



Servicing Management Default Underwriter™ (SMDU™) Release Notes for SMDU Version 7.24

July 10, 2019

During the weekend of July 20, 2019, Fannie Mae will implement SMDU Version 7.24. During this implementation SMDU **will not be available** to process transactions from 10 p.m. Eastern Daylight Time on July 19, 2019, until 12 p.m. Eastern Daylight Time on July 20, 2019. Please do not submit transactions to SMDU during this period.

The changes described in these Release Notes will override SMDU Release 7.23 Rules. Therefore, a resubmission to SMDU after the implementation of Version 7.24 may return a different result.

Updates to SMDU Evaluation Rules and Messages

Beginning with this Release:

- **Imminent Default Evaluation:** SMDU will return the following two new messages when the Hardship Reason Code (DD 150) is 31 (Unknown Uniform Borrower Assistance Form not required to be collected) in the Imminent Default Evaluation. The imminent default eligibility is not being impacted. The new messages will be returned when the imminent default evaluation already fails, however these messages will provide a specific denial reason.

FLEX Modification:

Imminent Default Initial Eligibility Criteria not met; Hardship reason provided is not in accordance with Mortgage Assistance Application. (Message 6568)

Liquidations:

Liquidation Imminent Default Initial Eligibility Criteria not met; Hardship reason provided is not in accordance with Mortgage Assistance Application. (Message 6570)

- **Repayment Plan:** SMDU is creating a new Name/Value pair, which will enable a servicer to provide the current monthly escrow payment amount. When a value is provided in this data field, SMDU will use it in the repayment plan evaluation to help determine the current contractual payment amount, independent of the escrow analysis that was provided for the loan for modification evaluation.
- **Prior Workout Type Code:** SMDU will no longer consider the Prior Workout Type Code (DD 461) value of "Other Modification" (OMOD) as a condition to trigger the following message when evaluating a loan for an Extend Modification for Disaster Relief (EMOD). The Prior Workout Type Code for an EMOD must be provided to return this message.

Ineligible for Extend Modification Disaster; Servicer warrants that the loan has been evaluated for Extend Modification Disaster and is Ineligible or was not accepted by the borrower. (Message 6548)



- **Next ARM Reset Date:** SMDU will return the following message only when the Next ARM Reset Date (DD 54) is in the future. This change allows a Cap and Extend Modification (CMOD) to be returned as “Unable to Evaluate” message when this value is NULL, rather than returning this Fail message.

Ineligible for [Workout Display Type Code]; the pre-modified mortgage loan must be a fixed rate mortgage. (Message 5665)

- **Loan Original Maturity Date:** SMDU will return the following as a failure message when the Loan Original Maturity Date (DD 361) is in the future instead of as an “Unable to Evaluate” message.

Ineligible for evaluation in SMDU; Loan Original Maturity Date must be a future date in order for loan to be evaluated in SMDU. If this is not accurate, please correct and resubmit for evaluation. Loans that have matured cannot be evaluated in SMDU. (Message 5359)

Case Management Miscellaneous Updates

- In preparation for closing a loan modification case, SMDU will allow an update to a case using data from an associated eligible SMDU Final Structuring call. In support of this update, a field called “Use SMDU Final Data for Case Update Indicator” was created.

SMDU UI Training: 8 New Loss Mitigation eLearning Modules

We have created 8 new interactive training modules to help servicers learn how to use the SMDU UI to evaluate loans for a loan modification, evaluate for borrower eligibility for a short sale and Mortgage Release™, as well as perform case management activities. Each course is 10 minutes or less and are available on the [SMDU portal page](#) to servicers with SMDU UI credentials. Two additional courses will be added by the end of July with even more courses coming before the end of the year.

Questions and More Information

Please contact SMDU Operations at smdu_support@fanniemae.com or your Fannie Mae Servicing Portfolio Manager if you need additional information about this release and/or SMDU.