

# Multifamily Seller/Servicer Guide

## Chapter 38

### Servicing Compensation



- 38.1 [Servicer to perform its obligations at its own expense \(04/30/13\)](#)
- 38.2 [Servicing compensation for Mortgages Purchased in Whole by Freddie Mac \(10/07/03\)](#)
- 38.3 [Servicing compensation for Mortgages Purchased in Part by Freddie Mac \(10/07/03\)](#)
- 38.4 [Servicing compensation for Mortgages prepaid during the Yield Maintenance Period \(12/07/04\)](#)
- 38.5 [Servicing compensation for a new Servicer pursuant to transfer following termination for cause \(12/05/03\)](#)

**38.1 Servicer to perform its obligations at its own expense (04/30/13)**

The Servicer is responsible for performing the duties required under the Guide at its own expense and without cost or charge to Freddie Mac, except as provided in this chapter or elsewhere in the Guide. The Servicer may charge to the Borrower costs that are incurred by the Servicer to provide services to the Borrower only to the extent allowed under the terms of the Loan Documents and any applicable law. These costs include the Servicing of the Borrower's Reserves and any cost associated with satisfaction and release of the Mortgage.

**38.2 Servicing compensation for Mortgages Purchased in Whole by Freddie Mac (10/07/03)**

The compensation for the Servicer's duties for each Mortgage Purchased in Whole by Freddie Mac is the Servicing Spread that the Servicer will be entitled to retain so long as it services the Mortgage for Freddie Mac.

**38.3 Servicing compensation for Mortgages Purchased in Part by Freddie Mac (10/07/03)**

The compensation for the performance of the Servicer's duties for each Mortgage Purchased in Part by Freddie Mac is the entire amount of interest received on the Mortgage in excess of the Freddie Mac Required Net Yield, regardless of the amount of Freddie Mac's interest in the Mortgage. Freddie Mac currently purchases only whole Mortgages.

**38.4 Servicing compensation for Mortgages prepaid during the Yield Maintenance Period (12/07/04)**

When Freddie Mac collects the entire Yield Maintenance Prepayment Premium for a Mortgage that is partially paid or paid in full, Freddie Mac will pay the Servicer a servicing maintenance prepayment fee. Freddie Mac will compute the servicing maintenance prepayment fee from the results of two calculations of the Yield Maintenance Prepayment Premium. Freddie Mac will compute the Yield Maintenance Prepayment Premium with the formula described in the Note using the Coupon Rate. Freddie Mac will compute the Yield Maintenance Prepayment Premium a second time substituting the net yield for the Coupon Rate in the formula. The amount of the servicing maintenance prepayment fee will equal the difference between these two calculations. Once the Yield Maintenance Prepayment Premium and the servicing maintenance prepayment fee have been calculated and verified, the Servicer is responsible for reporting and remitting the Yield Maintenance Prepayment Premium net of any applicable servicing maintenance prepayment fee. See Section 53.4 for information on remitting the proceeds due to Freddie Mac.

This servicing maintenance prepayment fee will not be applicable for:

- Prepayment premiums that are collected after the Yield Maintenance Period has expired, or
- Prepayment premiums that are calculated at a fixed percentage rate, or
- Yield Maintenance Prepayment Premiums that are less than the full Yield Maintenance Prepayment Premium amount due



Freddie Mac, in its discretion, may allow a Borrower to prepay a Mortgage and pay less than the entire Yield Maintenance Prepayment Premium, in which case the Servicer will not be entitled to payment of the servicing maintenance prepayment fee.

**38.5 Servicing compensation for a new Servicer pursuant to transfer following termination for cause (12/05/03)**

If Freddie Mac terminates and transfers Servicing, the new Servicer will be entitled to retain Servicing compensation from the interest received in excess, if any, of the Freddie Mac Required Net Yield in an amount agreed to by Freddie Mac.