

Lender Letter 05-2009**June 16, 2009****To: All Fannie Mae Single-Family Sellers and Servicers****New Notice of Transfer of Mortgage Loan Ownership**

On May 20, 2009, President Obama signed into law the Helping Families Save Their Homes Act of 2009 (the “Act”) which, among other things, amends the Truth in Lending Act. The Act requires that borrowers be notified when their mortgage debt has been sold, transferred, or assigned to a new creditor. The notice must be provided within 30 days of the sale, transfer, or assignment, and must include information about the new creditor, the date of transfer, how to reach a party having authority to act on behalf of the new creditor, and recordation of the debt. Although Fannie Mae is not a creditor under the Truth in Lending Act, after consultation with its regulator, the Federal Housing Finance Agency, Fannie Mae has elected to provide the notice to borrowers when it purchases or securitizes a mortgage loan. Fannie Mae will begin sending the notices on or before June 19, 2009 for loans acquired on or after May 20, 2009.

Fannie Mae is focused on ensuring the quality and accuracy of data with respect to the loans it acquires. Fannie Mae’s election to provide borrowers with notice of the sale, transfer, or assignment of a mortgage loan is yet another reminder of the critical need for lenders to ensure that the required mortgage loan delivery data is true, correct, and complete. Fannie Mae’s ability to provide the notices is dependent upon having accurate information, which will be extracted from the required mortgage loan delivery data provided by lenders. As with any breach of representation or warranty, lenders are responsible for any harm, damages or losses that Fannie Mae may suffer as a result of such breach.

The notices to borrowers will identify Fannie Mae servicers as the party having authority to act on Fannie Mae’s behalf. Borrowers will be directed to contact their servicer’s call center with any questions regarding their mortgage loan. Lenders can view samples of the borrower notices on eFannieMae.com.

In addition, the notice will state that borrowers who mail payments must continue to send all payments directly to their servicer (except for notices mailed to reverse borrowers which will not include a reference to payments). Borrowers will be notified that any checks sent to Fannie Mae may be returned to the borrower which, in turn, may result in late charges.

Lenders who have questions about Lender Letter 05-2009 should contact their Customer Account Team.

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