

Loan and Real Estate Owned (REO) Expenses and Income



Payee Information			Loan/Property Information		
Seller/Service Number (S/S only)	Vendor Number		Due date of last paid installment (S/S only)	Freddie Mac Loan Number	
<input type="checkbox"/> Check if change of address			Foreclosure Sale Date (S/S only)		
Name			Borrower Name		
Address			Property Street Address		
City	State	Zip Code	City	State	Zip Code

Check appropriate loan/property status:

Current
 Delinquent
 Foreclosure approved
 REO
 Sold
 Mortgagee in possession
 Other _____

Check appropriate submission type:

Initial
 Supplemental(s)
 Final

Certification

I hereby certify that the information contained herein is true to the best of my knowledge and belief, that all eligible amounts have been included on the claim for insurance or guaranty, and documentation supporting the expenses is attached to this form.

By electronically signing this Form on behalf of my company, I hereby certify and agree that I have confirmed that my company has determined that my Electronic Signature complies with the requirements in Guide Section 2.14, and that my Electronic Signature on this Form shall be as binding, valid and enforceable as my original written signature on a paper original of this Form.

Preparer's Name (type or print)	Telephone Number	Date Prepared
Authorized Signature (required for payment)	Servicer Loan Number	
Comments	Payee (Seller/Service or Vendor) may be asked to provide the executed current version of the IRS Form W-9 (or W-8, if applicable) in order for the payment to be processed.	

For Freddie Mac Use Only

Business Area Preparer _____ Date _____ Waive Expense Yes No

Business Area Approver _____ Date _____

Business Area Approver Signature _____ Business Unit _____

Log number _____ Billable? Yes No

Approved by _____ Date _____

Input by _____ Date _____

I. Expenses					For Freddie Mac Use Only	
Billing Period (see expense/income codes)						
Expense code	Vendor Name	MM/DD/YR From date	MM/DD/YR To date	Expenses Incurred	Adjusted Amount	Adjustment Reason
900	SUBTOTAL OF EXPENSES					
II. Income/credit to offset expenses						
Income Code	Description of Income			Less Income		
811	Escrow balance at default (positive)					
998	Income retained as authorized by Freddie Mac (Multifamily only)					
901	SUBTOTAL OF INCOME					
902	SUBTOTAL OF NET EXPENSE/INCOME					
903	Freddie Mac ownership percentage			%	%	
904	REIMBURSABLE NET EXPENSES/(NET INCOME)					
905	NET INCOME REMITTED TO FREDDIE MAC (Attach check made payable to Freddie Mac)					
906	REIMBURSABLE EXPENSES					

Adjustment Codes

The adjustment codes listed below will be used by Freddie Mac to explain adjustments to the request for reimbursement. *Our audit of this Form 104 has determined the existence of errors or omissions as indicated below which have delayed/modified the reimbursement being approved at this time.*

- | | |
|--|---|
| <p><input type="checkbox"/> 01 All Forms 104 must have an original signature to be processed. Please sign the form and resubmit within 10 business days.</p> <p><input type="checkbox"/> 02 A copy of the MI claim must be received by Freddie Mac to process the initial Form 104 for payment. Please attach a copy of the claim and resubmit the form within 10 business days.</p> <p><input type="checkbox"/> 03 MI proceeds must be received by Freddie Mac to process the final Form 104 for payment. Please attach your check and resubmit the form.</p> <p><input type="checkbox"/> 04 This loan is required to be repurchased and expenses are not reimbursable.</p> <p><input type="checkbox"/> 05 This expense was previously submitted and paid by Freddie Mac. If you have not received payment, please contact our office.</p> <p><input type="checkbox"/> 06 This expense was previously paid by Freddie Mac at closing.</p> <p><input type="checkbox"/> 07 All expenses must be submitted on an original, revised Freddie Mac Form 104. Please resubmit these expenses within 10 business days.</p> <p><input type="checkbox"/> 08 Required documentation for this expense was insufficient or omitted. Please resubmit this expense accompanied by the appropriate documentation within 10 business days.</p> <p><input type="checkbox"/> 09 The vendor's name and/or the expense period (from and to dates) are required for this expense code. Please complete this information and return this Form 104 within 10 business days.</p> | <p><input type="checkbox"/> 10 Prior written approval from Freddie Mac is required for payment of this expense. Please resubmit Form 104 with a copy of the Freddie Mac approval letter within 10 business days.</p> <p><input type="checkbox"/> 11 Funds remaining in the borrower's tax and insurance escrow accounts must be entered on the Form 104, Part II, Income Code 811, for income to offset expenses. Your Form 104 has been adjusted to reflect the last positive escrow balance per your loan history.</p> <p><input type="checkbox"/> 12 The last positive escrow balance must be shown as Income Code 811 on the Form 104 and a loan history indicating that balance must be submitted. Please correct and submit a Form 104 with a copy of the loan history and a copy of your transaction code table within 10 business days.</p> <p><input type="checkbox"/> 13 This expense is not reimbursable per the <i>Guide</i>.</p> <p><input type="checkbox"/> 14 Property inspection fees are not reimbursable.</p> <p><input type="checkbox"/> 15 Appraisals and/or Broker Price Opinions are not reimbursable without prior approval. Please resubmit this expense with a copy of the Freddie Mac approval letter within 10 business days.</p> <p><input type="checkbox"/> 16 Tax and insurance expenses incurred before the due date of the last paid installment are not reimbursable.</p> |
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Adjustment Codes (continued)

- 17** Penalties and late charges are not reimbursable.
- 18** Final Forms 104 are due within 30 days after the property has sold and settlement has occurred. Your final Form 104 was received after this date and reimbursement is denied.
- 19** Supplemental Forms 104 are due within 60 days after the property has sold and settlement has occurred. Your Supplemental Form 104 was received after this date and reimbursement is denied.
- 20** Homeowners' association dues are reimbursement only through the month of settlement. Dues paid after this month have been denied for reimbursement.
- 21** The attached Form 104 is completed incorrectly. Please review this corrected copy and complete and submit a new Form 104 with the appropriate supporting documentation for reimbursement within 10 business days. A copy of the instruction package is attached for your reference.
- 22** This expense amount exceeds Freddie Mac's approved limits. To receive reimbursement for this expense, please resubmit with a copy of the Freddie Mac approval letter within 10 business days.
- 23** The audit of the attached Form 104 has resulted in the determination that a check is due Freddie Mac rather than a reimbursement to you. Please submit the check to the applicable Freddie Mac office within 10 business days accompanied by a copy of this form.
- 24** A repair confirmation is required for this expense. Please resubmit this expense with the repair confirmation within 10 business days. (Broker Only)

- 25** This expense was adjusted for other reasons.

Should you have any questions, please contact your Accountant at:

- Attachments: Original Form 104, and supporting documentation
- Copy of Form 104, as adjusted

Freddie Mac Loan and REO Expense and Income Codes

All **boldface** Expense and Income/Credit Codes require billing period from and to dates.

Expense Codes

Legal	
010	Trustee/Attorney Fees for Foreclosure
011	Trustee/Attorney Fees for Bankruptcy
012	Trustee/Attorney Fees for Eviction
013	Trustee/Attorney Fees for Other Actions
014	Receiver Fees
015	Expert Witness Fees: Bankruptcy (Multifamily only)
016	Expert Witness Fees: Foreclosure (Multifamily only)
Advertising	
020	Advertising Fees relating to Foreclosure
021	Advertising Fees relating to Sale
022	Advertising Costs (Multifamily only)
Sheriff	
030	Sheriff Fees relating to Foreclosure
031	Sheriff Fees relating to Eviction
032	Sheriff Fees relating to Other Actions
Court	
040	Court Costs relating to Foreclosure
041	Court Costs relating to Bankruptcy
042	Court Costs relating to Eviction
043	Court Costs relating to Other Actions
Insurance	
060	Hazard Insurance Premiums
061	Flood Insurance Premiums
062	Other Insurance Premiums
063	Workers' Compensation Premiums (Multifamily only)

Taxes	
070	County Property Taxes
071	Municipal Property Taxes
072	School Taxes
073	Sewer Charges
074	Other Property Taxes
075	Payroll Taxes (Multifamily only)
076	Ad Valorem Taxes (Multifamily only)
077	Other Taxes and Licenses (Multifamily only)
078	Special Assessments (Multifamily only)
Property Maintenance	
090	Securing of Property
091	Initial Property Cleaning
092	Periodic Property Cleaning
093	Initial Mowing/Yard Maintenance
094	Periodic Mowing/Yard Maintenance
095	Winterization
096	Extermination (Multifamily only)
097	Pool Service/Supplies (Multifamily only)
098	Landscaping (Multifamily only)
099	Elevator Maintenance (Multifamily only)
190	Security (Multifamily only)
191	Other Maintenance Costs

Freddie Mac Loan and REO Expense and Income Codes (continued)

All **boldface** Expense and Income/Credit Codes require billing period from and to dates.

Utilities		Lien	
100	Utility Bill—Electric	500	Superior (First) Liens
101	Utility Bill—Gas	501	IRS Liens
102	Utility Bill—Oil	502	Other Liens
103	Utility Bill—Water		
104	Utility Bill—Trash (Multifamily only)	Administrative	
105	Utilities—Other	600	Property Management Fee
106	REO Deposit	601	Leasing Fee
		602	Other Eviction Costs
Property Repairs		605	Other Administrative Fee (Multifamily only)
200	Roof Repair/Replacement	606	Other Expenses Authorized by Freddie Mac (Multifamily only)
201	Interior Painting	607	Resident Security Deposit
202	Exterior Painting		
203	HVAC Repair/Replacement	Income/Credit Codes	
204	Flooring Repair/Replacement	811	Escrow Balance at Default (Positive)
205	Appliance Repair/Replacement	812	Subsidy Fund (Buydown Account)
206	Other Repair	813	Hazard Insurance Claims Proceeds
207	Other Replacement	814	Rental Income
208	Drapery/Window Coverings (Multifamily only)	815	Other: specify _____
209	Fence/Patio Repair/Replacement (Multifamily only)	817	Refund of Advance
BPO/Appraisal			
400	Appraisal Charge—Foreclosure		
401	Appraisal Charge—Bankruptcy		
402	BPO Charge—Foreclosure		
403	BPO Charge—Bankruptcy		
404	Special Freddie Mac Inspection		

Instructions for Form 104, Loan and Real Estate Owned (REO) Expenses and Income

Payee Information

Complete this section with the following information:

Seller/Servicer number

The Freddie Mac-assigned six-digit identification number for your organization. This field is required for Seller/Servicers only.

Vendor Number

The Freddie Mac-assigned nine-digit identification number for your organization.

Name

The name of your organization.

Address, City, State, Zip

Your organization's complete mailing address.

Change of Address

Check this box if your organization's address has changed to ensure proper mailing of funds to your organization.

Submission Type

Choose one of following:

- **Initial.** The initial Form 104 must be received by Freddie Mac within 45 days of the acquisition date and is filed to request reimbursement of expenses incurred during the foreclosure process. The acquisition date is defined as either the foreclosure sale redeemed date, expiration of redemption period, and/or confirmation date, whichever occurs later.
- **Supplemental.** The supplemental form 104 may be submitted at any time after filing the initial Form 104, but must be submitted within 60 days of the REO sale date. The supplemental Form 104 may be used during the REO holding period whenever accumulated non-reimbursed expenses exceed \$500 (single-family) or \$1,500 (Multifamily). Additionally, the supplemental Form 104 may be used to request reimbursement of an expense omitted from the initial or final Form 104.
- **Final.** The final Form 104 must be received by Freddie Mac within 30 days after the settlement date relating to the sale of the REO and is filed to request reimbursement of expenses incurred by the Servicer after the foreclosure sale date.

Loan/Property Information

Complete this section with the following information:

Due Date of Last Paid Installment (DDLPI)

This field is required for Seller/Servicers only. The due date of the last fully paid monthly installment of principal, interest, and escrow (if any) (not the date on which such payment was credited or the date of the next scheduled installment).

Freddie Mac Loan Number

The Freddie Mac-assigned nine-digit loan number.

Foreclosure Sale Date

The date that the foreclosure sale was held. This field is required for Seller/Servicers only.

Borrower Name and Property Street, City, Zip

The borrower's name and exact property address.

Loan/Property Status

Choose one of the following:

- **Current.** Any loan with no portion of the borrower's monthly installment unpaid after the due date.
- **Delinquent.** Any loan with any portion of the borrower's monthly installment unpaid after the due date.
- **Foreclosure Approved.** Any loan that has been approved to begin the action necessary to acquire marketable title.
- **REO (Real Estate Owned).** Any property acquired by Freddie Mac through foreclosure or deed in lieu of foreclosure.
- **Sold.** Any property disposed of after Freddie Mac acquisition of marketable title.
- **Mortgagee in possession.** A mortgagee who, by virtue of a default under the terms of a mortgage, has obtained possession, but not ownership, of the property.
- **Other.** Indicate loan status in space provided on form.

Instructions for Form 104, Loan and Real Estate Owned (REO) Expenses and Income (continued)

Certification

Please submit the following required information for each Form 104 submitted:

Preparer's Name, Telephone Number, Date Prepared

Your printed or typed name, telephone number and the date that the form was prepared.

Authorized Signature

Each form must be signed by an authorized employee of your organization before submission to Freddie Mac.

Servicer Loan Number

Your organization's assigned loan number. This field is required for Seller/Servicers only.

Tax ID Number

Your institution's nine-digit IRS-assigned identification number. This number is required prior to expense reimbursement. Provide your 9-digit tax ID number in one of the following formats:

XX-XXXXXXX for businesses

XXX-XX-XXXX for individuals

Tax ID Type

Identify your organization's type of tax entity in the checkboxes. The following are brief definitions of tax entity types:

- **Corporation.** An entity that is incorporated
- **Partnership.** One or more individuals who jointly own a business
- **Sole Proprietorship.** An individual
- **Other.** Indicate your organization's type of tax entity.

I. Expenses

Provide the following information for reasonable and customary costs incurred as a direct result of the property status:

Expense Codes

Group similar income and expenses (same code, same vendor and consecutive billing period dates) on one line. The codes and descriptions are located on the back of this page of the form.

Vendor Name

The name of the vendor that provided the service. The vendor name is required when reporting expenses.

Billing Period

From and to dates are required for each boldface code.

Expenses Incurred

Enter the amount for reimbursement.

Attachments to Form 104

The following information should be attached to the form:

- Legible copies of invoices, check copies, authorization letter (as applicable) and the loan history with related codes, are required as set forth in the *Multifamily Seller/Servicer Guide*.

II. Income/Credit to Offset Expenses

Use the income/credit codes, descriptions and amount of income/credit to complete this section. The codes and descriptions are located on the back of this page of the form.

Income Retained as Authorized by Freddie Mac

This code is used for Multifamily properties only. Freddie Mac must approve in advance.

Net Income Remitted to Freddie Mac

If the net income/credit exceeds net expenses incurred, a check, for the appropriate amount, made payable to Freddie Mac, must accompany this form.

Rental Income

This code requires billing period from and to dates. Provide three dates on the description line.