



From the Desk of Carlos Perez
Chief Credit Officer for Single-Family

September 18, 2018

Executive Overview of Servicing Guide Updates

Our September *Servicing Guide* update reduces servicer costs and risk, simplifies certain loan modification options, and more. These changes:

- **Transfer certain REO expenses to Fannie Mae.** To reduce servicer risk and operational costs, Fannie Mae will assume responsibility of payment for co-op fees and assessments on all properties acquired on or after Oct. 1. We'll also pay property taxes and ground rents for all properties in our REO inventory regardless of liquidation date.
- **Reduce complexity of Texas Section 50(a)(6) loans.** Servicers are no longer required to receive Fannie Mae's prior approval when modifying Texas Section 50(a)(6) loans under our Cap and Extend Modification for Disaster Relief policy when certain requirements are met. This change aligns with other mortgage loan modification options, making it easier to determine eligibility for Texas Section 50(a)(6) loan modifications.
- **Clarify servicing transfer requirements.** We're simplifying the servicing transfer process by updating Form 629, the *Request for Approval of Servicing or Subservicing Transfer*, to require servicers to include the Transferor and Transferee Document Custodian when proposing a servicing or subservicing transfer. We've also clarified our servicer requirements as they relate to transfers for eMortgage loans.

See [Announcement SVC-2018-06](#) for details of these updates and several miscellaneous Servicing Guide revisions.

I hope these changes bring even more simplicity to your business. Thank you for your partnership.

Carlos Perez