

Software Subscription Agreement

AUTOMATED PROPERTY SERVICE Schedule

Terms and Conditions

LICENSED APPLICATION/ADDITIONAL TERMS

1. **Licensed Application.** The Automated Property Service (the “Licensed Application”) enables users, upon inputting a limited set of data, to obtain a predicted value and confidence score for the subject property. All use by Licensee of the Licensed Application in connection with loan modifications, Mortgage Releases (as defined in the Fannie Mae Servicing Guide) and mortgage insurance terminations is governed by the Master Terms and Conditions of the Software Subscription Agreement and this Schedule (together, the “Agreement”).
2. **Authorized Users.** For purposes of this Schedule, “Authorized Users” shall include any individual who: (a) is an independent contractor, (b) is actively providing services to Licensee and (c) has registered through Fannie Mae’s user registration process relating to the Licensed Application. Licensee acknowledges and agrees that actions of Authorized Users shall be deemed to be actions of Licensee.
3. **Restrictions on Use.** The following restrictions are in addition to the restrictions on use in the section of the Agreement entitled "Restrictions on Use; Audit Rights":
 - A. Licensee may only use the Licensed Application: (1) to obtain a predicted value (with a confidence score) and use such predicted value to evaluate the loan for eligibility for a Fannie Mae loan modification; (2) to obtain a predicted value (with a confidence score) and use such predicted value in accordance with the provisions of the Fannie Mae Servicing Guide relating to Mortgage Release (as defined in the Fannie Mae Servicing Guide), and (3) to determine whether the predicted current value of a property secured by a loan owned or securitized by Fannie Mae is at least equal to the original value of the property for purposes of borrower-requested mortgage insurance terminations.
 - B. Licensee shall not access the fieldwork recommendation or prior sales history functionality of the Licensed Application.
 - C. Licensee shall not use the Licensed Application or the predicted value or confidence score for any purpose other than as explicitly permitted in this Schedule. Licensee specifically may not use the Licensed Application or its predicted value or confidence score (a) to solicit non-Licensee mortgages, (b) as the basis for any property value submitted to Desktop Underwriter or (c) as the basis for a value to be reported to Fannie Mae in the Loan Schedule or Schedule of Mortgages other than in connection with a Fannie Mae loan modification.
4. **Not An Appraisal; Unauthorized Representations.** The predicted value generated by the Licensed Application is produced by an automated valuation model, and is not an appraisal or the work product of a state-licensed or state-certified appraiser. Licensee acknowledges that the section of the Agreement entitled “Unauthorized Representations” prohibits Licensee from making any representations to any third parties, including but not limited to the respective borrowers, that Fannie Mae has performed any kind of a property review, appraisal or valuation of the property that is the subject property of the Licensed Application. Licensee's use of the Licensed Application to obtain a predicted value (and confidence score) for use in accordance with this Schedule does not relieve Licensee of any representations and warranties regarding property value, if any, made at the time the loan that the property secures is sold to Fannie Mae.

5. **Disclaimer of Warranty and Assumption of Risk.** In addition to the warranties specifically disclaimed by Fannie Mae in the section of the Agreement entitled “Disclaimer,” Fannie Mae also specifically does not warrant that any predicted value generated by the Licensed Application represents the actual value of the subject property.
6. **Compliance With Law.** Laws and regulations regarding the use of appraisals and automated valuation models may vary, including without limitation based on the location of the property and Licensee’s licensing within that jurisdiction. As stated in the Agreement, Licensee is responsible for compliance with all federal, state and local laws, rules and regulations applicable to its use of the Licensed Application.
7. **Termination.** Notwithstanding any provision to the contrary in the Agreement, Fannie Mae may terminate this Schedule upon thirty (30) days’ written notice to Licensee, with or without cause. In addition to the foregoing, Fannie Mae may terminate this Schedule immediately upon notice to Licensee if Fannie Mae reasonably believes, in its sole discretion, that Licensee has breached Sections 3(C), 4 and 6 of this Schedule.
8. **Indemnification.** The subsection of Section 3 entitled “Additional Provisions” and Section A8 of Appendix A, entitled “Indemnification,” shall be expanded to also provide indemnification in the event of any breach of Sections 3, 4, 6 or 11 of this Schedule.
9. **Charges.** There are no charges for Licensee’s use of the Licensed Application in accordance with this Schedule. Nothing set forth in this Schedule shall limit or waive the obligation of Licensee to pay any other charges due Fannie Mae or third parties
10. **Survival.** Any provisions of this Schedule that contemplate their continuing effectiveness, including, without limitation, Sections 4, 5, 6 and 8 of this Schedule, shall survive any termination of this Schedule.
11. **ECOA Compliance; Batch Submission Process.** If Licensee has determined that it is required by the Equal Credit Opportunity Act (ECOA) to provide the borrower a copy of certain property valuation information Licensee has obtained using the batch submission process, Licensee must not copy or otherwise provide the entire batch response file to the borrower. Instead, Licensee must provide the borrower a document (the “Valuation Disclosure”) that contains the following information extracted from the batch response file: the standardized address, predicted value, confidence score and response date/timestamp. The Valuation Disclosure must also include the following language:

Note: The confidence score reflects the property valuation model’s confidence in the accuracy of the estimated value. The more data points the model has related to the particular property and neighborhood, the better the confidence score. Confidence scores range from 1-5, with 1 being the most confident.

This estimate of value was developed by an automated valuation model that was made available to your servicer by Fannie Mae. This estimate of value is not the result of an appraisal, nor was it developed by a state licensed or certified appraiser. Fannie Mae makes no representations or warranties, express or implied, regarding the property, the condition of the property, or the estimated value of the property. This estimate is intended to be used solely by the servicer. The servicer may or may not have used this estimated property value to make a credit decision. If you have concerns with this valuation, please talk to your servicer about your options, which include asking your servicer to order an appraisal.

Licensee may include other information in the Valuation Disclosure (as long as such additional information was not extracted from the batch response file).

