

# Servicing Guide Announcement (SVC-2022-04)

June 8, 2022

The *Servicing Guide* has been updated to include changes to the following:

- [Liquidation-related property valuations](#)\*: transitions the process for ordering liquidation-related property valuations to Servicing Management Default Underwriter™ (SMDU) and consolidates all servicer valuation orders into a single platform
- [Miscellaneous updates](#)\*:
  - incorporates the clarifications related to performing an escrow analysis in connection with a payment deferral or Fannie Mae Flex Modification as previously communicated,
  - updates the web-based application that allows for processing servicer expense reimbursement claims, and
  - clarifies the definition of a group home

View the list of [impacted topics](#).

\*Policy change not applicable to reverse mortgage loans.

## Liquidation-related property valuations

Servicers currently use the Valuation Management System (VMS) application to order a property valuation for a short sale, Mortgage Release™, charge-off, and reserve price bid instructions. We are now streamlining and improving the process for ordering and obtaining liquidation-related property valuations by transitioning these activities to SMDU. We have taken previous steps to move other valuation orders to SMDU, and with this change all servicer valuation orders are now consolidated into a single platform.

**Effective:** Servicers are encouraged to implement this policy change beginning June 20, 2022, but must do so by Sep. 1, 2022. For any property valuation orders the servicer requests through VMS prior to Sep. 1, 2022 and that are not yet completed as of that date, the servicer must continue to manage the order in VMS until the results are available in SMDU.

## Miscellaneous updates

**Incorporation of clarifications related to performing an escrow analysis**\*. We updated the Guide to incorporate clarifications of the repayment period for an escrow shortage identified in the next annual escrow analysis after a Fannie Mae Flex Modification or disaster payment deferral, as communicated in [LL-2021-07](#), *COVID-19 Payment Deferral and Fannie Mae Flex Modification for COVID-10 Impacted Borrowers*.

**Effective:** These policy clarifications are effective immediately.

**Servicer expense reimbursement claims.** We updated the Guide and the [Reverse Mortgage Loan Servicing Manual](#) to reflect the transition of LoanSphere Invoicing™ to Property 360™ for the processing of all servicer expense reimbursement claims.

**Group home definition**\*. *Selling Guide* Announcement [SEL-2022-05](#) updated the definition of a group home to clarify it is a residential structure that is or will be occupied by persons with disabilities irrespective of familial relationship. We updated the *Servicing Guide* to provide this same clarification.

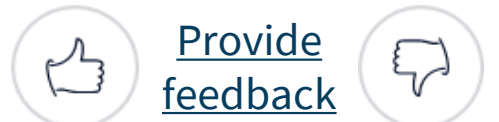


See the *Servicing Guide* for details about these updates.

Servicers who have questions about this Announcement should contact their Fannie Mae Account Team, Portfolio Manager, or Fannie Mae's Single-Family Servicer Support Center at 1-800-2FANNIE (1-800-232-6643).

Have *Guide* questions? Get answers to all your policy questions, straight from the source. [Ask Poli](#).

**Let your voice be heard!** We want your feedback on our policy communications to help us improve the clarity of new and updated policy and understand any implications to borrowers. Click below to take a short survey regarding this Announcement.





## Impacted Topics

| Section of the Announcement  | Updated <i>Servicing Guide</i> Topics and Related Documents (Dated June 8, 2022)   |
|--|--|
| <b>Liquidation-related property valuations</b>                         | <ul style="list-style-type: none"><li>▪ <a href="#">E-3.3-05: Issuing Bidding Instructions</a></li><li>▪ <a href="#">F-1-13: Processing a Fannie Mae Mortgage Release (Deed-In-Lieu of Foreclosure)</a></li><li>▪ <a href="#">F-1-14: Processing a Fannie Mae Short Sale</a></li><li>▪ <a href="#">F-1-24: Requesting Fannie Mae’s Approval via Fannie Mae’s Servicing Solutions System</a></li><li>▪ <a href="#">F-3-06: Acronyms and Glossary of Defined Terms: F</a></li><li>▪ <a href="#">F-4-01: References to Fannie Mae’s Website</a></li></ul> |
| <b>Incorporation of clarifications related to performing an escrow</b> | <ul style="list-style-type: none"><li>▪ <a href="#">B-1-01, Administering an Escrow Account and Paying Expenses</a></li><li>▪ <a href="#">D2-3.2-06, Disaster Payment Deferral</a></li></ul>   |
| <b>Servicer expense reimbursement claims</b>                           | <ul style="list-style-type: none"><li>▪ <a href="#">F-4-02, List of Contacts</a></li><li>▪ <a href="#">Reverse Mortgage Loan Servicing Manual</a><ul style="list-style-type: none"><li>○ 2-06, Submitting Expense Reimbursement Claims</li><li>○ 3-01, Disbursing Payments to Borrowers</li><li>○ 5-04, Property Management</li><li>○ 7-01, Glossary</li></ul></li></ul>   |
| <b>Group home definition</b>   | <ul style="list-style-type: none"><li>▪ <a href="#">F-3-07, Acronyms and Glossary of Defined Terms: G</a></li></ul>  |