

Servicing Guide Announcement SVC-2012-20

September 5, 2012

Miscellaneous Servicing Policy Changes

This Announcement describes servicing policy changes and updates to the following:

- Special investor reporting requirements (for a foreclosure on a modified mortgage loan with principal forbearance), and
- Contact information on third-party servicers for HomeSaver Advance™ (HSA) Notes.

Special Investor Reporting Requirements

Currently, the *Servicing Guide* (in Part X, Chapter 3: Special Reporting Requirements) provides special reporting requirements for reporting payoffs and repurchases of modified mortgage loans with principal forbearance. Fannie Mae is updating these requirements to include guidance on reporting a foreclosure for a modified mortgage loan with principal forbearance. Servicers will use foreclosure action code 70, 71, or 72 on the Loan Activity Report (LAR) in reporting on these loans.

The chart below provides requirements to servicers for reporting the principal amount of modified mortgage loans with principal forbearance on the LAR by remittance type.

Reporting LAR Liquidations	Reporting for Remittance Type Actual/Actual	Reporting for Remittance Type Scheduled/Actual	Reporting for Remittance Type Scheduled/Scheduled (Portfolio) (also called MRS or MBS-Acquired)
Foreclosure Action Code (70, 71, or 72)	Actual UPB = Actual UPB reported as of the end of the prior reporting month. Principal Amount = \$0.00	Actual UPB = Actual UPB reported as of the end of the prior reporting month. Principal Amount = \$0.00	Actual UPB = Actual UPB reported as of the end of the prior reporting month. Principal Amount = Prior Month Scheduled UPB + Principal Forbearance Amount

(Note: Actual UPB = UPB Reported to Fannie Mae as of the end of the prior reporting month, not including principal forbearance)

The [Reporting the Principal Amount for Modified Mortgage Loans with Principal Forbearance](#) document provides additional detail on the requirements related to reporting modified mortgage loans with principal forbearance.

Contact Information on Third-Party Servicers for HomeSaver Advance Notes

Fannie Mae has transferred the servicing responsibility for HSA notes to three third-party servicers. Borrowers with HSA notes have been notified of the transfer by the respective third-party servicer. In the event the borrower or servicer of the first-lien mortgage loan needs information relating to an HSA note (such as where to send a payment), the servicer should forward a request for that information to HSA_mailbox@fanniemae.com.

The *Servicing Guide* (in Part VI, Section 102.05: Additional Servicer Responsibilities Related to a HomeSaver Advance Note) requires servicers of first-lien mortgage loans to have the ability to identify whether a borrower has an HSA note and to reference the HSA note in any payoff statement for the first-lien mortgage loan.

As a reminder, servicers of a first-lien mortgage loan with an HSA note must communicate the following to the borrower in the payoff statement:

- that the HSA note is due and payable in full in the event of a sale or transfer of ownership of the property,
- that payoff of the HSA note is not required to release the first-lien mortgage loan, and
- that the HSA note must continue to be paid in the event of a refinance.

In addition, the first-lien servicer must promptly redirect any HSA note payments it receives to the third-party servicer (or other party designated by Fannie Mae).

Servicers should contact their Servicing Consultant, Portfolio Manager, or Fannie Mae's National Servicing Organization's Servicing Solutions Center at 1-888-FANNIE5 (1-888-326-6435) with any questions regarding this Announcement.

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