

Master Servicing Release Notes

June 01, 2022

Effective June 3, 2022, the Fannie Mae Master Servicing Platform will implement changes to support policy updates announced in [Lender Letter LL-2021-12 Advance Notice of Changes to Master Servicing Processes and Systems](#), published on June 16, 2021.

Fannie Mae, in alignment with Freddie Mac, is affirming the requirement to restrict drafting of guaranty fees to four months of delinquency. This change applies to all Scheduled/Scheduled (S/S) remittance type mortgage loans in SWAP MBS pools that are four months delinquent regardless of whether Fannie Mae or the servicer bears the foreclosure loss risk. This change does not apply to Long Term Standby Commitment (LTSC) mortgage loans.

The following updates are included in this release:

- Updates to Fannie Mae Investor Reporting System
- Updates to the Loan Servicing Data Utility (LSDU)
- Updates to Fannie Mae Connect Reports
- Additional Helpful Resources

Updates to the Fannie Mae Investor Reporting System

“Guaranty Fee Relief” is a new Fannie Mae investor reporting process that restricts drafting of guaranty fee following four months of borrower delinquency. The table below outlines the eligibility criteria for Guaranty Fee Relief process:

Table 1. Eligibility Criteria for Guaranty Fee Relief Process

Sale Type	SWAP MBS Mortgage Loans	PFP MBS Mortgage Loans	LTSC Mortgage Loans
Foreclosure Loss (FCL) Risk Type	Loans w/ FCL Risk Codes 1,2,3, 4	Loans w/ FCL Risk Codes 1,2,3, 4	Loans w/ FCL Risk Codes 1,2,3, 4
Guaranty Fee Relief	Eligible	Not Applicable	Not Applicable

With this change, for all eligible mortgage loans that have become 120+ days delinquent in the prior loan reporting cycle, Fannie Mae will place the mortgage loan in a Guaranty Fee Relief Process by establishing the Loan Guaranty Fee Status and Loan Guaranty Fee Relief Activity Start Date reflecting the start of the Guaranty Fee Relief Process. Fannie Mae will record a compensating guaranty fee credit adjustment (Loan Guaranty Fee Relief Credit) in its Investor Reporting System and adjust the guaranty fee draft to zero. As a result, no guaranty fee will be drafted from servicers in the subsequent guaranty fee draft period.

Fannie Mae will provide servicers with the following attributes:

- Loan Guaranty Fee Draft Status- A status indicating that an eligible remittance type mortgage loan is in the Guaranty Fee Relief Process
- Loan Guaranty Fee Relief Activity Start Date - The first day of the activity period that Fannie Mae will stop drafting guaranty fee from servicers
- Loan Guaranty Fee Relief Credit Amount - An adjustment made by Fannie Mae to indicate an offset of Guaranty Fee amount on an eligible mortgage loan under the Guaranty Fee Relief Process
- Loan Outstanding Guaranty Fee Receivable Amount - The total Fannie Mae outstanding Guaranty Fee receivable amount during the Guaranty Fee Relief Process

Reference [Fannie Mae Process Requirements](#) for more details on reporting changes.



Updates to the LSDU

With this release, servicers will be able to view the Gfee Summary Adjustment amounts within the Scheduled/Scheduled (S/S) *Summary Cash Position* feature when a Draft Type of Guaranty Fee is present. Users can select the *Adjustment Amount* hyperlink to download the following attributes in a csv formatted file:

- Servicer Number
- Loan Activity Reporting Period
- Fannie Mae Loan Number
- Servicer Loan ID
- Remittance Type
- Adjustment Type
- Adjustment Amount
- Processing Date
- Submitter Comments
- Guaranty Fee Relief Draft Period

Servicers will be able to view the Gfee Summary Draft amounts within the Scheduled/Scheduled (S/S) *Summary Cash Position* feature when a Draft Type of Guaranty Fee is present. Users can select the *Draft Amount* hyperlink to download the following attributes in a csv formatted file:

- Servicer Number
- Fannie Mae Loan Number
- Servicer Loan ID
- Pool Number
- Contract Number
- Unpaid Principal Balance
- Loan Guaranty Fee Rate
- Loan Guaranty Fee Amount
- LPI Date
- Guaranty Fee Draft Status
- Guaranty Fee Relief Activity Start Date
- Guaranty Fee Relief Adjusted Activity Start Date
- Guaranty Fee Relief Expiration Date
- Outstanding Guaranty Fee Receivable Amount
- Guaranty Fee Draft Date
- Loan Activity Reporting Period
- Remittance Type
- Expected Guaranty Fee Amount
- Total Guaranty Fee Delinquency Remitted Amount

Servicers will be able to view four additional Gfee Relief attributes within *the Latest Loan Position* feature. The following Gfee Relief headers have been added within the *Latest Loan Position* feature after the existing *Last Stop Advance* attribute:

- Guaranty Fee Draft Status
- Guaranty Fee Relief Activity Start Date
- Guaranty Fee Relief Adjusted Activity Start Date
- Guaranty Fee Relief Expiration Date

These new attributes will be available in the Payment (LAR 96) Exceptions Search results download in the next LSDU release.

Updates to Fannie Mae Connect

The Remittance Detail Guaranty Fee Report will be available on the third business day in Fannie Mae Connect. This report will display guaranty fee amounts as 0 for eligible S/S remittance type loans in the Guaranty Fee Relief process.

Servicers will have access to the second iteration of the MBS Guaranty Fee Draft Notifications Report on Fannie Mae Connect. The second iteration of the MBS Guaranty Fee Draft Notifications Report will include loan level pre-draft notification details for monthly guaranty fee amounts to be drafted on Single Family S/S MBS loans. The second iteration of the report will be available on the third business day in Fannie Mae Connect and will reflect the guaranty fee amount to be drafted at the 9-digit seller/servicer number level.

NOTE: Due to the transition, Fannie Mae end of cycle reports will be available by 11 a.m. eastern time on June 3, 2022

Servicers will have access to the third iteration of the **[MBS Guaranty Fee Draft Notifications Report](#)** on Fannie Mae Connect. The third iteration of the MBS Guaranty Fee Draft Notifications Report will include the draft notification section with guaranty fee amounts to be drafted at the summary level for Single Family S/S MBS loans. The draft notification section will be available on the



sixth calendar day in Fannie Mae Connect and will reflect the guaranty fee amount to be drafted at the 9-digit seller/servicer number level.

Remittance Detail Guaranty Fee Report is updated to include 11 additional columns

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
Servicer Number	Fannie Mae Loan Number	Servicer Loan ID	Pool Number	Contract Number	Unpaid Principal Balance	Loan Guaranty Fee Rate	Loan Guaranty Fee Amount	LPI Date	Guaranty Fee Draft Status	Guaranty Fee Relief Activity Start Date	Guaranty Fee Relief Adjusted Activity Start Date	Guaranty Fee Relief Expiration Date	Outstanding Guaranty Fee Receivable Amount	Guaranty Fee Draft Date	Loan Activity Reporting Period	Remittance Type	Expected Guaranty Fee Amount	Total Guaranty Fee Delinquency Remitted Amount
						0.625	0	9/1/2021	Not Due	2/1/2022	2/1/2022		248.75	3/7/2022	Feb-22	Scheduled Interest / Scheduled Principal	248.75	999.08
						0.625	0	7/1/2021	Not Due	2/1/2022	2/1/2022		154.73	3/7/2022	Feb-22	Scheduled Interest / Scheduled Principal	154.73	934.21
						0.69	0	8/1/2021	Not Due	2/1/2022	2/1/2022		136.36	3/7/2022	Feb-22	Scheduled Interest / Scheduled Principal	136.36	685.35
						0.625	0	8/1/2021	Not Due	2/1/2022	2/1/2022		187.3	3/7/2022	Feb-22	Scheduled Interest / Scheduled Principal	187.3	941.14
						0.375	0	9/1/2021	Not Due	2/1/2022	2/1/2022		81.19	3/7/2022	Feb-22	Scheduled Interest / Scheduled Principal	81.19	326.29
						0.69	0	6/1/2021	Not Due	2/1/2022	2/1/2022		186.25	3/7/2022	Feb-22	Scheduled Interest / Scheduled Principal	186.25	1313.79
						0.5	0	6/1/2021	Not Due	2/1/2022	2/1/2022		108.66	3/7/2022	Feb-22	Scheduled Interest / Scheduled Principal	108.66	765.75
						0.69	0	9/1/2021	Not Due	2/1/2022	2/1/2022		130.72	3/7/2022	Feb-22	Scheduled Interest / Scheduled Principal	130.72	525.13
						0.375	0	8/1/2021	Not Due	2/1/2022	2/1/2022		37.27	3/7/2022	Feb-22	Scheduled Interest / Scheduled Principal	37.27	187.4
						0.625	0	2/1/2022				2/28/2022	0	3/7/2022	Feb-22	Scheduled Interest / Scheduled Principal	181.62	0
						0.69	0	6/1/2021	Not Due	2/1/2022	2/1/2022		162.79	3/7/2022	Feb-22	Scheduled Interest / Scheduled Principal	162.79	1147.42

The report now includes the following 11 additional columns

- LPI Date
- Guaranty Fee Draft Status
- Guaranty Fee Relief Activity Start Date
- Guaranty Fee Relief Adjusted Activity Start Date
- Guaranty Fee Relief Expiration Date
- Outstanding Guaranty Fee Receivable Amount
- Guaranty Fee Draft Date
- Loan Activity Reporting Period
- Remittance Type
- Expected Guaranty Fee Amount
- Total Guaranty Fee Delinquency Remitted Amount

Additional Helpful Resources

For more information about this release, please email Future of Servicing or contact Master Servicing at 1-800-2- FANNIE (Option 1, Option 6).

Other helpful resources:

- [Master Servicing Simplification Webpage](#)
- [Guaranty Fee Relief FAQs](#)
- [Master Servicing Transition Guide](#)
- [Process requirements document](#)