



Freddie Mac Publishes List of Approved eMortgage Vendors

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Paper-Based Industry Expands Use of Digital Loan Documents

MCLEAN, VA--(Marketwired - Nov 29, 2016) - In an effort to expedite and streamline the mortgage process by encouraging the use of digital documents, [Freddie Mac](#) (OTCQB: FMCC) announced today that it has published a [list of companies](#) that meet its requirements for creating, signing and storing electronic promissory notes. Commonly called eNotes, they detail the repayment obligation of the borrower to the lender.

Freddie Mac began actively purchasing eMortgages from seller/servicers in 2005. Today, it regularly purchases eMortgages and accepts many electronic documents used in initial disclosures and electronic closings, such as loan applications and IRS forms. For more information on electronic loan documents, click [here](#).

With the exception of eMortgages and the related eNotes, sellers don't need special approvals to use electronic documents as long as their procedures meet the requirements laid out in Freddie Mac's Seller/Servicer Guide. However, the eNote is unique, noted Samuel E. Oliver III, vice president of transformation management for the Single-Family Business.

"The eNote is a critical document that needs to meet the 'transferable record' requirements of electronic transactions laws. In other words, it has to be a single, unique, unaltered, authoritative copy and there are special technology requirements that the mortgage industry has designed to comply with these requirements," he explained. "Whether sellers build, buy or license it, the system must facilitate the creation, signing, transfer and storage of the eNote to comply with these requirements. That's why we took the extraordinary step of publishing this list of approved vendors."

The companies listed below have completed Freddie Mac's full approval process and meet the technical requirements to create, sign and / or store eNotes:

- Digital Delivery
- eSign Systems
- Fiserv
- Pavaaso

Two additional companies -- DocMagic and eOriginal -- have provisional approvals as they go through the full review process.

"A number of factors are driving interest in eMortgages, including borrower demands for better, faster, more reliable service, and lenders' desire to save costs in the loan origination process," said Oliver. "We're doing what we can to create a more efficient system."

Earlier this year, Freddie Mac and Fannie Mae conducted a joint survey, under the direction of the Federal Housing Finance Agency (FHFA), to better understand the obstacles facing the eMortgage market. [The Joint GSE eMortgage Outreach Survey Findings on the State of Industry Adoption report pdf](#) found that lenders are willing to spearhead the eMortgage process and that warehouse banks, servicers and title/settlement partners will adopt the technology when requested by their lender partners. Even so, acceptance is limited by a number of complex factors, including the lack of uniform adoption of the electronic notarization process across all 50 states, which is critical for the loan closing process to be fully electronic.

Seller/servicers that would like to sell eMortgages to Freddie Mac should contact their account manager or call 800-FREDDIE to begin the process of determining their eligibility.

Companies that would like to be approved to provide eMortgage solutions should email eMortgage_Team@FreddieMac.com.

By publishing this list, Freddie Mac is indicating that the vendors have met its minimum functional, legal and security review requirements. Freddie Mac makes no representations or warranties with respect to any listed vendor. Seller/servicers must make their own business decision to select a vendor and assume the risk of any such decision.

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Today Freddie Mac is making home possible for approximately one in four home borrowers and is the largest source of financing for multifamily housing. Additional information is available at [FreddieMac.com](#), Twitter [@FreddieMac](#) and [Freddie Mac's blog](#).

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