



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

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## **Executive Overview of *Servicing Guide* Updates**

The April *Servicing Guide* announcement provides updates that bring more simplicity, flexibility, and clarity to servicers. These changes:

- **Expand and simplify insurance loss proceeds requirements.** We're expanding our requirements for disbursing insurance loss proceeds to properties impacted by a disaster on or after Aug. 25, 2017. We've incorporated previously announced changes (Lender Letter [LL-2017-09R](#)) and expanded them to include any insured loss event, regardless of the cause. This change simplifies servicing by providing a single set of requirements for disbursing insurance loss proceeds.
- **Provide flexibility for evaluating property damage after a disaster.** In response to servicer feedback, we're providing more flexibility for performing property inspections after a disaster event. Servicers are no longer required to make contact attempts and perform property inspections for a mortgage loan that is current at the time of a disaster — allowing servicers to focus resources on other business needs. Servicers must comply with the *Servicing Guide* requirements if the mortgage loan becomes delinquent.
- **Update allowable foreclosure fees in certain states.** We're updating the allowable foreclosure fees paid to law firms for foreclosure services in Washington, New Hampshire, and Maine. Additionally, law firms will be compensated for all work completed prior to a foreclosure cancellation.
- **Streamline and clarify other servicing-related topics.** We're continuing our consolidation of the *Selling* and *Servicing Guides* by moving all Mortgage Electronic Registration Systems (MERS®) policies to the *Selling Guide*. All activities related to legal document execution will be managed by the Fannie Mae Single-Family Credit Portfolio Management division, and all contact references in the *Servicing Guide* have been updated accordingly. Finally, we've clarified foreclosure sale date requirements and simplified the REOgram® submission process.

See [Announcement SVC-2019-02](#) for details of these updates and several miscellaneous *Servicing Guide* revisions.

I hope these changes make it easier to do business with us. Thank you for your continued support.

Carlos Perez