

## Seller/Servicer Eligibility Reminder

As we face uncertainty in the market environment, it is more important than ever for our seller/servicers to keep in touch with Fannie Mae. Seller/servicers are responsible for complying with all requirements in the *Selling* and *Servicing Guides*. Below is a compilation of some of our requirements. If the policies in this document conflict with the *Selling* and/or *Servicing Guide(s)*, seller/servicers are responsible for complying with the requirements in the *Guides*.

### Anticipating or experiencing an organizational change

- Seller/servicers must notify Fannie Mae in writing of proposed major organizational changes as listed in [Selling Guide A4-1-03](#).
- Notify Fannie Mae at **least 60 days in advance** of proposed major organizational changes by emailing [organization\\_change@fanniemae.com](mailto:organization_change@fanniemae.com) (or using the [online form](#))
- Organizational changes may include, but are not limited to, mergers, acquisitions, reorganizations, substantial changes in ownership, changes in senior management, legal name changes, charter conversions, or sale of all or substantially all of a seller/servicer's assets, or purchase of substantially all of another Fannie Mae approved seller/servicer's assets.
- Notification should include copies of any filings with, or approvals from, the seller/servicer's state or other regulatory authority (as applicable).
- [Form 582](#) should be updated to reflect any changes in senior management that would impact the roles and contacts previously listed.

### Anticipating or experiencing a breach of Fannie Mae's seller/servicer eligibility requirements

- Seller/servicers must comply with the **minimum financial requirements** and additional financial requirements as detailed in the [Selling Guide A4-1-01](#).
  - These financial requirements include minimum net worth, minimum capital, and minimum liquidity. Moreover, if a seller/servicer experiences a material decline in lender adjusted net worth, a decline in profitability, or a default under various obligations, Fannie Mae is entitled to declare a breach of the Lender Contract.
  - Seller/servicers should be especially mindful of the requirements measured by percentage decline, as they commonly are breached in adverse market environments.
- Notify Fannie Mae of any anticipated breaches to seller/servicer eligibility requirements as soon as possible by emailing your assigned account team.

### Anticipating a late submission of required reporting

- Mortgage bankers are required to submit the [Mortgage Bankers' Financial Reporting Form \(MBFRF\) \(Form 1002\)](#) four times per year, subsequent to the end of each calendar quarter.
  - Mortgage bankers must submit the form **no later than 30 days after the end of the reporting period** for the March 31, June 30, or September 30 reports.
  - **December 31 year-end reports must be submitted within 60 days** after the end of the reporting period.
- A seller/servicer must submit annual audited financial statements and the *Authorization for Verification of Credit and Business References* ([Form 1001](#)) along with submission of the Form 582 Lender Record Information **within 90 days after the end of the seller/servicer's fiscal year**.
- If you anticipate breaching these time frames by delivering a late submission of the quarterly MBFRF for any reason, notify Fannie Mae as soon as possible by emailing your assigned account team.
- If you anticipate breaching these time frames by delivering a late submission of the audited financial statements, notify Fannie Mae as soon as possible by emailing [audited\\_financial@fanniemae.com](mailto:audited_financial@fanniemae.com).



## Anticipating or experiencing other significant changes or pending legal/regulatory actions

- Seller/servicers must update the [Form 582](#) throughout the year when changes occur in their organization, including but not limited to: changes in insurance policies, pending actions, changes in assigned roles and organizational contacts.
- Seller/servicers are required to update the Form 582 and notify Fannie Mae by emailing [organization\\_change@fanniemae.com](mailto:organization_change@fanniemae.com) (or using the [online form](#)) within five business days of the occurrence of any of the following:
  - any actions pending, starting, or to the seller/servicer's knowledge, threatened against or involving the seller/servicer that could reasonably be expected to have a material adverse effect on the seller/servicer's ability to comply with provisions of the Lender Contract, its financial status, servicing operations, or mortgage operations;
  - any material and adverse change in the circumstances and qualifications that were in place for Fannie Mae's consideration at the later of:
    - the time of the seller/servicer's approval in accordance with A4-1-01, Maintaining Seller/Servicer Eligibility, or
    - Fannie Mae's most recent selling operational or servicing quality review; and
  - any change, event, or circumstance that has or could reasonably be expected to have a material adverse effect on the lender's origination of loans, the servicing of Fannie Mae loans, or on the financial or business condition or operations of the seller/servicer, or the ability to comply with the Lender Contract.

**If you are unsure whether an event or change needs to be reported to Fannie Mae, contact your account team. When in doubt, reach out!**

## Resources

[Selling Guide A4-1-02](#)

[Form 582, Lender Record Information](#)

[Mortgage Bankers Financial Reporting Form](#)

[Report Organizational Change to Fannie Mae](#) (online form to organization change mailbox)