Payment Deferral, COVID-19 Payment Deferral, and Disaster Payment Deferral

Use this resource to learn more about and use the COVID-19 payment deferral, disaster payment deferral, and Payment Deferral options.

1. Communicate with the homeowner
   Provide information to your homeowners about payment options. Ask questions to understand their situation. If the homeowner’s hardship is related to COVID-19, a COVID-19 payment deferral may be an option. If the hardship is related to a disaster, a disaster payment deferral may be an option. If neither of those situations apply, Fannie Mae also has the Payment Deferral option.
   - COVID-19 Forbearance Script for Servicer Use with Homeowners
   - COVID-19 Post-Forbearance Options Script for Servicer Use with Homeowners (requires Fannie Mae Connect™ credentials)

2. Evaluate homeowner and communication decision with homeowner
   Use applicable Fannie Mae servicing solutions system, like Servicing Management Default Underwriter™ (SMDU™) or HomeSaver Solutions Network (HSSN), to evaluate homeowner and/or request Fannie Mae review. When eligible, confirm homeowner accepts the workout.
   New to SMDU? Start with the SMDU Registration page. Visit the SMDU Learning Center page for SMDU tools and resources.
   If you’re using HSSN, visit the HSSN Job Aids page for resources.

3. Report monthly contractual payments via Loan Activity Report (LAR)
   Report all required monthly contractual payments prior to the Workout Effective Date at least one day prior to reporting a COVID-19 payment deferral, disaster payment deferral, or a Payment Deferral option.
   - Master Servicing Operations FAQ
   - Lender Letter (LL-2020-05) Payment Deferral (see page 7)
   - Lender Letter (LL-2020-07) COVID-19 Payment Deferral (see page 11)
   - Lender Letter (LL-2020-11) Disaster Payment Deferral (see pages 7, 12, and 13);
     also detailed in the Servicing Guide, Section D2-3.2-06

4. Report workout to Fannie Mae
   Complete the COVID-19 payment deferral, disaster payment deferral, or Payment Deferral option, as applicable, by reporting the case via Fannie Mae’s servicing solutions system.
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   If you’re using HSSN, visit the HSSN Job Aids page for resources.

5. Continue required loan reporting
   Follow reporting guidelines as stated in the Fannie Mae Servicing Guide.
   - Servicing Guide Section C-4.3-01 and Section F-1-22
   - Master Servicing Operations FAQ

Additional Resources

Wondering about the differences between COVID-19 payment deferral, disaster payment deferral, and Payment Deferral? Click here for our payment deferral matrix.

Get more COVID-19 information for servicers, including COVID-19 payment deferral information, Lender Letters, and more.

Questions? Contact your Fannie Mae representative.