servicer concludes that the firm is acceptable considering the totality of the circumstances.

(n) Time lines

The Servicer must review the firm's completion time lines, and confirm that the firm is able to track, monitor and complete foreclosure and bankruptcy matters in compliance with applicable law and Freddie Mac time line requirements, taking into consideration outside factors that impact compliance with Freddie Mac time lines such as new foreclosure requirements and court delays.

(o) Information privacy

The firm must maintain physical, technical and procedural controls and effective information security and data management to:

- Ensure the security and confidentiality of personally identifiable information (PII) and confidential information, whether in paper, electronic or other form;
- Protect against any threats or hazards to the security or integrity of such information; and
- Protect against unauthorized access to or use of such information

The firm must implement controls meeting or exceeding industry standards, including, as applicable, standards promulgated by the International Office for Standardization (ISO) or National Institute for Standards and Technology (NIST). The firm must ensure that PII that is stored on the firm's systems and workstations is encrypted at rest at all times. The firm must have secured storage for promissory notes and other original documents to prevent theft and to ensure protection against fire, flood or other damage. The firm may not perform, outsource, or send to any affiliate outside of the United States or its territories, any legal work on Freddie Mac-owned or guaranteed Mortgages, including any storage of Freddie Mac data. The firm may not send any PII underlying Freddie Mac-owned or guaranteed Mortgages, outside the United States. The firm must have written policies, procedures, and processes in place by the date of the submission of the Servicer Selection Form, related to protection of PII and fraud prevention, including policies, procedures and processes related to: background checks of all employees; protection of PII; fraud prevention and identification; and incident response and notification protocols for data breaches and other security incidents. The Servicer must review and confirm that the firm meets these requirements for information security, data management, protection of PII and fraud prevention.

(p) Daily reporting to Freddie Mac

The Servicer must confirm that the firm has the capability to provide daily reporting to Freddie Mac via a web-based attorney reporting system, which includes reporting of key metrics (i.e., volume, time lines, delays, loss mitigation successes, etc.). The Servicer must also ensure that the firm has staff responsible for reporting data directly to Freddie Mac.

(q) Technology

The Servicer must confirm that the firm has adequate technology in place or technological capabilities to provide reporting, communication and tracking of key events and milestones, including access to PACER/ECF or other similar systems to obtain case and docket information from federal appellate, district and bankruptcy court records.

Additionally, the Servicer must confirm that the firm is able to provide status reports and track significant dates and events for foreclosure, bankruptcy, evictions and REO closings and has the capability to measure the duration between various process stages, to identify process impediments (e.g., holds) and to parse holds into different categories.

If a firm is multi-jurisdictional or has partnerships or relationships with third parties (e.g., local counsel, trustee companies or title companies) that will perform or complete some aspect of the default-related or REO-related work or if the firm relies on other offices to perform some aspect of the work or provide operational support, the Servicer must confirm that the firm maintains a reliable and secure means of exchanging matter information between each office and any third party the firm relies upon.

The Servicer must require the firm to describe whether the firm currently uses a universal translation technology to communicate information between their technological system and the various Servicers' systems, or explain its method for transmitting information efficiently, accurately and securely to Servicers.

(r) Technology staffing

The Servicer must confirm that the firm has adequate in-house technical expertise or readily available vendor support to ensure compliance with Freddie Mac's automated reporting requirements.

(s) Insurance requirements

The Servicer must confirm that the firm has an appropriate level of malpractice and errors and omissions insurance coverage in place or be able to obtain an appropriate amount of insurance by the date of the submission of the Servicer Selection Form. The appropriate level of insurance coverage will depend upon the total number of Freddie Mac and Fannie Mae files the firm is managing or expects to manage when being evaluated by the Servicer. The firm must have the ability to obtain the appropriate amount of insurance coverage under the new requirements as follows:

- Tier I, volume of 0-4,499 foreclosure matters, coverage of not less than \$1 million per occurrence with an aggregate of not less than \$3 million;
- Tier II, volume of 4,500-19,999 foreclosure matters, coverage of not less than \$5 million per occurrence with an aggregate of not less than \$5 million; and
- Tier III, volume of 20,000 or more foreclosure matters, coverage of not less than \$8 million per occurrence with an aggregate of not less than \$8 million.

The required level of insurance is determined by the higher of the Freddie Mac or Fannie Mae pending foreclosure volume. By way of example, if a firm had 2,000 Freddie Mac foreclosure matters and 4,501 Fannie Mae foreclosure matters, the firm would fall within Tier II and the required coverage would be not less than \$5 million per occurrence with an aggregate of not less than \$5 million. Beginning in 2014, Servicers must conduct an updated coverage analysis annually, with the appropriate level of insurance to be determined by the number of matters being handled as of June 1 of each year. When an annual review reveals a need to increase a firm's coverage, firms will have until December 31 of each year to obtain any required increased coverage. Servicers may grant firms additional time to obtain increased coverage if necessary to reach the routine renewal date for the firm's policy, but may not grant extensions beyond June 1 of the following year.

(t) Financial resources

The Servicer must confirm that the firm has adequate financial resources and the financial ability to make required advances in connection with filing fees and costs necessary to process default-related and REO-related matters.

The Servicer must review the firm's financial statements and/or other firm financial documents in order to confirm that the firm has sufficient reserves or credit lines to manage operating expenses.

(u) Business continuity

The Servicer must confirm that the firm has business continuity and/or disaster recovery plans in place to recover critical business functions. The firm must have a documented succession/continuity plan in the event of loss of the firm owners/partners.

(v) Quality control

The Servicer must confirm that the firm has written policies, procedures and/or processes in place by the date of the submission of the Servicer Selection Form, to ensure the proper management and supervision of staff and the proper preparation, review, execution and notarization of default-related documents and REO-related documents. The Servicer must also confirm the firm has an escalation process for employees to raise document execution and other quality control issues to firm management.

The Servicer must obtain documentation and information related to the firm's process for ensuring compliance with its policies, procedures, processes and training, such as an internal compliance program and/or quality control reviews.

(w) Employee training

The Servicer must confirm that the firm has written policies for employee training, including privacy training. When determining whether a firm's employee training is adequate, the Servicer must review the frequency of training, the presence of policies and procedures and firm handbooks, manuals and job aids.

(x) Adverse matters

No substantial part of the firm's practice can include matters that are adverse to financial institutions, including Freddie Mac or Fannie Mae. Adverse matters to financial institutions include:

- Homeowners or condominium association foreclosures;
- Consumer debtor or mortgagor representation;
- Bankruptcy trustee representation; or
- Any other client(s) that may create a potential conflict of interest

(y) Conflicts of interest

Attorneys must not be affected by a conflict of interest or a potential conflict of interest when handling Freddie Mac Default Legal matters. The Servicer must retain the most qualified attorneys in compliance with Freddie Mac requirements to assist with processing Freddie Mac Default Legal Matters without regard to arrangements that could provide a financial or personal benefit directly or indirectly to the Servicer, its employees, outsource companies or third party vendors utilized by the Servicer to assist in Servicing defaulted Mortgages.

On the Servicer Selection Form, the Servicer must disclose to Freddie Mac any current, past (within the last five years), or pending personal and/or financial relationships between (i) the Servicer and the firm, including its partners and shareholders (as applicable) and (ii) the firm, including its partners and shareholders (as applicable), and any outsourcing company or other third-party vendor utilized by the Servicer to assist in Servicing defaulted Mortgages.

(z) Disclosure of third-party service providers

The Servicer must require the firm to disclose the identity of, and relationship with, any entities the firm relies upon to provide third-party support functions performed on the Servicer's behalf, including, but not limited to, title searches, title insurance, posting, publication, and process services.

The Servicer must also require the firm to disclose whether the firm has a process to select and regularly review costs and performance of vendors of related sources to ensure competitive pricing and high quality.

(aa)**Referrals**

The Servicer is responsible for ensuring that the firm complies with Freddie Mac requirements and applicable laws regarding referrals and payment of related fees and benefits, as further described in Sections 69.7 and 69.8.

The Servicer must not require the firm to use vendors, outsource companies or other third-parties specified by the Servicer as a condition of receiving a referral of a Freddie Mac Default Legal Matter.

(bb)**Diversity data**

The Servicer must confirm that the firm has the capability to report diversity data to the Servicer and Freddie Mac, if necessary.

Related Guide Bulletins	Issue Date
Bulletin 2013-3	February 15, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.4: Selection of firm (06/01/13)

69.4: Selection of firm (06/01/13)**ARCHIVED VERSION**

(a) Servicer selects firm

If the Servicer determines that a firm meets the Firm Minimum Requirements specified in Section 69.3 and all other Guide requirements, then the Servicer must complete and submit a Servicer Selection Form to Freddie Mac, via <https://freddiemacsats.com> and receive Freddie Mac's "no objection" determination before entering into an agreement with a firm to handle Freddie Mac Default Legal Matters. If Freddie Mac requests additional information from the Servicer as part of this process, the Servicer must provide the requested information within the time frame requested by Freddie Mac. Servicers may not rely upon a previous submission of a Servicer Selection Form with respect to a firm by another Servicer that received a "no objection" determination. Each Servicer must conduct its own due diligence, submit a Servicer Selection Form and receive a "no objection" determination for each firm that the Servicer wishes to retain to handle Freddie Mac Default Legal Matters.

If a firm practices in multiple States, the Servicer must submit a Servicer Selection Form for each State office for which the Servicer wishes to retain the firm.

Servicer Attorney Tracking System (SATS) registration

Servicers must use the Servicer Attorney Tracking System (SATS), an online process, to submit a Servicer Selection Form to Freddie Mac for each law firm selected to handle Freddie Mac Default Legal Matters. To establish access to SATS, Servicers must first register to create a user ID and password at <https://freddiemacsats.com>. After completing the registration process, SATS will allow users to submit the information required in the Servicer Selection Form to Freddie Mac for review. SATS will also allow Servicers to respond to Freddie Mac's requests for additional information, as necessary, and will allow Servicers to track each submission's status during the review process.

Freddie Mac will not review any Servicer Selection Form completed and submitted to any Freddie Mac e-mail address. Guide Exhibit 99, Servicer Selection Form, is included for illustrative purposes only. Servicers must complete and submit the Servicer Selection Form via <https://freddiemacsats.com>.

(b) Freddie Mac review of Servicer Selection Form

After Freddie Mac receives the Servicer Selection Form, Freddie Mac will notify the Servicer via the Servicer's registered e-mail address with SATS whether Freddie Mac:

- Objects to the Servicer's retention of the firm to handle Freddie Mac Default Legal Matters;
- Has no objection to Servicer's retention of the firm to handle Freddie Mac Default Legal Matters; or
- Needs additional information or documentation, or due diligence to be conducted before deciding whether the firm may be retained. If requested, the Servicer must provide any additional information or documentation to Freddie Mac via <https://freddiemacsats.com>, and must conduct any further due diligence requested by Freddie Mac within the time period stated in Freddie Mac's request.

(c) Freddie Mac's response to Servicer firm selection**Freddie Mac provides a "no objection" response**

The Servicer must enter into a contract with the firm (if a contract does not already exist) as further specified in Section 69.5(a), to handle Freddie Mac Default Legal Matters.

Freddie Mac provides an "objection" response

If the Servicer determines not to retain a particular firm, or if Freddie Mac objects to the retention of a particular firm, the Servicer must notify the firm that the firm cannot be hired for Freddie Mac Default Legal Matters.

(d) The Servicer decides not to retain firm

The Servicer is not obligated to inform Freddie Mac:

- If the Servicer determines that a firm does not meet the Firm Minimum Requirements; or
- If the Servicer decides not to retain a firm

(e) Diversity

Servicers are reminded that they must be aware of, and comply with, Freddie Mac's requirements in Sections 2.19 and 53.8. The Servicer must commit to practice the principles of equal employment opportunity and non-discrimination in all its business activities, including the retention and hiring of firms retained pursuant to this section.

Related Guide Bulletins	Issue Date
Bulletin 2013-3	February 15, 2013

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69.5: Retention of firm (06/01/13)**ARCHIVED VERSION****(a) Servicer contract with firm**

If the Servicer has not already entered into a contract with a selected firm and Freddie Mac has provided a "no objection" determination, then the Servicer must enter into a contract with the firm. The Servicer must notify Freddie Mac when the contract has been executed by updating the Servicer Attorney Tracking System (SATS) via <https://freddiemacsats.com>, and must provide a copy of the contract to Freddie Mac, upon request.

(b) Freddie Mac limited retention agreement with firm

Freddie Mac will enter into a limited retention agreement that sets forth certain key retention provisions with each selected firm for each State in which the firm has received a "no objection" determination.

(c) Conflict between Servicer's contract and limited retention agreements; Servicer's respective consent

The Servicer acknowledges that the limited retention agreement recognizes and reflects a joint attorney-client relationship between the law firm, Freddie Mac and the Servicer, and the Servicer consents to such joint representation. The Servicer consents, in advance, to the selected firm's representation of Freddie Mac in any Freddie Mac Default Legal Matter that is or might be adverse to the Servicer, and further agrees that the firm can use in such representation any information the firm gained in the course of jointly representing the Servicer and Freddie Mac. In the event of any inconsistency or conflict between the terms and conditions of the Servicer's contract with the selected firm and the terms and conditions of Freddie Mac's limited retention agreement with the firm, Freddie Mac's limited retention agreement shall control.

Related Guide Bulletins	Issue Date
Bulletin 2013-3	February 15, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.6: Training of firms (06/01/13)

69.6: Training of firms (06/01/13)

ARCHIVED VERSION

(a) Training prior to referral

The Servicer must not refer any Freddie Mac Default Legal Matters to a firm until the Servicer verifies that the firm has executed a limited retention agreement with Freddie Mac and has completed Freddie Mac's new firm training.

A firm is only required to attend Freddie Mac's new firm training once, regardless of the number of Servicers that select and retain the firm.

(b) Ongoing training

The Servicer must ensure that each firm obtains appropriate training to keep the firm apprised of updated Freddie Mac requirements. If the Servicer provides its own standard training and/or other communication materials to a firm, the Servicer must include information regarding Freddie Mac's requirements.

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.7: Referral of Freddie Mac Default Legal Matters to firm (06/01/13)

69.7: Referral of Freddie Mac Default Legal Matters to firm (06/01/13)

ARCHIVED VERSION

(a) Requirements prior to referral

Prior to referring a Freddie Mac Default Legal Matter to a firm, the Servicer must confirm that the firm is eligible to receive a referral by ensuring that:

- The firm meets the Firm Minimum Requirements, as specified in Section 69.3;
- Freddie Mac has provided a "no objection" determination, as specified in Section 69.4;
- The firm has executed a contract with the Servicer requiring the firm to comply with all applicable Freddie Mac requirements, as specified in Section 69.5(a);
- The firm has executed a limited retention agreement with Freddie Mac, as specified in Section 69.5(b);
- The firm has completed Freddie Mac training and any additional Servicer training, as specified in Section 69.6; and
- There are no conflicts of interest with respect to the retention of the firm and referral of Freddie Mac Default Legal Matters to the firm

(b) Diversification of referrals

The Servicer must diversify its referrals of Freddie Mac Default Legal Matters to an appropriate number of firms in each State to protect the interests of Freddie Mac and to mitigate the risks related to a high concentration of Freddie Mac files. In selecting firms for referrals, the Servicer must consider firm capacity and management of staff to file ratios.

(c) Bankruptcy and foreclosure matters

The Servicer must not refer foreclosure matters directly to trustees.

Refer to Section 67.15(b) for additional referral requirements.

(d) Providing documentation to firm

The Servicer must identify a file as a Freddie Mac Default Legal Matter when sending the file to a firm. When referring a file to a firm, the Servicer must provide all documentation required to initiate a foreclosure. If the firm requests any additional information and/or documentation upon the initial referral of the file, or at any time after such referral, the Servicer must provide such requested information and/or documents within three Business Days after receipt of the request, or such earlier time frame, if necessary to comply with timing requirements under applicable law or court rules and procedures.

For any Mortgage that the Servicer refers for foreclosure, but the Mortgage is subsequently repurchased by the Servicer, whether voluntarily or involuntarily, the Servicer must notify foreclosure and/or bankruptcy counsel within two Business Days of the completed repurchase. (See Chapter 72 for additional information about repurchases.)

(e) Contingency plan

All Servicers must have a contingency plan in place, either in the form of a stand-alone document or incorporated into policies and procedures, to redirect new foreclosure and bankruptcy referrals.

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69:

**Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.8:
Prohibitions related to Freddie Mac Default Legal Matters (06/01/13)**

69.8: Prohibitions related to Freddie Mac Default Legal Matters (06/01/13)

ARCHIVED VERSION

Servicers must not require the firm to perform any foreclosure or bankruptcy-related services on any Freddie Mac Default Legal Matter without compensation.

(a) Prohibition against charging for, contracting for, or making arrangements to receive benefits for Servicing obligations

A Servicer, whether acting directly or through an affiliate, service provider, vendor or outsourcing company, must not directly or indirectly:

- Charge Freddie Mac or the firm for any foreclosure or bankruptcy-related Servicing obligations, including expenses covered by the Servicing Spread; or
- Contract or make any arrangements with the firm whereby the Servicer (or its affiliate, service provider, vendor or outsourcing company) receives, directly or indirectly, any financial or other benefits (including, but not limited to, payments, the provision of employees or free or discounted services or products) from the firm in connection with any Freddie Mac Default Legal Matter or Freddie Mac-owned or guaranteed Mortgage

Refer to Section 54.4 for additional information on Servicing obligations.

(b) Prohibitions with respect to use of specific vendors, services and/or products

The Servicer, and not a service provider, vendor or outsourcing company assisting the Servicer in Servicing defaulted Mortgages, must select the firm to handle Freddie Mac Default Legal Matters, and Servicers must not permit service providers, vendors, outsourcing companies, or others to participate in or influence, in any way, the Servicer's referral process.

A Servicer must not, whether acting directly or through an affiliate, service provider, vendor or outsourcing company:

- Require the firm to contract with or use a particular service provider, vendor or outsourcing company, or to use, or pay for, a particular service or product;
- Refuse to refer a file to the firm because the firm chooses not to contract with or use a particular service provider, vendor or outsourcing company, or chooses not to use, or pay for, a particular service or product; or
- Charge the firm for any aspect of the file referral or management process, including, but not limited to, the use of connectivity or invoice processing systems (e.g., licensing or subscription fees, "click" charges, or any other payment) in order for the firm to provide services necessary to handle Freddie Mac Default Legal Matters (e.g., to prosecute the foreclosure or bankruptcy case)

However, a Servicer may require the firm to use certain connectivity or invoice processing systems, provided that the firm is not required to pay for the use of, or access to, such systems.

Refer to Section 69.9 for information about use of, and reimbursement for, connectivity and invoice processing systems.

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69:

Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.9:
Servicer use of connectivity and invoice processing system (06/01/13)

69.9: Servicer use of connectivity and invoice processing system (06/01/13)

ARCHIVED VERSION

A Servicer, whether acting directly or through any vendor, service provider or outsourcing company, may employ electronic monitoring, management, reporting or information and document delivery processes technology, referred to in this section as a "Connectivity System," and an invoice processing system as outlined below.

(a) Connectivity System

A Servicer may employ a Connectivity System to assist with fulfilling Servicing obligations such as

- Packaging and referring foreclosure and bankruptcy cases to the firm;
- Communicating information and delivering documents between the Servicer and the firm as well as any other third parties requiring access to the Connectivity System; and
- Managing and monitoring foreclosure and bankruptcy cases

If a Servicer uses a Connectivity System:

- Freddie Mac will reimburse the Servicer for the actual cost of the connectivity fee up to the maximum expense limit specified in Exhibit 57, 1- to 4-Unit Property Approved Expense Amounts;
- The Servicer must provide the firm with use of and access to the identical Connectivity System;
- The Servicer must permit, or continue to permit, the firm to integrate its own technology systems with the Connectivity System at no cost to the firm; and
- The Servicer must not pass on any Connectivity System related charges to the Borrower or the firm

(b) Invoice processing system

A Servicer may employ an invoice processing system for managing the submission and payment of invoices.

If a Servicer, whether acting directly or through a vendor or outsourcing company, processes firm invoices electronically:

- Freddie Mac will reimburse the Servicer for the actual cost of the invoicing fee up to the maximum expense limits specified in Exhibit 57; and
- The Servicer must not pass on any invoice processing related charges to the Borrower or the firm

The amounts specified in Exhibit 57 for connectivity and invoice processing systems are the maximum amounts for which a Servicer may seek reimbursement for the life of the default (i.e., the duration of the foreclosure, including any Freddie Mac Default Legal Matter such as bankruptcy).

For example, if a Servicer has already referred a Mortgage to foreclosure and it then becomes necessary to take action with respect to a bankruptcy related to such Mortgage, or if a Servicer has already referred a file for bankruptcy and foreclosure has commenced following the bankruptcy referral, the Servicer may be reimbursed only for one connectivity fee. Likewise in this scenario, if the Servicer is using an invoice processing system, then the Servicer may only seek reimbursement for one invoicing fee associated with the foreclosure and for one invoicing fee associated with the bankruptcy during the life of the default.

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.10: Reporting (06/01/13)

69.10: Reporting (06/01/13)

ARCHIVED VERSION

The Servicer must provide reports related to firm performance, management of foreclosure and bankruptcy processes, oversight of firm compliance and performance and other related matters as required by Freddie Mac. Servicers must ensure that all firms retained for Freddie Mac Default Legal Matters report data required by Freddie Mac directly to Freddie Mac.

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.11: Servicer monitoring and management of firm (06/01/13)

69.11: Servicer monitoring and management of firm (06/01/13)

ARCHIVED VERSION

The Servicer is responsible for managing and monitoring all aspects of the firm performance, providing necessary assistance to the firm relating to Freddie Mac Default Legal Matters, and for undertaking all activities required to protect Freddie Mac's interest in the Mortgage. The Servicer must also ensure that the firm is in compliance with applicable Freddie Mac requirements, and that the firm receives all training and documentation relating to

applicable Freddie Mac requirements, either separately or as part of the Servicer's standard training.

(a) Compliance processes

The Servicer must develop and have in place policies and procedures regarding oversight and compliance of firms handling Freddie Mac Default Legal Matters. The Servicer must have policies and procedures reasonably designed to ensure that firms handling Freddie Mac Default Legal Matters are in compliance with the limited retention agreement, the applicable provisions of the Guide, and applicable law.

The Servicer's ongoing compliance monitoring must address the following minimum elements:

- Ongoing eligibility under the Firm Minimum Requirements specified in Section 69.3;
- Compliance with the limited retention agreement, including the fee and cost guidelines; and
- Firm performance and processes necessary to ensure Servicer's compliance with applicable Guide requirements

The Servicer must conduct periodic compliance reviews and training as appropriate. In determining the frequency of firm compliance reviews, the Servicer must consider the overall risk posed to Freddie Mac by the firm (legal, reputational, and financial), firm file volume, performance, any changes in staffing ratios or levels, any litigation against the firm alleging systemic issues, any media coverage regarding the firm and the prior results of any firm compliance reviews.

(b) Freddie Mac review of compliance process

Freddie Mac reserves the right to review the Servicer's compliance process. Freddie Mac may require Servicers to conduct additional compliance activities related to firms handling Freddie Mac Default Legal Matters, such as additional firm compliance reviews.

The Servicer must make available to Freddie Mac upon request the materials relating to its performance and compliance monitoring of firms handling Freddie Mac Default Legal Matters, including:

- Information regarding the scope and methodology of the Servicer's compliance monitoring;
- The schedule of firm compliance reviews conducted;
- The identity of any vendors used in the firm compliance reviews;
- All documentation from the firm compliance reviews; and
- All findings, reports or remediation plans resulting from the firm compliance reviews

In addition, Freddie Mac may require a Servicer to change the scope of its compliance process used to monitor firms handling Freddie Mac Mortgages.

(c) Freddie Mac right to audit firm

Freddie Mac also reserves the right to directly conduct firm audits and firm on-site visits as Freddie Mac deems necessary. Freddie Mac audits and visits may focus on items such as fee and cost compliance, Servicer compliance with Freddie Mac requirements, and high-risk issues, including compliance with applicable laws, reputational risk, unsatisfactory results of Servicer firm compliance reviews and conflicts of interest involving Freddie Mac-owned or guaranteed Mortgages.

IN THE SUPREME COURT OF NEVADA

JPMORGAN CHASE BANK,
NATIONAL ASSOCIATION, a national
association,

Appellant,

v.

SFR INVESTMENTS POOL 1, LLC, a
Nevada limited liability company,

Respondent.

Supreme Court No. 77010

Electronically Filed
Apr 12 2019 08:24 p.m.
Elizabeth A. Brown
Clerk of Supreme Court

APPEAL

from the Eighth Judicial District Court, Clark County
The Honorable JIM CROCKETT, District Judge
District Court Case No. A-13-692304-C

APPELLANT'S APPENDIX – VOLUME 3

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CHRONOLOGICAL INDEX

Document	Filing Date	Volume and Bates Number(s)
Complaint	November 27, 2013	1 AA 001-007
Proof of Service of Summons and Complaint	March 11, 2014	1 AA 008-010
Answer, Counterclaim and Cross-Claim	March 18, 2014	1 AA 011-023
Amended Answer, Counterclaim and Cross-Claim	March 20, 2014	1 AA 024-034
Scheduling Order	June 29, 2015	1 AA 035-037
Answer to Amended Counterclaim	August 11, 2015	1 AA 038-048
Motion for Leave to Amend Complaint	February 2, 2016	1 AA 049-068
Order Granting Motion for Leave to Amend the Complaint	March 8, 2016	1 AA 069-070
Amended Complaint	March 9, 2016	1 AA 071-081
SFR Investments Pool 1, LLC's Answer to Amended Complaint	March 23, 2016	1 AA 082-091
Excerpts from Transcript of Deposition of Susan Lyn Newby	April 21, 2016	1 AA 092-103
JPMorgan Chase Bank, N.A.'s Response to SFR Investment Pool 1, LLC's Requests for Admission	May 2, 2016	1 AA 104-117
Excerpts from JPMorgan Chase Bank N.A.'s First Supplement to N.R.C.P. 16.1 Disclosures	May 6, 2016	1 AA 118-129
Stipulation and Order to Extend Discovery Deadlines	June 28, 2016	1 AA 130-133
SFR Investments Pool 1, LLC's Motion for Summary Judgment (Exhibits Omitted)	July 7, 2016	1 AA 134-156
JPMorgan Chase Bank, N.A.'s Motion for Summary Judgment	July 26, 2016	1 AA 157-190
Excerpts from JPMorgan Chase Bank, N.A.'s Joint Appendix of Exhibits to Motion for Summary Judgment and Opposition to SFR Investments Pool 1, LLC's Motion for Summary Judgment	July 26, 2016	2 AA 191-257

Order Granting SFR Investments Pool 1, LLC's Motion for Summary Judgment	August 23, 2016	2 AA 258-267
Motion to Extend Discovery Deadlines and to Re-Set Trial Date	January 23, 2018	2 AA 268-274
SFR Investments Pool 1, LLC's Opposition to Plaintiff's Motion to Extend (Exhibits Omitted)	January 30, 2018	2 AA 275-286
Notice of Withdrawal of Motion to Extend Discovery Deadlines and to Re-Set Trial Date	February 1, 2018	2 AA 287-289
JPMorgan Chase Bank, N.A.'s Motion for Summary Judgment	April 13, 2018	2 AA 290-314
Excerpts from JPMorgan Chase Bank, N.A.'s Appendix of Exhibits to Motion for Summary Judgment	April 13, 2018	3 AA 315-523
SFR Investments Pool 1, LLC's Motion for Summary Judgment (Exhibits Omitted)	April 13, 2018	3 AA 524-533
JPMorgan Chase Bank, N.A.'s Opposition to SFR's Motion for Summary Judgment	May 4, 2018	3 AA 534-547
SFR Investments Pool 1, LLC's Opposition to JPMorgan Chase Bank, N.A.'s Motion for Summary Judgment and Countermotion to Strike	May 4, 2018	4 AA 548-567
SFR Investments Pool 1, LLC's Reply in Support of Motion for Summary Judgment	May 18, 2018	4 AA 568-574
JPMorgan Chase Bank, N.A.'s Reply in Support of Motion for Summary Judgment (Exhibits Omitted)	May 25, 2018	4 AA 575-594
SFR Investments Pool 1, LLC's Reply in Support of Counter-motion to Strike	May 29, 2018	4 AA 595-599
Reporter's Transcript of Proceedings re: Motions	June 5, 2018	4 AA 600-624
Findings of Fact and Conclusions of Law and Judgment in Favor of SFR Investments Pool 1, LLC	August 15, 2018	4 AA 625-630
Notice of Entry of Findings of Fact and Conclusions of Law and Judgment in Favor of SFR Investments Pool 1, LLC	August 16, 2018	4 AA 631-639
Notice of Appeal	September 17, 2018	4 AA 640-642

Stipulation and Order	February 6, 2019	4 AA 643-646
Stipulation and Order Dismissing Third Cause of Action (Unjust Enrichment) with Prejudice	February 12, 2019	4 AA 647-649

ALPHABETICAL INDEX

Document	Filing Date	Volume and Bates Number(s)
Amended Answer, Counterclaim and Cross-Claim	March 20, 2014	1 AA 024-034
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Stipulation and Order to Extend Discovery Deadlines	June 28, 2016	1 AA 130-133

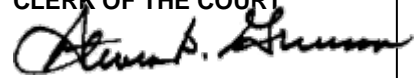
CERTIFICATE OF SERVICE

I certify that on April 12, 2019, I filed **Appellant's Appendix – Volume 3**.
Service will be made on the following through the Court's electronic filing
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9 *Attorneys for JPMorgan Chase Bank N.A.*

10 DISTRICT COURT
CLARK COUNTY, NEVADA

11 JPMORGAN CHASE BANK, NATIONAL)
12 ASSOCIATION, a national association,)

CASE NO. A-13-692304-C

13 Plaintiff,)

DEPT NO. XXIV

14 vs.)

15 SFR INVESTMENTS POOL 1, LLC, a Nevada)
limited liability company; DOES 1 through 10,)
16 ROE BUSINESS ENTITIES 1 through 10,)
inclusive,)

17 Defendants.)

18 SFR INVESTMENTS POOL 1, LLC a Nevada)
19 limited liability company,)

20 Counter-Claimant,)

21 vs.)

22 JPMORGAN CHASE BANK NATIONAL)
ASSOCIATION, a national association;)
23 ROBERT M. HAWKINS, an individual;)
CHRISTINE V. HAWKINS, an individual;)
24 DOES 1-10 and ROE BUSINESS ENTITIES 1)
through 10, inclusive,)

25 Counter-Defendant/Cross-Defendants.)
26)
27)
28)

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**JPMORGAN CHASE BANK, N.A.'S APPENDIX OF EXHIBITS TO
MOTION FOR SUMMARY JUDGMENT**

Exhibit	Document	Appendix Page
1.	Loan Transfer History	001
2.	MAS1/AQN1	002-005
3.	Residential Broker Price Opinion dated February 13, 2011	006-015
4.	JPMorgan Chase Bank, Nation Association's Declaration In Support of Motion for Summary Judgment	016-019
5.	Deed of Trust, Recorded Instrument No. 200606120003526 (certified copy)	020-040
6.	Note	041-044
7.	Declaration of Dean Meyer in Support of JPMorgan Chase Bank, N.A.'s Motion for Summary Judgment	045-50
7-1.	MIDAS system screenshot/print-out pertaining to Freddie Mac's purchase of the Loan	51
7-2.	MIDAS system screenshot/print-out identifying Washington Mutual by Seller No. 090803	52
7-3.	MIDAS system screenshot/print-out identifying Chase by Servicer No. 877903	53
7-4.	Relevant sections of Freddie Mac Servicing Guideline provisions in effect March 1, 2013 (available at www.freddiemac.com/singlefamily/guide/bulletins/snapshot.html)	54-135
7-5.	Relevant sections of the current Freddie Mac Servicing Guideline provisions (available at www.freddiemac.com/singlefamily/guide)	136-187
7-6.	Loan StatusManager screenshot/print-out re. TOS Summary Report generated April 11, 2018, reflecting Chase as servicer	188
7-7.	Loan StatusManager screenshot/print-out re. Mortgage Payment History Report generated April 11, 2018	189-193
8.	Assignment of Deed of Trust, Recorded Instrument No. 200910270000618 (certified copy)	194-195
9.	Excerpts from Freddie Mac Single-Family Seller/Servicer Guide (available at www.freddiemac.com/singlefamily/guide/bulletins/pdf/063015Guide.pdf)	196-221
10.	Chapter 7 Bankruptcy Petition concerning Robert and Christine Hawkins	222-279
11.	Chapter 7 Discharge Order concerning Robert and Christine Hawkins	280-281
12.	Letter from Bankruptcy representation for Robert and Christine Hawkins to NAS – notification of discharge and order	282-283
13.	NAS letters to Robert and Christine Hawkins demanding payment	284-286
14.	Notice of Delinquent Assessment Lien, Recorded Instrument No. 201208030002972 (certified copy)	287
15.	Pebble Canyon Homeowners Association Declaration of Covenants, Conditions and Restrictions and Grant of Easement CC&Rs, Recorded Instrument No. 199111080001962 (certified copy)	288-320
16.	Notice of Default and Election to Sell Under Homeowners Association Lien, Recorded Instrument No. 201209200001446 (certified copy)	321-322

17.	Notice of Foreclosure Sale, Recorded Instrument No. 201302070000892 (certified copy)	323-324
18.	Foreclosure Deed, Recorded Instrument No. 201303060001648 (certified copy)	325-327
19.	Excerpts of 30(b)(6) deposition for Nevada Association Services	328-332
20.	NAS Statement of Assessments, Late Fees, Interest, Attorneys Fees & Collection Costs 01/01/2011 – 3/1/20136	333-334
21.	Pebble Canyon HOA account ledger	335-338
22.	FHFA's statement of April 21, 2015	339
23.	Expert Report of Craig Morley	340-375
24.	JPMorgan Chase Bank N.A. Escrow Activity and Corporate Advance Activity	376-385
25.	Clark County Assessor's Real Property Information dated February 1, 2013	386-388
26.	Excerpts of 30(b)(6) deposition for Pebble Creek	389-395
27.	Excerpts of deposition of Robert "Bob" Diamond	396-400
28.	Excerpts of 30(b)(6) deposition for SFR Investments Pool 1, LLC	401-412
29.	Substitution of Trustee, Recorded Instrument No. 201302220001500 (certified copy)	413

DATED this 13th day of April, 2018.

BALLARD SPAHR LLP

By: /s/ Sylvia O. Semper

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 13th day of April, 2018, and pursuant to N.R.C.P. 5(b), a true and correct copy of the foregoing JPMORGAN CHASE BANK, N.A.'S APPENDIX OF EXHIBITS TO MOTION FOR SUMMARY JUDGMENT was served on the following counsel of record via the Court's electronic service system:

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Attorneys for SFR Investments Pool, LLC

/s/ Anne Marie Landis
An employee of BALLARD SPAHR LLP

EXHIBIT 1

EXHIBIT 1

3270 Explorer: Loan Transfer History (LNTH)

156 - JPMORGAN CHASE BANK, N.A.

Loan Number: **Redacted**

Borrower Name: HAWKINS, ROBERT M

LNTH	Redacted	LOAN TRANSFER HISTORY				07/07/16 15:16:50			
TRAN DATE OLD/INV NEW/INV HT NM S/R/M ADDITIONAL TRANSFER INFORMATION									
DATE PAID EFF DATE EFF BALANCE INV LOAN # OLD S/F NEW S/F GF AFT B/B									
FRCD									
----- CLIENT 156 PRE 10-01-11 ----- CLIENT 908 PRE 09-01-09 -----									
09/02/09	W08/002	C33/002	1	N	MAINT	INVESTOR			
06/01/09	07/01/09	232031.22	Redacted	6084	.00425000	.00425000	+00.000000		
09/28/06	J35/009	227/002	1	N	SALE	TO FHLMO			
09/27/06	10/01/06	239585.56	Redacted	6084	.00250000	.00425000	+00.000000		
09/09/06	918/001	J35/009	1	N	MAINT	INVESTOR			
___/___/___	09/01/06	239793.36	Redacted	3532	.00250000	.00250000	+00.000000		

EXHIBIT 2

EXHIBIT 2

3270 Explorer: Loan Master Maint and Display (MAS1/AQN1)

156 - JPMORGAN CHASE BANK, N.A.

Loan Number: Redacted

Borrower Name: HAWKINS,ROBERT M

MAS1 LOAN	Redacted	MSP LOAN MASTER MAINT. & DISPLAY	07/07/16	15:33:10
NAME RM HAWKINS		TYPE 13 1ST MTG, CONVEN W/O INS		GROUP
-- AQN1 -- ACQUISITION AND SALES -----				
ACQN	ACQUISITION	OLD LOAN	ACQUISITION	OLD SVCR
DATE	PRIN BAL	NUMBER	ID	NUMBER
090106	239793.36	Redacted	GRPT0906S	480
(MMDDYY)				N
				(Y/N)

ACQUISITION OLD LN # INDEX
TYPE STOP DATE
3

1-ORIGINATED (MMDDYY) MERS ORIG ORG ID _____

2-PURCHASED

3-SERV TRANSFER SPEC CD: 500 RCRS CD: CUST CD:

ORIG NOTE HLD NM _____

	LOAN SERV	NEW SERV	CONTRACT LOAN	SERV
	SOLD ID	LOAN NUMBER	SERV SOLD DT	TRANS DT
1ST	_____	_____	MMDDYY	MMDDYY
2ND	_____	_____		

-----* ADDITIONAL MESSAGES *-----

PRESS PF14 FOR MEMOS

LIFE-OF-LOAN: LEGAL ACTION *COMPLEX*

DISCHARGED CH7 BANKRUPTCY

3270 Explorer: Loan Master Maint and Display (MAS1/INV1)

156 - JPMORGAN CHASE BANK, N.A.

Loan Number: Redacted

Borrower Name: HAWKINS, ROBERT M

```
MAS1 LOAN Redacted MSP LOAN MASTER MAINT. & DISPLAY 07/07/16 15:32:11
NAME RM HAWKINS TYPE 13 1ST MTG, CONVEN W/O INS GROUP
-- INV1 -- INVESTOR, SERVICE FEES-----
INV CAT INV LOAN NO SALE/REPURCH --- FNMA LASER --- FNMA DEL
5CA 002 Redacted 6084 FLAG DATE CD DATE CHANGED STATUS
S 092706 --- 0 (0-9)
INV FREDDIE MAC 877903 (MMDDYY) SSRI ---
HDR A3, PARC-5 GUAR FEE ----SERVICE FEE----
8200 JONES BRANCH DR. RATE % RATE OR $ AMOUNT
MCLEAN VA 22102 00.00000 % .425000 0.00
CSFB/WMSC-S/S SC ACC CD INT IN ADV BAL
FRCD --- .00
CONTRACT/POOL NO INV SCHED DEF INT INV ACT DEF INT INV SCHED PRIN BAL
239,585.56 232,031.22
---THIRD PARTY SERVICE FEES--- FHLMC -----EXCESS SERVICE FEES-----
CORRESPONDENT PLAN 1ST REMIT INACT ORIG SERV FEE:
CODE CODE DATE I UNAMORT SERV FEE:
GSE R ORIGINAL TERM:
(MMY) HN O REMAINING TERM:
CORR/PLAN: OPTION: DOC CUST: DC999
-----* ADDITIONAL MESSAGES *----- (PF15: OWNER/ASSIGNEE)
PRESS PF14 FOR MEMOS
LIFE-OF-LOAN: LEGAL ACTION *COMPLEX*
DISCHARGED CH7 BANKRUPTCY
```

3270 Explorer: Loan Master Maint and Display (MAS1/USR3)

156 - JPMORGAN CHASE BANK, N.A.

Loan Number: Redacted

Borrower Name: HAWKINS, ROBERT M

MAS1 LOAN Redacted MSP LOAN MASTER MAINT. & DISPLAY 07/07/16 15:33:52
NAME RM HAWKINS TYPE 13 1ST MTG, CONVEN W/O INS GROUP

-- USR3 -- EXPANDED USER FIELDS ----- 1

ORIG OFC: ORIG TRAILER
NAME LN NUM FIVE

HWAMU LOANS PROJECT UNO

DEAL SL CHANN LNBRD STOP REG B NWCDT
ID DATE 2 ID TYPE REIT IND GRAD

X

(MMDDYY)

ACCT RECON ORIG
CHGS VENDOR OFFCD
F1332

ACQ RECON ORIG HAZ SPLT RECON DTI
ENTITY RESULT INV IND IDMI RES AMT RATIO

(MMDDYY)

-----* ADDITIONAL MESSAGES *----- PF8: PAGE TWO -----

PRESS PF14 FOR MEMOS

LIFE-OF-LOAN: LEGAL ACTION *COMPLEX*

DISCHARGED CH7 BANKRUPTCY

3270 Explorer: Customer Service Workstation (SER1/LOAN)

156 - JPMORGAN CHASE BANK, N.A.

Loan Number: Redacted

Borrower Name: HAWKINS, ROBERT M

SER1 Redacted CUSTOMER SERVICE INV 5CA/002 07/07/16 15:30:58
 ROBERT M HAWKINS Redacted 0 TYPE CONV. RES. MAN F
 CHRISTINE V HAWKINS Redacted IR 6,75000 BR 702-454-4228
 3263 MORNING SPRINGS HENDERSON NV 89074 000-000-0000
 _ LEGAL < * STRICTLY CONFIDENTIAL * LEGAL ACTION * >: 06/20/16

-----* LOAN INFORMATION *-----

07/01/09 PMT ---		LAST PAID	DATE	DUE	AMOUNT	(13 MONTHS)
1ST P&I	1556.64	PAYMENT				WU: P
*COUNTY	147.94	HAZARD	03/23/16	04/16	1744.00-	FOREMOST INS CO
*HAZ	57.23	COUNTY	02/08/16	02/16	311.26-	RCV: _
*OV/SH	22.63					
TOT PMT	1784.44					

ANALYZED COUP MO
03/15/16 06

LC DUE		389.15		----- BALANCES -----		BILL PROD	
OTH FEES	75.95	PRINCIPAL	232,031.22				07/01/16
TOT DUE	154936.48	ESCROW	22,102.54-	YTD PRN		.00	
-- PENDING PAYMENT --		SUSPENSE	.00	YTD TAX		311.26	
01/12	1864.25	RES ESC	.00	YTD INT		.00	

---* PF2 FOR ADDL MESSAGES *---

PRESS PF14 FOR MEMOS

LIFE-OF-LOAN: LEGAL ACTION *COMPLEX*

DISCHARGED CH7 BANKRUPTCY

SUSPENDED FORECLOSURE

EXHIBIT 4

EXHIBIT 4

1 Abran E. Vigil
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2 Russell J. Burke
Nevada Bar No. 12710
3 Holly Ann Priest
Nevada Bar No. 13226
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8 *Attorneys for Plaintiff and Counter-Defendant*
9 *JPMorgan Chase Bank, National Association*

10 DISTRICT COURT
CLARK COUNTY, NEVADA

11 JPMORGAN CHASE BANK, NATIONAL)
12 ASSOCIATION, a national association,)

CASE NO. A-13-692304-C

13 Plaintiff,

DEPT NO. XXIV

14 vs.

15 SFR INVESTMENTS POOL 1, LLC, a)
Nevada limited liability company; DOES 1)
16 through 10, ROE BUSINESS ENTITIES 1)
through 10, inclusive,)

17 Defendants.

18 SFR INVESTMENTS POOL 1, LLC a)
19 Nevada limited liability company,)

20 Counter-Claimant,

21 vs.

22 JPMORGAN CHASE BANK NATIONAL)
ASSOCIATION, a national association;)
23 ROBERT M. HAWKINS, an individual;)
CHRISTINE V. HAWKINS, an individual;)
24 DOES 1-10 and ROE BUSINESS)
ENTITIES 1 through 10, inclusive,)

25 Counter-Defendant/Cross-)
26 Defendants.)
27)
28)

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION'S DECLARATION IN
SUPPORT OF MOTION FOR SUMMARY JUDGMENT

I, Evan L. Grageda, declare under the penalty of perjury of the laws of the State of Nevada as follows:

1. My name is Evan L. Grageda. I have personal knowledge of and am competent to testify as to the facts stated herein by virtue of my position as Legal Specialist III for JPMorgan Chase Bank, National Association ("Chase").

2. As an authorized signer, I am familiar with certain systems and databases maintained by Chase that contain data regarding certain loans owned by the Federal Home Loan Mortgage Corporation ("Freddie Mac") and serviced by Chase. This declaration is based upon my review of Chase's systems and databases containing business and servicing records for the loan made to Counter-defendants Robert and Christine Hawkins.

3. Entries in Chase's systems and databases are made at or near the time of the events recorded by, or from information transmitted by, persons with knowledge. Chase maintains and keeps these systems and databases in the ordinary course of Chase's regularly conducted business activity, and it is the regular practice of Chase to keep and maintain information regarding loans owned by Freddie Mac and serviced by Chase in Chase's databases. Chase's systems and databases consist of records that were made and kept by Chase in the course of its regularly conducted activities pursuant to its regular business practice of creating such records. These systems and databases store Chase's business records.

4. I have reviewed the public documents identified in the following paragraphs. I have also reviewed Chase's business records.

5. Chase's business records and my review of the public documents reflect the following:

- a. On or about June 7, 2006, Robert and Christine Hawkins ("Borrowers") obtained a loan from GreenPoint Mortgage Funding,

1 Inc. in the amount of \$240,000.00 (the "Loan"). The Loan is secured
2 by a real property located at 3263 Morning Springs Drive,
3 Henderson, Nevada 89074 (the "Property"). Borrowers executed a
4 Deed of Trust (the "Deed of Trust") and a Note (the "Note") in
5 connection with the Loan.

- 6 b. The Deed of Trust was recorded on June 12, 2006 in Clark County as
7 Instrument No. 20060612-0003526 and identifies Mortgage
8 Electronic Registration Systems, Inc., acting solely as a nominee for
9 GreenPoint Mortgage Funding, Inc., its successors and assigns, as
10 the beneficiary under the Deed of Trust.
- 11 c. As indicated by Chase's business records, Freddie Mac acquired
12 ownership of the Loan on or about October 1, 2006 and still is the
13 current owner. A redacted but otherwise true and correct copy of
14 Loan Transfer History attesting to the date Freddie Mac acquired an
15 ownership interest is attached as Exhibit 1.
- 16 d. Washington Mutual Bank, FA became the servicer of the Loan on or
17 about September 1, 2006 and Chase has serviced the loan through
18 the present, including on March 1, 2013. A redacted but otherwise
19 true and correct copy of MAS1/AQN1 screenshot demonstrating
20 Washington Mutual Bank, FA and Chase's role as servicer from
21 September 1, 2006 to the present is attached as Exhibit 2.
- 22 e. Mortgage Electronic Registrations Systems, Inc., assigned the Deed
23 of Trust to Chase pursuant to the "Assignment of Deed of Trust"
24 recorded October 27, 2009 in Clark County Recorder's Office as
25 Instrument #. 200910270000618.


26 6. Chase's business records related to the Loan include a Residential
27 Broker Price Opinion, dated February 13, 2011. A redacted but otherwise true and
28 correct copy of the Residential Broker Price Opinion is attached as Exhibit 3.

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I declare under the penalty of perjury under the law of the State of the Nevada
that the foregoing facts are true and correct.

Executed on July 26, 2016.

JPMorgan Chase Bank, National
Association


Evan L. Grageda
Authorized Signer

CASE #. A-13-C92304-C

EXHIBIT 5

EXHIBIT 5

20060612-0003526

Assessor's Parcel Number:
177-24-514-043
Return To: GreenPoint Mortgage Funding,
Inc.
981 Airway Court, Suite E
Santa Rosa, CA 95403-2049

Prepared By: GreenPoint Mortgage
Funding, Inc.
100 Wood Hollow Drive, Novato, CA
94945

~~Recording Requested By:~~ GreenPoint Mortgage
Funding, Inc.
981 Airway Court, Suite E
Santa Rosa, CA, 95403-2049

Fee: \$34.00
N/C Fee: \$0.00

06/12/2006 14:00:35
T20060102935

Requestor:
LAWYERS TITLE OF NEVADA

Frances Deane KGP
Clark County Recorder Pgs: 21

[Space Above This Line For Recording Data]

DEED OF TRUST MIN 80072

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated June 7, 2006 together with all Riders to this document.

(B) "Borrower" is Robert M. Hawkins and Christine V. Hawkins, Husband And Wife as joint tenants

Borrower is the trustor under this Security Instrument.

(C) "Lender" is GreenPoint Mortgage Funding, Inc.

Lender is a Corporation
organized and existing under the laws of the State of New York

NEVADA-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
WITH MERS

VMP-6A(NV) (0507)

Page 1 of 15

VMP Mortgage Solutions, Inc.
(800)521-7291

8007
Form 3029 1/01

AA 332

Lender's address is 100 Wood Hollow Drive, Novato, CA 94945

(D) "Trustee" is Marin Conveyancing Corp.

(E) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. **MERS is the beneficiary under this Security Instrument.** MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

(F) "Note" means the promissory note signed by Borrower and dated **June 7, 2006**

The Note states that Borrower owes Lender **two hundred forty thousand and 00/100**

Dollars

(U.S. \$ **240,000.00**) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **July 1, 2036**

(G) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(H) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(I) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- | | | |
|---|--|---|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input checked="" type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input type="checkbox"/> Other(s) [specify] |
| <input checked="" type="checkbox"/> Occupancy Rider | <input type="checkbox"/> Interim Interest Rider | |

(J) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(K) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(L) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Escrow Items" means those items that are described in Section 3.

(N) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(O) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to

8007

time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the County [Type of Recording Jurisdiction] of Clark [Name of Recording Jurisdiction]:

As more particularly described in exhibit "A" attached hereto and made a part hereof.

Parcel ID Number: 177-24-514-043
3263 Morning Springs Drive
Henderson
("Property Address"):

which currently has the address of
[Street]
[City], Nevada 89074 [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right; to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances

8007

of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.

Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives

8007

Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the

8007

lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with

8007

the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

8007

attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

8007

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

8007

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

8007

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be

8007

one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

8007

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option, and without further demand, may invoke the power of sale, including the right to accelerate full payment of the Note, and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold, and shall cause such notice to be recorded in each county in which any part of the Property is located. Lender shall mail copies of the notice as prescribed by Applicable Law to Borrower and to the persons prescribed by Applicable Law. Trustee shall give public notice of sale to the persons and in the manner prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law.

24. Substitute Trustee. Lender at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

25. Assumption Fee. If there is an assumption of this loan, Lender may charge an assumption fee of U.S. \$900.00

8007

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

Robert M. Hawkins (Seal)
Robert M. Hawkins -Borrower

Christine V. Hawkins (Seal)
Christine V. Hawkins -Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

STATE OF NEVADA
COUNTY OF *Clark*

This instrument was acknowledged before me on *June 8, 2006*
Robert M. Hawkins, Christine V. Hawkins

by

Tracey Derrick

Mail Tax Statements To:
Robert M. Hawkins
3263 Morning Springs Drive, Henderson, NV 89074 USA

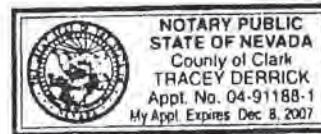


EXHIBIT "A"

All that certain real property situated in the County of Clark, State of Nevada, described as follows:

Lot Fifty (50) in Block Ten (10) of SEASONS AT PEBBLE CANYON, as shown by map thereof on file in Book 53 of Plats, Page 45, in the Office of the County Recorder of Clark County, Nevada.

Assessor's Parcel Number: **177-24-514-043**

PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 7th day of June, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to GreenPoint Mortgage Funding, Inc.

(the "Lender") of the same date and covering the Property described in the Security Instrument and located at: 3263 Morning Springs Drive, Henderson, NV 89074

[Property Address]

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in Declaration of Covenants, Conditions, and Restrictions

(the "Declaration"). The Property is a part of a planned unit development known as Seasons At Pebble Canyon

[Name of Planned Unit Development]

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

PUD COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

8007

MULTISTATE PUD RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3150 1/01

Page 1 of 3

VMP-7R (0411)

VMP Mortgage Solutions, Inc. (800)521-7291

B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, for which Lender requires insurance, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this waiver can change during the term of the loan.

Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property or the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the "Constituent Documents" if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay PUD dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8007

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this PUD Rider.

Robert M. Hawkins (Seal)
Robert M. Hawkins -Borrower

Christine V. Hawkins (Seal)
Christine V. Hawkins -Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

OCCUPANCY RIDER TO MORTGAGE/ DEED OF TRUST/SECURITY DEED

THE OCCUPANCY RIDER is made this 7th day of June, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note (the "Note") to **GreenPoint Mortgage Funding, Inc.** (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

3263 Morning Springs Drive, Henderson, NV 89074
("Property Address")

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

1. That the above-described property will be personally occupied by the Borrower as their principal residence within 60 days after the execution of the Security Instrument and Borrower shall continue to occupy the property as their principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld.
2. That if residency is not established as promised above as well as in the Security Instrument, the Lender may, without further notice, take any or all of the following actions:
 - a. increase the interest rate on the Note by one-half of one percent (0.500%) per annum on a fixed-rate loan or increase the Margin on an Adjustable Rate Note by one-half of one percent (0.500%) per annum and to adjust the principal and interest payments to the amount required to pay the loan in full within the remaining term; and/or
 - b. charge a non-owner occupancy rate adjustment fee of two percent (2.00%) of the original principal balance and/or
 - c. require payment to reduce the unpaid principal balance of the loan to the lesser of (1) 70% of the purchase price of the property or (2) 70% of the appraised value at the time the loan was made. The reduction of the unpaid principal balance shall be due and payable within thirty (30) days following receipt of a written demand for payment, and if not paid within thirty (30) days will constitute a default under the terms and provisions of the Note and Security Instrument, and/or
 - d. declare a default under the terms of the Note and Security Instrument and begin foreclosure proceedings, which may result in the sale of the above-described property; and/or
 - e. refer what is believed to be fraudulent acts to the proper authorities for prosecution. It is a federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements or reports for the purpose of influencing in any way the action of the Lender in granting a loan on the above property under the provisions of TITLE 18, UNITED STATES CODE, SECTIONS 1010 AND 1014.

It is further understood and agreed that any forbearance by the Lender in exercising any right or remedy given here, or by applicable law, shall not be a waiver of such right or remedy.

Should any clause, section or part of this Occupancy Rider be held or declared to be void or illegal for any reason, all other clauses, sections or parts of this Occupancy Rider which can be effected without such illegal clause, section or part shall nevertheless continue in full force and effect.

It is further specifically agreed that the Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies set forth above, including but not limited to, reasonable attorney's fees.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Occupancy Rider.

Robert M. Hawkins (Borrower)
Robert M. Hawkins

Christine V. Hawkins (Borrower)
Christine V. Hawkins

(Borrower)

(Borrower)

(Borrower)

(Borrower)

(Borrower)

(Borrower)

EXHIBIT 6

EXHIBIT 6

Redacted

NOTE

June 7, 2006
[Date]

Henderson
[City]

Nevada
[State]

3263 Morning Springs Drive, Henderson, NV 89074

[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 240,000.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is GreenPoint Mortgage Funding, Inc.

I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 6.750 %.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the 1st day of each month beginning on August 1, 2006. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on July 1, 2036, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at P.O. Box 79363, City of Industry, CA 91716-9363 or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$ 1,556.64.

4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

8007

MULTISTATE FIXED RATE NOTE-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

VMP-5N (0207).01

Form 3200 1/01

VMP MORTGAGE FORMS - (800)521-7291

Page 1 of 3

AA 354

CHASE-HAWKINS0129

5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

(C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

(D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

7. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

9. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

3007

Form 3200 1/01

10. **UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

Robert M. Hawkins

Robert M. Hawkins

(Seal)

-Borrower

_____(Seal)

Christine V. Hawkins

-Borrower

Christine V. Hawkins

(Seal)

-Borrower

_____(Seal)

-Borrower

(Seal)

-Borrower

_____(Seal)

-Borrower

(Seal)

-Borrower

_____(Seal)

-Borrower

[Sign Original Only]

WITHOUT RECOURSE
PAY TO THE ORDER OF:

WASHINGTON MUTUAL Bank, F.A.
GreenPoint Mortgage Funding, Inc.

TK
Thomas K. Mitchell
Vice President

EXHIBIT 7

EXHIBIT 7

1 Abran E. Vigil
Nevada Bar No. 7548
2 Sylvia O. Semper
Nevada Bar No. 12863
3 Holly Ann Priest
Nevada Bar No. 13226
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7 E-Mail: sempers@ballardspahr.com
E-Mail: priesth@ballardspahr.com

8 *Attorneys for JP Morgan Chase Bank N.A.*

9
10 DISTRICT COURT
11 CLARK COUNTY, NEVADA

12 JPMORGAN CHASE BANK, NATIONAL)
ASSOCIATION, a national association,)

CASE NO. A-13-692304-C

13 Plaintiff,)

DEPT NO. XXIV

14 vs.)

15 SFR INVESTMENTS POOL 1, LLC, a)
Nevada limited liability company; DOES 1)
16 through 10, ROE BUSINESS ENTITIES 1)
through 10, inclusive,)

17 Defendants.)

18 SFR INVESTMENTS POOL 1, LLC a)
19 Nevada limited liability company,)

20 Counter-Claimant,)

21 vs.)

22 JP MORGAN CHASE BANK National)
Association, a national association;)
23 ROBERT M. HAWKINS, an individual;)
CHRISTINE V. HAWKINS, an individual;)
24 DOES 1-10 and ROE BUSINESS)
ENTITIES 1 through 10, inclusive,)

25 Counter-Defendant/Cross)
26 Defendants.)

27
28 I, Dean Meyer, under penalty of perjury, declare as follows:

1. My name is Dean Meyer. I have personal knowledge of and am competent to testify as to the matters stated herein by virtue of my position as Director, Loss Mitigation for the Federal Home Loan Mortgage Corporation ("Freddie Mac"), a corporation organized and existing under the laws of the United States.
2. As Director, Loss Mitigation for Freddie Mac, I am familiar with certain Freddie Mac systems and databases that contain data regarding loans acquired and owned by Freddie Mac. The systems and databases include Freddie Mac's Loan Status Manager and MIDAS system, which includes and stores information concerning Freddie Mac's servicers and the purchase of loans. I also am familiar with Freddie Mac's Single-Family Seller/Servicer Guide (the "Guide"). This declaration is based upon my review of Freddie Mac's systems, databases containing loan information and data, and the Guide.
3. Entries in Freddie Mac's systems and corresponding databases are made at or near the time of the events recorded by, or from information transmitted by, persons with knowledge. Freddie Mac's systems and databases are maintained and kept in the course of Freddie Mac's regularly conducted business activity, and it is the regular practice of Freddie Mac to keep and maintain information regarding loans owned by Freddie Mac in Freddie Mac's databases. Freddie Mac's systems and databases consist of records that were made and kept by Freddie Mac in the course of its regularly conducted activities pursuant to its regular business practice of creating such records. These systems and databases are Freddie Mac's business records.
4. I have reviewed JPMorgan Chase Bank N.A.'s ("Chase") Motion for Summary Judgment and accompanying exhibits (collectively, the "Documents"). I have also reviewed Freddie Mac's systems and corresponding databases, including the documents referenced below, which are print-outs from Freddie Mac

1 systems reflecting the contents of those databases, as well as portions of the
2 Guide.

3 5. Freddie Mac's systems, corresponding databases, and the Documents reflect
4 the following:

- 5 a. On or about June 7, 2006, Robert M. Hawkins and Christine V.
6 Hawkins ("Borrower") obtained a loan from GreenPoint Mortgage
7 Funding, Inc. ("Lender" or "GreenPoint") in the amount of \$240,000.
8 As part of the loan, Borrower executed a note dated in favor of
9 Lender (the "Note"). The Note is secured by real property located at
10 3263 Morning Springs Drive, Henderson, Nevada, 89074 (the
11 "Property").
- 12 b. Borrower executed a deed of trust (the "Deed of Trust" and
13 collectively with the Note and any other documents executed by
14 Borrower in connection with the loan, the "Loan") on or about June 8,
15 2006 in connection with the Note, which was recorded on or about
16 June 12, 2006.
- 17 c. Mortgage Electronic Registration Systems, Inc. ("MERS") was
18 beneficiary under the Deed of Trust in a nominee capacity for the
19 Lender and the Lender's successors and assignees.
- 20 d. On October 27, 2009, an assignment of Deed of Trust was recorded,
21 whereby MERS, in its capacity as nominee, assigned the Deed of
22 Trust to Chase.
- 23 e. As indicated by the "Funding Date" appearing midway down on the
24 second column of Page 1 of 2 of the print-out from Freddie Mac's
25 MIDAS system pertaining to Freddie Mac's purchase of the Loan,
26 Freddie Mac acquired ownership of the Loan, which specifically
27 includes the Note and the Deed of Trust, on or about September 27,
28 2006 and has owned it ever since. A true and correct copy of the

1 print-out from Freddie Mac's MIDAS system pertaining to Freddie
2 Mac's purchase of the Loan is attached hereto as Exhibit 1. The
3 Guide defines "Funding Date" as the date when Freddie Mac
4 disburses payment to the seller for a Loan Freddie Mac purchased.

- 5 f. As indicated by the "Seller Nbr 090803" appearing near the top of the
6 first column of Page 1 of 2 of the print-out from Freddie Mac's
7 MIDAS system attached hereto as Exhibit 1, which identifies the
8 entity that sold Freddie Mac the loan by "Seller Number,"
9 Washington Mutual Mortgage Sec. ("Washington Mutual") sold the
10 Loan to Freddie Mac. A true and correct copy of the print-out from
11 Freddie Mac's MIDAS system identifying Washington Mutual by
12 Seller Number 090803 is attached hereto as Exhibit 2.
- 13 g. The "Part. Pct." or "Participation Percentage" appearing above the
14 Funding Date on Page 1 of 2 of the print-out from Freddie Mac's
15 MIDAS system attached hereto as Exhibit 1, reflects "1.0," which
16 means that Freddie Mac owns 100% of the Loan. If the Participation
17 Percentage was anything less than 100%, then a number less than
18 1.0 would appear on the print-out from Freddie Mac's MIDAS
19 system.
- 20 h. As indicated by the "Servicer Nbr 877903" appearing near the top of
21 the first column of Page 1 of 2 of the print-out from Freddie Mac's
22 MIDAS system attached hereto as Exhibit 1, which identifies the
23 current servicer by "Servicer Number," Chase is currently servicing
24 the Loan, pursuant to the Guide, on behalf of Freddie Mac. A true
25 and correct copy of the print-out from Freddie Mac's MIDAS system
26 identifying Chase by Servicer Number 877903 is attached hereto as
27 Exhibit 3.
- 28

- i. The Guide, a publicly accessible document found at www.freddiemac.com/singlefamily/guide, serves as a central document governing the contractual relationship between Freddie Mac and its servicers nationwide, including Chase. Archived prior versions of the Guide are available at www.freddiemac.com/singlefamily/guide/bulletins/snapshot.html. Attached hereto as Exhibit 4 are copies of relevant sections of the Guide that were in effect on March 1, 2013. Copies of the current version of each of the relevant sections of the Guide are attached hereto as Exhibit 5.
- j. Chase was servicing the Loan, pursuant to the Guide, on behalf of Freddie Mac on March 1, 2013. Chase began servicing the Loan, pursuant to the Guide, on behalf of Freddie Mac on or about September 27, 2006 and has serviced the Loan ever since. A true and correct copy of the print-out from Freddie Mac's Loan Status Manager is attached hereto as Exhibit 6 which reflects that Chase serviced the Loan, pursuant to the Guide, on behalf of Freddie Mac, both prior to October 16, 2014 and from October 16, 2014 through the present. If there had been a change in servicer, the change would have been entered into and would be reflected in Freddie Mac's Loan Status Manager. Consistent with the fact that no change in servicer has occurred, no such information appears in the Loan Status Manager, which evidences the fact that the Loan was continuously serviced by Chase since on or about September 27, 2006.
- k. A true and correct copy of the print-out from Freddie Mac's Loan Service manager is attached hereto as Exhibit 7, which reflects the mortgage payment history (the "Mortgage Payment History") for the

1 Loan. The "Date Reported" in the second column of Exhibit 7
2 indicates the date that Freddie Mac's servicer reported information
3 on the Loan to Freddie Mac. The Mortgage Payment History
4 reflects that the servicer provided Freddie Mac with reports on the
5 Loan, pursuant to the Guide which requires servicers to report
6 regularly to Freddie Mac on Freddie Mac-owned loans, on a monthly
7 basis from October 2006 through March 2018, consistent with when
8 the report was generated. The servicer would not send regular
9 monthly reports on the Loan to Freddie Mac if Freddie Mac did not
10 own the loan.

- 11 1. At the time Freddie Mac acquired the Loan and at all times
12 thereafter, the Guide was in effect and governed the relationship
13 between Freddie Mac, on the one hand, and Chase and MERS on the
14 other, with respect to the Loan.
15 m. Since it acquired the Loan, Freddie Mac has not sold the Loan and
16 has never authorized Chase or MERS to convey the Loan to any
17 other entity.

18
19 I declare under penalty of perjury under the laws of the State of Nevada that the
20 foregoing is true and correct.

21 Executed on April 13, 2018.


22
23 
24 Dean Meyer
25 Director, Loss Mitigation
26 Federal Home Loan Mortgage
27 Corporation
28

EXHIBIT 7-1

EXHIBIT 7-1

1 - Default 3270 (172.24.166.229)

File Edit Transfer Fonts Options Tools View Window Help

F <==FUNCTION LOAN BASIC INQUIRY OAU200IE 0033
PAGE 1 OF 2 (OAU0010S) 04/11/18 1112

LOAN NUMBER	: [REDACTED] 6084	SSR LOAN NBR	: [REDACTED] 5687
SERVICER NBR	: 877903	ORIG AMT PRIN	: 240,000
SELLER NBR	: 090003	PURCHASE UPB	: 239,585.56
APPROVAL STATE	: NV	INT BRG UPB	: 0.00
FHLMC REGION	: 07	DFRD UPB	: 0.00
PRODUCT	: A01	NOTE RATE	: 06.750
GROUP NBR	: Q870050	PART. PCT.	: 1.00
CONTRACT NBR	: 0609186021	FUNDING DATE (YYMMDD)	: 060927
LOAN DATA TYPE	: S	NOTE DATE (YYMMDD)	: 060607
LOAN TYPE	: 3	MATURITY DATE (YYMMDD)	: 360701
LOAN PROPERTY TYPE	: P1	LOAN ACCTNG NET YIELD	: [REDACTED]
LOAN STATUS	: 3	PAY OFF DATE (YYMMDD)	: 000000
OWNERSHIP CODE	: W	PAY OFF TYPE	:
REF CODE	:	LTV RATIO	: 0.00
LOAN ORIGINATOR	:	ASSOC FM LOAN NBR	:
APPR ST LIC	:	LN ORIGINATION COMPANY	:
LAST CHG DATE (YYMMDD)	: 100403	SPVR APPR ST LIC	:
		MOD/CONV DATE (YYMMDD)	:

F - PAGE FORWARD R - RETURN TO LOAN DATABASE INQUIRY ONLY MENU
M - RETURN TO LOAN / GROUP / POOL DATABASES INQUIRY ONLY MENU
PF4/16 GSE/HMDA

1 - Sess-1: 172.24.166.229 FMAC2135 1/2

1 - Default 3270 (172.24.166.229)

File Edit Transfer Fonts Options Tools View Window Help

R <==FUNCTION LOAN BASIC INQUIRY OAU205IE 0033
PAGE 2 OF 2 (OAU0010S) 04/11/18 1112

LOAN NUMBER	: [REDACTED] 6084		
BORROWER NAME	: ROBERT HAWKINS		
PROPERTY STREET	: 3263 MORNING SPRINGS DRIV		
CITY	: HENDERSON		
STATE	: NV		
ZIP	: 890740000	ORIG COMMITMENT FEE TAX	: 000000.00
CENSUS TRACT	:	LOAN DATE INTEREST PAID TO	: 060901
		MONTHLY PRIN AND INT	: 001556.64
INDEX SOURCE	: 000	BALLOON TERM	: 000
INDEX VALUE	: 00.000	DATE BALLOON DUE (YYMMDD)	: 000000
ADJ. PERIOD	: 00	SF MORTGAGE INS CODE	: 000
ADJ. NOTE RATE	: 00.000	GUAR MORTGAGE INS CODE	:
		INITIAL ADJ. DATE (YYMMDD)	: 000000
CAP AMOUNT	: 0.0	DISCOUNT	: 00000.00
FLEX MONTHS	: 000	PREMIUM	: 00000.00
FLEX PAYMT DATE (YYMMDD)	: 000000		

R - RETURN TO LOAN DATABASE INQUIRY ONLY MENU
M - RETURN TO LOAN / GROUP / POOL DATABASES INQUIRY ONLY MENU
PF4/16 GSE/HMDA

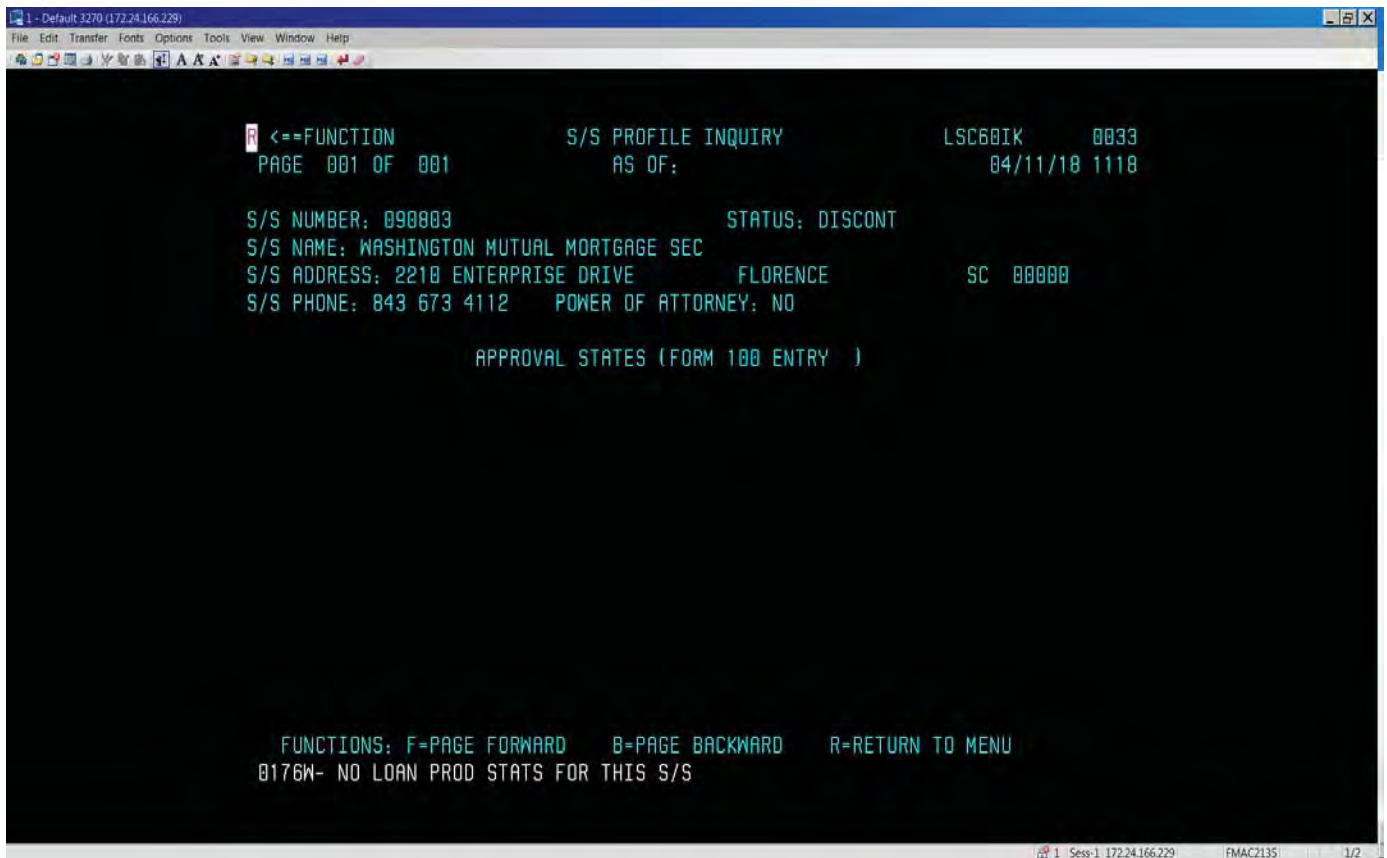
1 - Sess-1: 172.24.166.229 FMAC2135 1/2

Chase-Hawkins_FHLMC0135

AA 366⁰⁵⁴

EXHIBIT 7-2

EXHIBIT 7-2

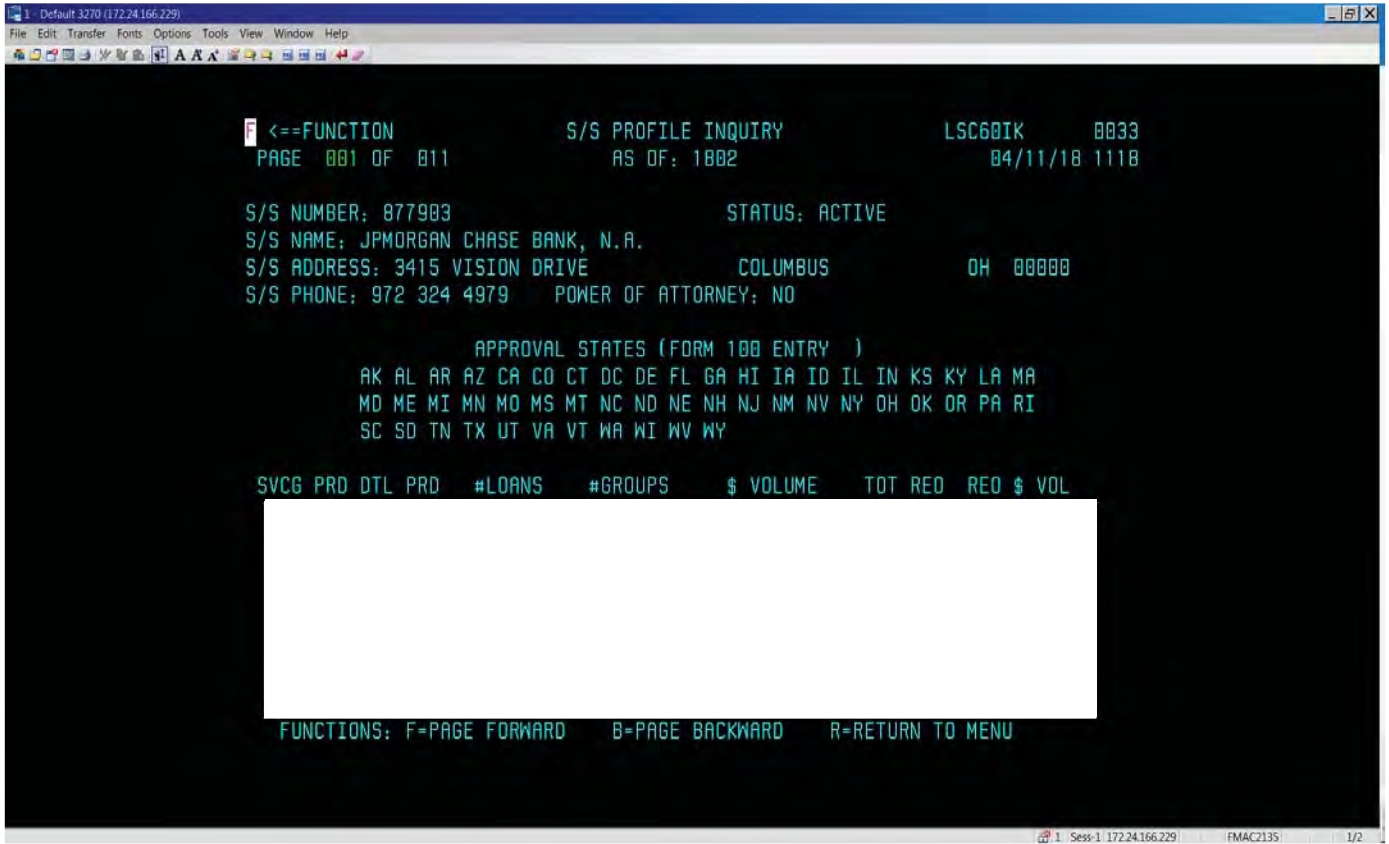


Chase-Hawkins_FHLMC0136

AA 368⁰⁵²

EXHIBIT 7-3

EXHIBIT 7-3



Chase-Hawkins_FHLMC0137

EXHIBIT 7-4

EXHIBIT 7-4

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last 2013 Bulletin / Single-Family Seller/Servicer Guide, Volume 1 / Chs. 1-A1: Introduction / Chapter 1: Introduction / 1.2: Legal effect of the Single-Family Seller/Servicer Guide (09/24/13)

REVISION HISTORY 07/20/12 [HIDE]

REVISION NUMBER: 07202012

DATE: 07/20/2012

REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

**1.2: Legal effect of the *Single-Family Seller/Servicer Guide*
(Effective: 07/20/12)**

ARCHIVED VERSION

(a) Status as a contract

1. **Effect of the Guide.** The *Single-Family Seller/Servicer Guide* ("Guide") governs the business relationship between a Seller and Freddie Mac relating to the sale and Servicing of Mortgages. Each Seller/Servicer must complete and submit a Form 16SF, Annual Eligibility Certification Report, that certifies that the Seller/Servicer has access to the Electronic version of the Guide as an Electronic Record, as those terms are defined in Chapter 3, and is in compliance with all requirements of the Purchase Documents.
2. **Volume 1 of the Guide.** In connection with the sale of Mortgages to Freddie Mac, the Seller agrees that each transaction is governed by the Guide, the applicable Purchase Contract and all other Purchase Documents.

3. **Volume 2 of the Guide.** A Seller must service all Mortgages that the Seller has sold to Freddie Mac and/or has agreed to service for Freddie Mac in accordance with the standards set forth in the Seller's Purchase Documents. All of a Seller's obligations to service Mortgages for Freddie Mac are considered to constitute, and must be performed pursuant to a unitary, indivisible master Servicing contract, and the Servicing obligations assumed pursuant to any contract to sell Mortgages to Freddie Mac are deemed to be merged into, and must be performed pursuant to, such unitary, indivisible master Servicing contract.

A Seller acknowledges that Freddie Mac's agreement to purchase Mortgages from the Seller pursuant to any individual Purchase Contract is based upon the Seller's agreement that the Mortgages purchased will be serviced by the Seller pursuant to the unitary, indivisible master Servicing contract. The Seller agrees that any failure to service any Mortgage in accordance with the terms of the unitary, indivisible master Servicing contract, or any breach of any of the Seller's obligations under any aspect of the unitary, indivisible master Servicing contract, shall be deemed to constitute a breach of the entire contract and shall entitle Freddie Mac to terminate all or a portion of the Servicing. The termination of a portion of the Servicing shall not alter the unitary, indivisible nature of the Servicing contract.

If a Servicer who services Mortgages for Freddie Mac is not also the Seller of the Mortgages to Freddie Mac, the Servicer must agree to service Mortgages for Freddie Mac by separate agreement, which incorporates the applicable Purchase Documents. In such case, the separate agreement shall be deemed to be one of the "Purchase Documents" that constitute the unitary, indivisible master Servicing contract.

In addition, in certain cases, a Seller and/or Servicer who uses certain Freddie Mac services will, by virtue of the provisions of the Guide, be deemed to have agreed upon certain terms and conditions related to such services and their use.

4. **Amendments to the Guide.** Freddie Mac may, in its sole discretion, amend or supplement the Guide from time to time. Amendments to the Guide may be a paper Record or an Electronic Record, as those terms are defined in Chapter 3. The Guide may not be amended orally. Freddie Mac may amend the Guide by:

- Publishing Bulletins, which apply to all Sellers/Servicers, or
- Entering into a Purchase Contract or other written or Electronic agreement, which applies to the Seller that is a party to the Purchase Contract or agreement

Bulletins expressly amend, supplement, revise or terminate specific provisions of the Guide. An amendment, supplement, revision or termination of a provision in Volume 1 or Volume 2 of the Guide is effective as of the date specified by Freddie Mac in the applicable Bulletin.

A Purchase Contract or other written agreement or Electronic agreement amends or supplements specific provisions of the Guide for purposes of such Purchase Contract or other agreement, as applicable. Such amendments or supplements to the Guide are effective as of the date specified in the Purchase Contract or other agreement. See Section 12.3(d) for information about how amendments and supplements to Volume 1 of the Guide amend or otherwise apply to a Seller's Purchase Contracts and other Purchase Documents.

5. **Publication of Guide and Bulletins.** The Guide is posted on the AllRegs® web site of Mortgage Resource Center, Inc. (MRC) which posts the Guide under license from and with the express permission of Freddie Mac. MRC is the exclusive third-party electronic publisher of the Guide. Freddie Mac makes no representation or warranty regarding availability, features or functionality of the AllRegs web site. The Guide is also posted on FreddieMac.com.

By using the web site, Seller/Servicers acknowledge and agree (individually and on behalf of the entity for which they access the Guide) neither Freddie Mac nor MRC shall be liable to them (or the entity for which they access the Guide) for any losses or damages whatsoever resulting directly or indirectly from Freddie Mac's designation of the Guide as found on the AllRegs web site as the official Electronic version, as an Electronic Record, and MRC expressly disclaims any warranty as to the results to be obtained by Seller/Servicers (and the entity for which Seller/Servicers access the Guide) from use of the AllRegs web site, and MRC shall not be liable to Seller/Servicers (and the entity for which Seller/Servicers access the Guide) for any damages arising directly or indirectly out of the use of the AllRegs web site by them (and the entity for which they access the Guide).

From time to time, Bulletins are published on AllRegs and FreddieMac.com. Sellers and Servicers with an AllRegs subscription may receive notice of Bulletins directly from AllRegs. If a Seller or Servicer does not receive notice of Bulletins through AllRegs, the Seller or Servicer must take the steps necessary to receive the applicable Freddie Mac Single-Family Update e-mails, which will notify Sellers and Servicers of Bulletin publications. A Seller or Servicer's failure to take the appropriate steps to receive notices of Bulletins does not relieve the Seller or Servicer of its legal obligations to comply with the terms of the Bulletins.

6. **Effective Date.** The effective date of each section of the Guide is located at the beginning of each section, to the right of the section number and name.

(b) Copyright

The Guide (including related supplements, bulletins and industry letters) is copyrighted. Limited permission to photocopy the Guide is granted to Seller/Service providers strictly for their own use in originating and selling Mortgages to, and in Servicing Mortgages for, Freddie Mac. No part of the Guide may be reproduced for any other reason (in any form or by any means) without the express written permission of Freddie Mac. Requests for such permission to reproduce the Guide must be sent to Freddie Mac **(see Directory 1)**.

Requests will be reviewed and answered by Freddie Mac in the ordinary course of business.

Freddie Mac reserves the right to revoke permission to reproduce the Guide upon 60 days' notice to any and all Sellers and Service providers. Under no circumstances will Freddie Mac permit the Guide to be reproduced by any Electronic or mechanical means, including, but not limited to, reproduction in, or as a component of, any information storage and retrieval system.

(c) Reliance

By entering into a Purchase Contract or into the unitary, indivisible master Servicing contract with Freddie Mac, the Seller or Service provider acknowledges that it is not relying upon Freddie Mac or any employee, agent or representative thereof, in making its decision to enter into the contract and that it has relied upon the advice and counsel of its own employees, agents and representatives as to the regulatory, business, corporate, tax, accounting and other consequences of entering into and performing its obligations under a Purchase Contract or the unitary, indivisible master Servicing contract.

(d) Assignments; security interests

A Seller or Servicer shall not, in whole or in part, assign or transfer or grant a security interest in, any of its obligations, rights or interest under any Purchase Contract or under the unitary, indivisible master Servicing contract, including any of its rights or obligations under this Guide or any of the Purchase Documents, without Freddie Mac's prior written consent. Any purported or attempted assignment or transfer of, or grant of a security interest in, any such obligations, rights or interest is prohibited and shall be null and void.

Notwithstanding the provisions of the immediately preceding paragraph, Freddie Mac may consent to a Servicer's grant to one or more third parties of a security interest under the Uniform Commercial Code in the conditional, nondelegable contract right of the Servicer to service Home Mortgages for Freddie Mac pursuant to the terms of the unitary, indivisible master Servicing contract ("Freddie Mac Servicing rights"). Freddie Mac will indicate its consent only by executing an Acknowledgment Agreement, which must also be executed by a Servicer and the third party to whom the Servicer grants a security interest. A Servicer may write to Freddie Mac (**see Directory 1**) for a copy of the Acknowledgment Agreement and instructions for completing and executing it.

A Servicer's grant to a third party of a security interest in the Servicer's Freddie Mac Servicing rights, as more specifically defined in the Acknowledgment Agreement, may be made only for a purpose specified in the instructions for the Acknowledgment Agreement. Any purported or attempted grant of a security interest in any other rights or interest of the Servicer under the Guide or any of the Purchase Documents, or for the purpose of securing any other type of obligation, is prohibited and shall be null and void. In addition, a Servicer's purported or attempted grant to a third party of a security interest in the Servicer's Freddie Mac Servicing rights without the Servicer and the third party also having executed the Acknowledgment Agreement is prohibited and shall be null and void.

Freddie Mac has the right to sell, assign, convey, hypothecate, pledge or in any way transfer, in whole or in part, its interest under the Purchase Documents with respect to any Mortgage it purchases.

(e) Severability

If any provision of this Guide shall be held invalid, the legality and enforceability of all remaining provisions shall not in any way be affected or impaired thereby, and this Guide shall be interpreted as if such invalid provision were not contained herein.

(f) Construction of Guide

This Guide shall not be construed against Freddie Mac as being the drafter hereof.

(g) Entire agreement

This Guide, including the exhibits attached to the Guide and all Purchase Documents incorporated by reference in the Guide, constitutes the entire understanding between Freddie Mac and the Seller or Servicer and supersedes all other agreements, covenants, representations, warranties, understandings and communications between the parties, whether oral or written or Electronic, with respect to the transactions contemplated by the Guide.