

AUTOMATED PROPERTY SERVICE BULLETIN

This Bulletin is issued in accordance with the section of the Fannie Mae Software Subscription Agreement (the “Agreement”) entitled “Issued Bulletins; Amendment,” and contains amendments to the Automated Property Service Schedule thereto (the “APS Schedule”). All terms defined in the Agreement or the APS Schedule and not otherwise defined herein shall have the meaning set forth in the Agreement or the APS Schedule, as the case may be.

AMENDMENTS TO SCHEDULE

1. The APS Schedule “Reporting of Casefile ID” section is amended to read as follows:
 3. Reporting of APS Casefile ID. For a mortgage loan to be eligible for delivery to Fannie Mae, Licensee must report the APS casefile ID on the Loan Schedule or Schedule of Mortgages, as appropriate, if the mortgage loan was processed with the Licensed Software.

2. The APS Schedule “Waiver” section is amended to read as follows:

In addition to the applicable provisions of the Automated Property Service User Guide, the following terms and conditions shall apply for each eligible mortgage loan processed via the Licensed Software and delivered to Fannie Mae, if Licensee elects to waive the requirement to perform an exterior-only property inspection (Fannie Mae Form 2075 - Desktop Underwriter Property Inspection Report):

- a. The lender that delivers the mortgage loan to Fannie Mae (the “Delivering Lender”) is not required to make any representation or warranty as to property value, marketability, or condition with respect to any such mortgage loan;
- b. Notwithstanding the above, the Delivering Lender represents and warrants that all of the information and data submitted to the Licensed Software are complete and accurate;
- c. The Delivering Lender agrees to enter Special Feature Code 357 and the APS casefile ID on the Loan Schedule or Schedule of Mortgages, as appropriate, and pay Fannie Mae the Property Inspection Waiver charge. Fannie Mae will only consider the mortgage loan for the waiver of the Form 2075 if it is properly coded; and
- d. The mortgage loan must meet the standard documentation requirements, as specified in Part X, Chapter 1 of the Fannie Mae Selling Guide.

3. The APS Schedule is also amended by inserting the following as Section 8:
 8. Mortgage Loan Sales. A mortgage loan for which the Property Inspection Waiver has been elected by Licensee could be sold to Fannie Mae by a Delivering Lender that is not the Licensee. Such Delivering Lender may benefit from the election of the Property Inspection Waiver, provided that i) the Delivering Lender and the mortgage loan satisfy the applicable requirements specified in the APS Schedule, as amended by this Bulletin, and ii) the Delivering Lender, if not a Licensee at loan delivery, becomes licensed to use the Automated Property Service and/or Desktop Underwriter® and the DU Property Inspection Waiver Service upon request by Fannie Mae. Accordingly, any time such loan is sold to another lender, the transferor lender must apprise the transferee lender of the content of the APS Schedule and this Bulletin and include a copy in the applicable loan file that is transferred to such transferee lender.
4. The APS Schedule is also amended by inserting the following as Section 9:
 9. Termination. Notwithstanding any provision to the contrary in the Agreement, Fannie Mae may terminate this Schedule upon thirty (30) days' written notice to Licensee, with or without cause.
5. The sections following the new Sections 8 and 9 are renumbered accordingly; and the reference to Sections 5 and 7 in the section entitled "Survival" is changed to Sections 5, 7, 8, 10 and 11.
6. The section entitled "Property Inspection Waiver Charge," which appears either in Part II Pricing or the Rate Sheet of Licensee's APS Schedule, is replaced in its entirety by the following:

Property Inspection Waiver Charge. There is a \$50.00 charge imposed on the Delivering Lender for each property for which Licensee elects to waive the Fannie Mae Form 2075 requirement, and the related mortgage loan is delivered to Fannie Mae. The Delivering Lender must enter Special Feature Code 357 and the APS casefile ID on the Loan Schedule or Schedule of Mortgage, as appropriate. For loans delivered for MBS, the Delivering Lender must establish a bank account from which Fannie Mae can draft the Property Inspection Waiver charge in accordance with the requirements of the Selling Guide, as amended from time to time. For loans delivered pursuant to a cash commitment, the Property Inspection Waiver charge will be netted from the purchase price upon delivery. This charge is in addition to any other charges imposed in connection with the use of the Licensed Software and any other Fannie Mae application.

All of the terms and conditions of the Agreement and the APS Schedule shall continue in full force and effect as modified herein. In the event of any inconsistency between or among the provisions contained in the Agreement or the APS Schedule and this Bulletin, the provisions of this Bulletin shall govern.