



8200 Jones Branch Drive
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October 22, 2012

RE: Michigan Department of Treasury Tax Liens Pertaining to Principal Residence Exemptions

To Whom It May Concern:

Whereas the Michigan Department of Treasury has filed various liens against Freddie Mac within the state based on the Treasury Department's claim that Freddie Mac benefited from a reduced ad valorem tax rate, which it wasn't entitled to receive, after it acquired various properties within the state in connection with the alleged failure by the previous property owner(s) to properly rescind the Principal Residence Exemption ("PRE") after the property no longer qualified for a Homestead Exemption under Section 7cc of the Michigan General Property Tax Act;

Whereas Freddie Mac is seeking to sell various properties within the state and during the course of preparing to close and insure the prospective transactions, located copies of such liens recorded in the public records of the counties in which those properties are located;

Whereas ATA has raised said liens as potential exceptions to insurance coverage within the title commitments involving the above-referenced transactions and has included requirements to either pay off said liens or to otherwise resolve the matters with the state and to obtain discharges of the liens as a requirement to close and insure those transactions;

For and in consideration of ATA deleting the above-referenced requirements from its title commitments(s) and agreeing to close and insure the prospective sales transactions contemplated in those commitments, Freddie Mac agrees to indemnify and defend ATA, its underwriter, and the insured buyer from loss related to or the attempted enforcement of the liens by the state against those parties.

This agreement to indemnify pertains solely to the PRE tax lien matter referenced herein and will only be effective once the sales contemplated in the above-referenced commitments have occurred and ATA (and its underwriter) have issued the title policies referenced in those commitments.

In the event any claim or demand is made upon you as a result of these deletions, you agree to notify in writing the law firm and/or closing agent that represented Freddie Mac in the underlying transaction, and Freddie Mac at the address referenced above, within 30 days of the date such claim is made.

Sincerely,

Tiffany C. Joseph
Associate General Counsel
Single Family Portfolio Management Litigation
Freddie Mac