



Servicing

MBA National Mortgage Servicing Conference
Freddie Mac Update
February 21, 2007



Session Agenda

- Freddie Mac Update
 - Patty Chen, Vice President, Customer Management & Technology Integration
- Servicing Update
 - Ingrid Beckles, Vice President, Servicing & Asset Management
- Question and Answer with Subject Matter Experts
 - Tables for Technology, Customer Management, Performing Loans and Non-Performing Loans, and REO



Tier One Servicers

Congratulations to our Tier One Gold, Tier One Platinum and Hall of Fame Servicers.

- 11 Tier One Gold Servicers
- 28 Tier One Platinum Servicers
- 15 Hall of Fame Servicers



Freddie Mac Servicing Conference

- Dates: Sunday, September 23 - Wednesday, September 26, 2007
- Opportunity for Servicers to:
 - Learn about getting the most from Freddie Mac's servicing tools
 - Leverage best practices from peers
 - Get the opportunity to meet with Freddie Mac staff



Freddie Mac Update

- In 2006, we focused on the following:
 - Enhancing the customer experience
 - Providing timely financials

- In 2007, we plan to:
 - Continue efforts on timely financials and the customer experience
 - Enhance our initiative delivery capability
 - Strengthen overall operational risk management



Servicing Update



Good News in Servicing

- 2006 Statistics
 - Workouts
 - Delinquency Rate
- Outreach Efforts
 - Affordable Servicing Program
 - Borrower/Housing Counselor Workout Seminars
 - Media
 - Affordable Outreach
 - Partnerships
- Ongoing Hurricane Katrina efforts



Changes in Servicing

- Creation of “Servicing and Asset Management”
 - Consolidation of servicing functions moves us closer to a seamless life of loan platform and experience
- Customer Support Plans
 - Transition of Performing Loans accounts to (800) FREDDIE
- Servicing System
 - Re-examining our current implementation strategy
 - Receiving ongoing feedback from our pilot customers
 - Dedicating ourselves to providing high-quality technology to all our customers



2007 Performance Profile Changes

- What Has Changed
 - Workout-to-REO Ratio
 - Inventory Past Standard
 - Foreclosure Timeline
 - Foreclosure Sale Reporting
- Why We Made The Changes
 - Reflect industry practices and market trends
 - Emphasize critical areas



Other Policy Changes

- Reimbursing for property inspections where the MI companies reimburse
- Upcoming Guide Changes
 - New online process for Form 104DC
 - Filing claims for a loss on an FHA/VA Mortgage



Top of Mind Issues

- What we're seeing:
 - Changing economic and credit environment
 - Helping Servicers leverage new products
- What our Servicers are seeing:
 - Supporting new products
 - Increasing Fraud
 - Decreasing loan application volume
 - Increasing attention on rising foreclosures



Looking Ahead

- Data quality effort
- States where delinquency rates are starting to rise
- Key points from our Economist group
- What we're seeing in our default portfolio
- REO Statistics



Q&A with Subject Matter Experts

Speak to Subject Matter Experts in:

Performing & Non-Performing Loans

Customer Management

Technology

REO