

FREDDIE MAC DOCUMENT CUSTODY PROCEDURES

ALERTS for DEFECTS / PROBLEMS with ASSIGNMENTS

- ❖ There must be an ORIGINAL ASSIGNMENT OF THE SECURITY INSTRUMENT that has been recorded *from the original mortgagee* on the Security instrument *to the Seller* (or – in the case of concurrent Transfer of Servicing, *to the Servicer* – NOT to Freddie Mac).
- ❖ Officer of the transferring institution must sign the assignment *and* the assignment must contain the officer's name and title.
- ❖ *Verification of no break in the assignment chain.* Assignments must begin with the original mortgagee (payee on the Note) and continue unbroken to the Trustee.
- ❖ All assignments *must be held with their related* Notes unless the Mortgage is registered with MERS, and/or Servicer has provided documentation indicating that it will hold all assignments for Freddie Mac-owned Notes in its Mortgage files.
- ❖ Assignments to "blank" are not accepted – assignments *must include the legal name of the entity* to which the beneficial interest is being assigned.
- ❖ Freddie Mac does not accept mortgages assigned using blanket assignments. The assignment is returned to the Seller.
- ❖ In the event that the recorder's office does not record an assignment, the Seller must indicate this in an affidavit accompanying the Note and the unrecorded assignment and affidavit are accepted and retained in the file with the Note.
- ❖ In the event that the recorder's office does not return the recorded documents, a certified and true copy of the document sent for recording is acceptable.

- ❖ In the event that an assignment does not have a notary stamp or seal, the Seller is responsible for correcting this deficiency.
- ❖ If the assignment is otherwise acceptable, but does not have a corporate seal, the Note may be certified by Freddie Mac.
- ❖ Assignment *must contain **original signatures***. Stamped signatures or copies of signatures or electronic signatures are not acceptable. The Seller is responsible for correcting any deficiency.
- ❖ If the certified copy of the assignment is missing the date or the recordation information, or the information is illegible, the Seller *must* provide this information.
- ❖ If the assignment is made to **Freddie Mac**, it is defective! If Freddie Mac receives an assignment made to Freddie Mac, the assignment is returned to the Seller to be destroyed. There must be an unbroken chain of assignments from the originator.
- ❖ A servicer is not permitted to assign Freddie Mac's interest in a mortgage to a new lender in a refinance.
- ❖ In the event a Document Custodian is holding a certified and true copy of the assignment but later receives the original recorded assignment, the DC should destroy the copy or return it to the Seller/Servicer per their agreement.
- ❖ Intervening Assignment(s) must be included with an affidavit stating that the jurisdiction does not require that assignments be recorded. Seller is responsible for providing Intervening Assignment(s).
- ❖ Intervening Assignment(s) for whole or participation Notes must be included with delivery. Seller is responsible for providing Intervening Assignment(s).
- ❖ Seller is responsible for certifying and delivering a "Seller-certified copy" of the Intervening Assignment that was sent for recordation.
- ❖ Seller is responsible that the Assignment chain is unbroken.

- ❖ Notes must be endorsed and duly transferred with delivery and transfer receipts and asset purchase agreements in an unbroken chain from the originator.