

DESKTOP UNDERWRITER® 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 PIW Addendum (the "PIW Addendum") to the Desktop Underwriter Schedule thereto (the "DU Schedule"). All terms defined in the Agreement or the DU Schedule and not otherwise defined herein shall have the meaning set forth in the Agreement or the DU Schedule, as the case may be.

AMENDMENT TO PIW ADDENDUM

The PIW Addendum is hereby replaced with the attached addendum, which is entitled "DU Property Inspection Waiver (PIW) Service -- Additional Terms and Conditions", and is also referred to as the "new PIW Addendum."

The primary differences between the former PIW Addendum and the new PIW Addendum are as follows:

- Pricing has been changed from \$50 to \$75 per exercised Property Inspection Waiver (PIW);
- Licensee may not take advantage of the PIW offer if Licensee has reason to believe fieldwork is warranted, based on additional information Licensee has about the property or subsequent events such as a hurricane, or based on additional information that DU provides to Licensee in a message accompanying the PIW offer;
- Licensee may only exercise a PIW offer if the final submission to DU resulted in a PIW offer;
- Licensee may not adversely select against Fannie Mae in determining which PIW offers to accept; and
- Licensee is reminded that it is responsible for compliance with all federal, state and local laws, rules and regulations applicable to its use of the PIW Service, as stated in the Agreement and the DU Schedule.

All of the terms and conditions of the Agreement and the DU 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 DU Schedule and this Bulletin, the provisions of this Bulletin shall govern.

ADDENDUM 2008-PIW

DU Property Inspection Waiver (PIW) Service -- Additional Terms and Conditions

The parties acknowledge and agree that the Licensed Software, as licensed under this Addendum, includes the Desktop Underwriter Property Inspection Waiver Service (the “PIW Service”), which allows Licensee to affirmatively elect to waive the Fannie Mae fieldwork requirement if such waiver is permitted by the Licensed Software for the casefile in question. In addition to (and not in limitation of) the terms and conditions set forth in the Desktop Underwriter Schedule (the “DU Schedule”) to the Fannie Mae Software Subscription Agreement (the “Agreement”), the following terms and conditions shall apply with respect to Licensee’s use of the PIW Service:

PART I: LICENSED SOFTWARE ADDITIONAL TERMS

1. Waiver. In addition to the waiver terms and conditions referred to in the section of the DU Schedule entitled “Limited Waiver of Representation and Warranties,” the following terms and conditions shall apply for each eligible mortgage loan processed via the Licensed Software and delivered to Fannie Mae, if Licensee exercises the PIW offer to not perform the fieldwork otherwise recommended by DU:
 - 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. Licensee may only exercise a Property Inspection Waiver offer and be relieved of the requirement to make representations and warranties with respect to property value, marketability and condition if the final submission of the loan to DU resulted in a PIW offer. If the final submission of the loan to DU did not result in an PIW offer, Fannie Mae may require Licensee to repurchase any loan Licensee delivers to Fannie Mae with a Property Inspection Waiver Special Feature Code, regardless of the fact that an earlier submission of the loan to DU may have produced a Property Inspection Waiver offer;
 - d. In order to exercise a Property Inspection Waiver offer, the Delivering Lender must enter the casefile ID and Special Feature Code 357, and pay Fannie Mae the Property Inspection Waiver fee.
 - e. The mortgage loan must meet the standard documentation requirements, as specified in the Selling Guide and the Fannie Mae Guide to Underwriting with Desktop Underwriter (as they may be amended);
 - f. The Property Inspection Waiver offer may not be more than four months old on the date of the note and the mortgage;

6. Termination. Notwithstanding any provision to the contrary in the Agreement or the DU Schedule, Fannie Mae may terminate this Addendum upon thirty (30) days' written notice to Licensee, with or without cause. In addition, (i) this Addendum shall terminate automatically upon termination of the DU Schedule and (ii) Fannie Mae may terminate this Addendum (without terminating the DU Schedule), effective immediately upon notice to Licensee, if any event occurs that would entitle Fannie Mae immediately to terminate the DU Schedule under the section of the Agreement entitled "Termination for Cause."
7. Indemnification. Subsection (iv) of the section of the Agreement entitled "Indemnification" shall be expanded to also provide indemnification in the event of any breach of Sections 2 and 4 of Part I of this Addendum.
8. Survival. Any provisions of this Addendum that contemplate their continuing effectiveness, including, without limitation, Sections 2-4, 6 and 7 of Part I of this Addendum, shall survive any termination of this Addendum.

PART II: PRICING

Property Inspection Waiver Fee. For all loans delivered to Fannie Mae on or after February 1, 2009, the Property Inspection Waiver fee is \$75. For loans delivered for MBS, the Delivering Lender must establish a bank account from which Fannie Mae can draft the Property Inspection Waiver fee 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 fee will be netted from the purchase price upon delivery. The Property Inspection Waiver Fee is in addition to any other charges imposed in connection with the use of the Licensed Software and any other Fannie Mae application. The Property Inspection Waiver fee is not a Loan-Level Price Adjustment (LLPA).