

Servicing Guide Announcement SVC-2012-03

March 14, 2012

March 2012 Servicing Guide

Fannie Mae is announcing the release of the [2012 Servicing Guide](#) (2012 Guide). The 2012 Guide includes the incorporation of previously issued announcements from September 1, 2010 through September 2, 2011 - see the attachment to this Announcement for the complete list. No policy changes were made that have not been previously issued through an announcement; however, a number of changes and clarifications have been made as described below.

Fannie Mae Reverse Mortgage Loan Servicing Manual

Policies related to the servicing of reverse mortgage loans have been removed from the 2012 Guide and consolidated into the new *Fannie Mae Reverse Mortgage Loan Servicing Manual* (Manual), which can be found on eFannieMae.com. The contents of Part V, Special Reverse Mortgage Loan Functions, and Part XI, Fannie Mae Reverse Mortgage Loan Reporting System, have been removed in entirety from the 2012 Guide - users will be redirected to the Manual. Policies found in other sections of the 2012 Guide that pertain only to reverse mortgage loans have also been removed and consolidated into the Manual.

Clarifications to Part I: Lender Relationships

In addition to incorporating announcements, several changes have been made to Part I to clarify the existing policies, including the following:

- Fannie Mae has clarified the non-exclusivity of its rights and remedies under the Lender Contract in Part I, Sections 201.10, Remedies for Breach of Contract and Nonperformance.
- Pursuant to Announcement 08-23, Part I, Section 201.10.02, Alternatives to Contract Termination, has been updated to include that any remedies that are applied will, in Fannie Mae's sole judgment, be commensurate with the associated level of risk.
- The individual mortgage loan file records retention provision of the 2006 *Servicing Guide* Part I, Section 405, Record Retention, had been inadvertently omitted from the 2011 *Servicing Guide*. With the 2012 Guide, Fannie Mae has added that provision to Section 405.01, Individual Mortgage Loan Files.

Miscellaneous Clarifications

Several miscellaneous clarifications have been incorporated into the 2012 Guide:

- Effective September 30, 2010, HomeSaver Advance (HSA) was retired pursuant to Announcement SVC-2010-10, and all references had been removed from the 2011 *Servicing Guide* in its entirety. However, the guidance to servicers that had been in the 2010 *Servicing Guide*, Part VII, Section 609.11, Additional Servicer Responsibilities, has been added to the 2012 Guide, Part VI, Section 102.05, Additional Servicer Responsibilities Related to a HomeSaver Advance Note.

- With Announcement 08-08, Fannie Mae retired the use of the Timely Payment Rewards® feature of Expanded Approval® effective March 8, 2008. That change had not been incorporated into the 2011 *Servicing Guide*, but it has been incorporated into the 2012 Guide.
- Fannie Mae has clarified the resolution categories that are obtainable for escalated cases. Part VII, Section 104.03, Case Resolution, reflects the accurate list of resolution categories; Fannie Mae HAMP/2MP Permanent Modification has been removed as redundant because a case can be resolved through the initiation of a Trial Period Plan.
- Several recent announcements have used the term “Fannie Mae non-HAMP modification” to differentiate Fannie Mae’s standard modification and Fannie Mae’s HAMP modification. The 2012 Guide has replaced the use of “Fannie Mae non-HAMP modification” with “Fannie Mae standard mortgage loan modification.”

Using the 2012 *Servicing Guide* and Lender Letters

Servicers are reminded to comply with announcements that were published on and after September 3, 2011. As lender letters are not incorporated into the *Servicing Guide*, servicers are reminded to continue to comply with lender letters that are still effective.

Compliance

Servicers are contractually bound by and must comply with the *Servicing Guide*, including any announcements, lender letters, and notices, and other information posted in eFannieMae.com that is incorporated by reference into the *Servicing Guide*. Servicers are responsible for obtaining all updates to Fannie Mae policies and should select and rely on the manner of receiving notice of servicer communications that best meets their business needs (for example, e-mail notices, postings on eFannieMae.com, or AllRegs).

Servicers should contact their Servicing Consultant, Portfolio Manager, Investor Reporting Business Analyst, or Fannie Mae’s National Servicing Organization’s Servicer Solution Center at 1-888-FANNIE5 (888-326-6435) with any questions regarding this Announcement.

Gwen Muse-Evans
Vice President
Chief Risk Officer for Credit Portfolio Management

Attachment

Incorporated Announcements

The following announcements have been incorporated into the March 14, 2012 *Servicing Guide*:

Number	Issue Date	Announcements
08-08	03/31/08	Mortgage Eligibility and Pricing Updates for Desktop Underwriter® and Manually Underwritten Loans
08-23	09/16/08	Policy Changes with Respect to Lender Eligibility and Contractual Requirements
SVC-2010-10	08/02/11	Miscellaneous Servicing Policy Changes
SVC-2010-14	09/21/10	Home Affordable Modification Program: Introduction of Second Lien Modification Program
SVC-2010-15	09/21/10	Updates to Fannie Mae's Forbearance, Income Eligibility, and Home Affordable Modification Program Requirements
SVC-2010-16	10/29/10	Miscellaneous Servicing Policy Changes
SVC-2010-17	11/29/10	Miscellaneous Servicing Policy Changes
SVC-2010-18	12/20/10	Technology Fees and Foreclosure and Bankruptcy Referrals
SVC-2011-01	01/18/11	Increase in Foreclosure Attorney Fees for the State of Maryland
SVC-2011-02	03/01/11	Updates to the Mandatory Retained Attorney Network
SVC-2011-03	04/04/11	Updates to Fannie Mae's Mortgage Modification Requirements
SVC-2011-04	04/15/11	Prohibitions on Loss Sharing, Indemnification, and Settlement Agreements with Mortgage Insurers
SVC-2011-05	05/02/11	Miscellaneous Servicing Policy Changes
SVC-2011-06	05/26/11	Updates to Imminent Default Definition and Determining Market Value for Preforeclosures
SVC-2011-07	06/06/11	Updates to Foreclosure Time Frames and Imposition of Compensatory Fees
SVC-2011-08R	06/06/11 (Reissued 09/02/11)	Delinquency Management and Default Prevention
SVC-2011-09	06/06/11	Servicing Fees on Modified Mortgage Loans and Mortgagee Clause for Loans Registered with MERS®
SVC-2011-10	06/10/11	June 2011 <i>Servicing Guide</i> Update
SVC-2011-11	06/22/11	Updates to Delinquency Status Codes
SVC-2011-12	06/30/11	Mortgage Insurance Coverage and Confirmation of Repurchase Policies and Remedies for Warranty Violations
SVC-2011-13	08/03/11	Suspension of Republic Mortgage Insurance Company and Republic Mortgage Insurance Company of North Carolina as Approved Mortgage Insurers
SVC-2011-14	08/24/11	Suspension of PMI Mortgage Insurance Co., PMI Insurance Co., and PMI Mortgage Assurance Co. as Approved Mortgage Insurers
SVC-2011-15	09/01/11	Miscellaneous Servicing Policy Changes