

# Payment Deferral and COVID-19 Payment Deferral Process

Use this resource to learn more about and use the COVID-19 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 not, Fannie Mae has a 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 payment deferral to Fannie Mae, whether a COVID-19 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)

## 4 Report workout to Fannie Mae

Complete the COVID-19 payment deferral or Payment Deferral option, as applicable, by reporting the case via Fannie Mae's servicing solutions system.

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## 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 and Payment Deferral? Click here for our [payment deferral matrix](#).

Get more [COVID-19 information for servicers](#), including COVID-19 payment deferral and Payment Deferral information, Lender Letters, and more.

Questions? Contact your Fannie Mae representative.