



Creating and Submitting a Closed Loan Modification Case – Extend Mod for Disaster Relief (*Updated 07/18/2018*)

Please note: This updated job aid replaces the job aid originally released on November 2, 2017. It has been revised to reflect a process change for creating and submitting a closed loan modification case for Extend Modification for Disaster Relief. Effective immediately, you are no longer required to enter \$0.01 in the delinquent interest field and an offset of \$0.01 in the borrower contribution field for newly created cases. Instead, you may enter \$0.00 in the delinquent interest field and \$0.00 in the borrower contribution field as described below in this job aid. We encourage you to transition to this new process immediately. If you do not transition to the new process immediately, you may refer to the old job aid for instruction until you do so.

Please also note that in accordance with this new process, on August 1 Fannie Mae will complete a one-time system adjustment for cases already in process to replace the \$0.01 in the delinquent interest field and the borrower contribution field with \$0.00.

If you are a servicer that is delegated to underwrite modifications on behalf of Fannie Mae and are submitting a Fannie Mae Extend Modification for Disaster Relief (“Fannie Mae Extend Mod”) that does not require Fannie Mae’s approval on a borrower’s Fannie Mae conventional loan, you must create and submit a closed loan modification case in the HomeSaver Solutions® Network (HSSN).

ALL servicers have permission from Fannie Mae to enter the Fannie Mae Extend Mod case as a closed case when it meets the program requirements described in [LL-2017-09](#).

You must adhere to the following when submitting a case in HSSN:

- Enter a Campaign ID.
- Place borrower on a trial period plan.

If the LAR/SURF rejects a case, requiring cancellation and resubmission of the loan modification in HSSN, you will need to resubmit the case using the appropriate Fannie Mae Modification Campaign Code.

Follow the step-by-step instructions below to create and submit a closed loan modification case.

1. Click on **Create/Submit Closed Loan Modification Case** from the menu within HSSN.

The *Create Case* screen appears.

2. Complete the *Create Case* screen as shown. Use the corresponding table below the screen shot to complete the fields.

+Fannie Mae Loan No:

Servicer Loan No:

+State: ▼

Campaign ID: ▼

Campaign IDs available:

MODSMP20170014 – Extend Mod for Disaster Relief – Delegated

MODSMP20170015 – Extend Mod for Disaster Relief – ND

MODSMP20170016 – SMDU Extend Mod for Disaster Relief



3. Click **Submit**.

The *Create Delegated Case – Loan Modification* screen appears. The *Create Delegated Case – Loan Modification* screen is divided into sections.

Data completeness and accuracy is important to ensure your case successfully moves to a closed status and accurate transmission to the accounting system known as Servicer's Reconciliation Facility (SURF).

Disregard the below field.

If this case is related to a natural or national disaster, choose from the list:

▼

4. Scroll down and complete the **Campaign Information** section as shown. Use the corresponding table and statements below the screen shot to complete the fields.

Campaign Information

Campaign ID:

+Borrower Trial Execution Date: (mm/dd/yyyy)

Property Value Amount: \$

SMDU Transaction ID:

+Servicer Initial Attestation:

1. The loan was a minimum of 31 days delinquent as of the evaluation date for the mod. 2. The loan was not greater than 360 days delinquent as of the evaluation date for the mod. 3. The borrower was less than 31 days

Extend Mod for Disaster Relief - Delegated

+Trial Payment Amount: \$

Requested Principal Forbearance Amount: \$

Property Value Source:

Trial Period Payment Information:
 The system will default 1st Trial Payment Due Date to 1st day of the month if other day is entered.

	Payment Due Date	Payment Post Date	Payment Received Amount
+1st Trial Payment	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
2nd Trial Payment	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
3rd Trial Payment	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>

Successful Completion of the Trial Period : Please note, Once "Yes" is selected, All modification fields will no longer be editable. Do not select Yes, until you are ready to close the case and have no additional changes to make on the case.

Trial Extension:

Extend Trial by One Month?

If Extending Trial, Is an Additional Payment Being Required?

If Extending Trial, Do your Documents Reflect the Extension Option?

Borrower Final Document Execution Date: (mm/dd/yyyy)

5. Enter the trial period payment details in the **Trial Period Payment Information** section by entering the following data on the applicable row:

- a. Enter the applicable payment due date in the **Payment Due Date** field. When reporting the first trial period payment, entry of the 1st trial period payment due date will auto-populate the 2nd and 3rd trial period payment due dates.



- b. In the **Payment Post Date** field(s), enter the date(s) when the payments were received.
- c. Enter the payment(s) received in the **Payment Received Amount** field(s).
- d. Select **No** from the **Successful Completion of the Trial Period** drop-down list.

Important: You must select **No** even if you are reporting the final payment of the trial period. **DO NOT** change the drop-down selection to **Yes** as you will be unable to make final edits to the modification details.

Note: When the servicer reports receipt of the third trial payment, HSSN will automatically submit a request to have the loan removed (reclassified) from the MBS pool, if applicable. The cut-off date to request reclassification is the 15th of the month. If the third trial payment is received and/or reported in HSSN between the 16th and the last day of the month, the servicer will need to extend the trial period payment by one month as reclassification from the MBS pool will not occur until the following month.

- 6. To extend the trial period by an extra month, you must answer the three questions that are below the Trial Extension section.
 - o **Extend Trial by One Month?** Answer **Yes** or **No** as appropriate.
 - o **If Extending Trial, is an Additional Payment Being Required?** Answer **Yes** or **No** as appropriate.
 - o **If Extending Trial, Do Your Documents Reflect the Extension Option?** Answer **Yes** or **No** as appropriate.
- 7. If you are reporting the final payment of the trial period, a pop-up will appear asking you to enter **Successful Completion of the Trial Period**. Click **OK** on the popup. *DO NOT change the drop-down selection to Yes as you will be unable to make final edits to the modification details.*
- 8. Enter the date on the signed modification agreement in the **Borrower Final Document Execution Date** field.
- 9. Scroll down and complete the **Recourse Information** section as shown. Use the corresponding table below the screen shot to complete the field.

+Officer Signature Date: <small>(mm/dd/yyyy)</small>	<input type="text" value="12/01/2010"/>	Reclassification Date :	<input type="text" value="08/01/2010"/>
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Field	Description
Officer Signature Date	Date the servicer's officer approved the loan modification. This date field is required if a loan was in a pool that was reclassified. If entering an officer signature date, make sure it is not before the reclassification date.



10. Scroll down and complete the **Loan Modification Terms** section as shown. Use the corresponding table below the screen shot to complete the fields.

Loan Modification Terms			
+Product Type:	Select ▼	+How will the Modification Fee be paid?	Paid By Fannie Mae ▼
+Payment Effective Date: (mm/dd/yyyy)	<input type="text"/>	Date Rate Locked: (mm/dd/yyyy)	<input type="text"/>
+Servicing Fee %:	0.2500	Excess Servicing Fee %:	
Total Monthly Income:	\$ <input type="text" value="00"/>	Total Monthly Expenses:	\$ <input type="text" value="00"/>
Total Monthly Income Type:	Net ▼	Workout Fee:	\$ <input type="text" value="00"/>
BRP Submitted Prior to Day 90:	Select ▼	+Servicer Evaluation Date: (mm/dd/yyyy)	<input type="text"/>
+Interest Rate:	<input type="text"/>	Maturity Date:	<input type="text"/>
+New Term:	<input type="text"/>	FM Calculated P&I Payment Amount:	\$ <input type="text"/>
+P&I Payment Amount:	\$ <input type="text"/>		

Field	Description
Product Type	Select "fixed."
How will the Modification Fee be paid?	System will default to "Paid by Fannie Mae".
Payment Effective Date	First payment due date for the modification.
Date Rate Locked	Field not required.
Servicing Fee %	Auto-populated with the post modification servicing fee. For modified mortgage loans closed in HSSN on or after June 18, 2011, the servicing fee will be the lower of: <ul style="list-style-type: none"> • The servicing fee received before the modification or • One-quarter of one percent (.25%).
Total Monthly Income	Field not required.
Total Monthly Expenses	Field not required.
Total Monthly Income Type	Field not required.
Workout Fee	Field will auto-populate.
BRP Submitted Prior to Day 90	Field not required.



Field	Description
Servicer Evaluation Date	<p>Non-SMDU Users: The date the Servicer completed their evaluation and made the decision to offer the workout to the borrower.</p> <p>SMDU Users: The date that corresponds with the SMDU transaction ID used to create the HSSN case for the workout. For loan modifications – this is the Transaction ID associated with the Trial Structuring call.</p>
Interest Rate	<p>The new modified interest rate must be set as follows:</p> <ul style="list-style-type: none"> • for a fixed rate mortgage loan (including an ARM or step-rate that has reached its final interest rate), maintain the current interest rate; or • for an ARM or step-rate mortgage loan that has not yet reached its final rate, set the interest rate to the lesser of the Fannie Mae Modification Interest rate, the final interest rate for the step-rate modification, or the lifetime interest rate cap for the ARM, as applicable.
New Term	Number of months of the term (the maturity date is extended in monthly increments to match the number of delinquent payments, not to exceed 12 months).
Maturity Date	Automatically calculated from the term entered.
P&I Payment Amount	For a fixed rate mortgage loan (including an ARM or step-rate that has reached its final interest rate), the P&I payment will not change. For an ARM or step-rate mortgage loan that has not yet reached its final rate, the P&I payment must reflect the interest rate determined as defined above in the “Interest Rate” field.
FM Calculated P&I Payment Amount	Automatically calculated from the term entered and should be the same amount as in the P&I Payment Amount field.

11. Scroll down and complete the **Loan Modification Calculations** section as shown. Use the corresponding table below the screen shot to complete the fields.

Loan Modification Calculations			
<u>Last UPB Reported to Fannie Mae:</u>	\$ 146,191.25	<u>Last LPI Reported to Fannie Mae:</u>	03/01/2017
<u>- Principal Owed/Received Not Yet Reported:</u>	\$ <input type="text"/>		
<u>= Current UPB (Before Capitalization):</u>	\$ 146,191.25	<u>+ Current LPI (Before Capitalization LPI):</u>	<input type="text" value="03/01/2017"/>
<u>+ Total Capitalized Amount:</u>	\$ 0.00		
Please enter Capitalized Interest items in Breakdown of Capitalized Interest	\$ 0.00 <input type="text"/>		
Please enter Capitalized Advances items in Breakdown of Capitalized Advances	\$ 0.00 <input type="text"/>		
<u>- Requested Principal Forbearance Amount:</u>	\$ <input type="text"/>		
<u>= New Modified UPB:</u>	\$ 146,191.25	<u>New Modified LPI (Capitalized Interest To Date):</u>	<input type="text"/>



Field	Description
Last UPB Reported to Fannie Mae	Corresponds to the date in the Last LPI Reported to Fannie Mae field and must match the UPB and LPI on the servicer's system. LPI is the last paid installment payment. This is not the date the last payment was received in office, but the date the last payment was applied to the loan.
Last LPI Reported to Fannie Mae	Date auto-populates and must match the UPB and LPI on the servicer's system. LPI is the last payment due that was paid.
- Principal Owed/Received Not Yet Reported	Reconciliation errors such as the principal portion of the P&I payment that was either received or reversed during the month, but not reported to SIR.
= Current UPB (Before Capitalization)	Will match your system of record, bringing it into balance with HSSN.
+Current LPI (Before Capitalization LPI)	Will match your system of record, bringing it into balance with HSSN.
+ Total Capitalized Amount	Not an entry field. It is automatically calculated from the data entered into the Breakdown of Capitalized Interest and Breakdown of Capitalized Advances fields. Click on the links to enter information to pre-fill these two fields. The Capitalization Detail section appears to allow you to enter information for both. <i>Note: The servicer is not permitted to capitalize accrued and unpaid interest or escrow advances for the Fannie Mae Extend Mod.</i>

12. For the Fannie Mae Extend Mod, you are not permitted to capitalize accrued and unpaid interest or escrow advances; this means there will be no change between the pre-mod and post-mod UPBs. You must enter \$0.00 in the delinquent interest field.



Complete the **Breakdown of Capitalized Interest** portion of the **Capitalization Detail** section as shown. Use the corresponding table below the screen shot to complete the fields. Remember to enter \$0.000 in the "Total Capitalized Delinquent Interest Field."

Capitalization Detail

Breakdown of Capitalized Interest

+From Date: <input type="text" value="03/01/2018"/>	+To Date: <input type="text"/>	Interest Owed/Recv'd Not Yet Reported:	\$ <input type="text"/>
+Delinquent Interest: (should match FM's calculated delinquent interest)	\$ <input type="text" value="0.00"/>	Fannie Mae's Calculated Delinquent Interest:	\$ <input type="text" value="0.00"/>
- Borrower/MI/Hazard Contribution to Delinquent Interest:	\$ <input type="text"/>		
= Total Capitalized Delinquent Interest:	\$ <input type="text" value="0.00"/>		

Delinquent Interest Comment

(required only when Delq. Interest out of tolerance)

Field	Description
+From Date	The date the LPI posted to the loan.
+To Date	The date prior to the due date for the 1st payment of the modification.
Interest Owed/Recv'd Not Yet Reported	Enter the interest portion of a payment received or reversed. This field is completed only if the Principal Owed/Received Not Yet Reported was completed on the <i>Enter Loan Modification Calculations</i> screen.
+Delinquent Interest	Enter \$0.00 in this field. For a calculation definition, right click on the hyperlink for Delinquent Interest.
Fannie Mae's Calculated Delinquent Interest	Pre-fills or automatically calculates based on entry for Current LPI and Modification Effective Date. <i>Note:</i> Any amount that appears should be ignored.
- Borrower/MI/Hazard Contribution to Delinquent Interest	Leave this field blank..
= Total Capitalized Delinquent Interest	Automatically calculated based on the amount entered for delinquent interest less borrower contribution. <i>Note:</i> This field should equal \$0.00.
Delinquent Interest Comment (required only when Delq. Interest out of tolerance)	Field not applicable.



13. Complete the **Breakdown of Capitalized Advances** part of the **Capitalization Detail** section as shown. Use the corresponding table below the screen shot to complete the fields.

Capitalization Detail

Breakdown of Capitalized Interest

+From Date: <input type="text" value="03/01/2018"/>	+To Date: <input type="text"/>	Interest Owed/Recv'd Not Yet Reported:	\$ <input type="text"/>
+Delinquent Interest: <small>(should match FM's calculated delinquent interest)</small>	\$ <input type="text" value="0.00"/>	Fannie Mae's Calculated Delinquent Interest:	\$ <input type="text" value="0.00"/>
- Borrower/MI/Hazard Contribution to Delinquent Interest:	\$ <input type="text"/>		
= Total Capitalized Delinquent Interest:	\$ <input type="text" value="0.00"/>		

Delinquent Interest Comment

(required only when Delq. Interest out of tolerance)

14. As stated above, the servicer must not capitalize accrued and unpaid interest or escrow arrearages for Fannie Mae Extend Mod. However, the borrower may see an increase in total monthly payment to cover disbursed escrow amounts during forbearance and/or any escrow shortage, which is spread over a repayment period not to exceed 60 months.

Field	Description
Attorney Fees/Costs	Field to remain blank.
+/- Escrow Balance Negative Escrow Balance must be entered as a positive number	Field to remain blank.
+ Other	Field to remain blank.
- Borrower/MI/Hazard Contribution to Advances	Field to remain blank
- Disbursements Forgiven	Field to remain blank.
= Total Capitalized Advances	Field will auto-calculate. Ensure the field is \$0.00 and that no amount has been capitalized.

15. Click on **Return to Capitalization Summary** to return to the worksheet in the **Loan Modification Calculations** section.

16. Complete the remaining fields in the **Loan Modification Calculations** section as shown. Use the corresponding table below the screen shot to complete the fields.



Loan Modification Calculations

Last UPB Reported to Fannie Mae:

\$ 146,191.25

Last LPI Reported to Fannie Mae:

03/01/2017

Field	Description
= New Modified UPB	The pre-mod UPB must match the post-mod UPB for the Fannie Mae Extend Mod.
New Modified LPI (Capitalized Interest to Date)	Automatically populated based on the payment effective date entered in the loan modification terms.

17. Scroll down and complete the **Recommended Contributions** section. Use the corresponding table below the screen shot to complete the fields.

Field	Description
Cash Contribution	This field is not applicable to this loan modification. Leave this field blank.
Promissory Note Amount	All fields relating to the promissory note are not applicable to loan modification. Leave this field blank.
Estimated Hazard Claim Proceeds	This field is not applicable to this loan modification. Leave this field blank.
Note Term	All fields relating to the promissory note are not applicable to loan modification. Leave these four fields blank.
First Payment Due Date	
Monthly Payment Amount	
% (Percent) to Fannie Mae	



18. Scroll down and complete the **MI Information** section as shown. Use the corresponding table below the screen shot to complete the fields.

MI Information

MI Company Name:

MI Certificate No: MI Percent Coverage:

Field	Description
MI Company Name	The three fields within the MI Information section will pre-populate if the information has been reported on SIR. The fields are blank when the loan does not have mortgage insurance.
MI Certificate No	
MI Percent Coverage	

19. Scroll down and complete the **Hardship Reason(s)** section as shown. Use the corresponding table below the screen shot to complete the fields.

Hardship Reason(s)

+Select Hardship Reasons: (At least one must be selected)

Property Problem

Select

Select

Hardship Reason Comment:

FEMA Declared Disaster Area Eligible for Individual Assistance

Field	Description
+Select Hardship Reasons (At least one must be selected)	There are 25 selections. At least one must be selected, however up to three selections can be chosen.
Hardship Reason Comment	Add any additional hardship comments.



20. Scroll down and complete the **Contact Information** section as shown. Use the corresponding table below the screen shot to complete the fields.

Contact Information			
+Servicer Contact Name:	<input type="text"/>		
+Phone:	<input type="text"/>	Extension:	<input type="text"/>
Fax:	<input type="text"/>	Email:	<input type="text"/>

Field	Description
+Servicer Contact Name	Enter name of the person entering the case or who Fannie Mae would speak with regarding the case.
+Phone	Enter phone number to reach the contact.
Extension	Enter extension for the contact, if applicable.
Fax	Enter contact's fax number.
Email	Enter contact's email address.

21. Scroll down and complete the **Servicer General Comment** section as shown. Use the corresponding table below the screen shot to complete the fields.

Servicer General Comment	
<u>Comment</u>	
<input type="text" value="Approved."/>	
<input type="button" value="Test Authority Levels"/> <input type="button" value="Submit"/> <input type="button" value="Cancel"/> <input type="button" value="Reset"/>	

Field	Description
Comment	Enter any important notes regarding the case in this section.



22. The **Step Rate Schedule** section will auto-populate with data in the Step One fields as shown. Additional data does not need to be entered when selecting 'Fixed Rate' as the loan product type in the **Loan Modification Terms** section.

Step Rate Schedule					
1. Enter a Duration (Months) to calculate the Payment Effective Date of the next step. 2. Do not enter a Duration for the Final Step of the Product Type.					
Step Number	Note Rate	Pmt. Effec. Date	Duration (Months)	P&I	FM Calculated P&I
Step One	4.270	05/01/2011		\$ 545.30	\$
Step Two				\$	\$
Step Three				\$	\$

23. Click **Submit**.

The message, "The Case has been successfully submitted and is in Trial status" appears.

If an approved message is received, it could mean that either the servicing fee is incorrect or the delinquent interest is out of tolerance.

- If a servicing fee error is received, choose **Close an Approved Case** from the Main Menu, bring up the case, and correct the servicing fee to resubmit. Contact your portfolio manager or Servicing Solutions for assistance if needed.
- If a delinquent interest error is received, Fannie Mae will review the case and make corrections before the case can move to close.

24. The **Cancel** button will take you back to the Main Menu and the **Reset** button will clear all data entered on the *Create Case* screen.

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