

Servicing Lender Letter LL-2011-07

October 19, 2011

To: All Fannie Mae Single-Family Servicers

Extension of HOPE Hotline Borrower Counseling Reimbursement

Fannie Mae has been providing reimbursement to servicers that pay counseling fees on behalf of borrowers to support delinquency resolution through the Homeowner's HOPE™ Hotline (formerly referred to as the HOPE NOW Alliance). The Homeowner's HOPE Hotline refers borrowers to a network of HUD-approved housing counseling agencies dedicated to helping borrowers avoid foreclosure. The purpose of this Lender Letter is to extend the time period for servicers to request reimbursement for counseling provided by counseling agencies to which HOPE Hotline callers are referred.

Extension

Effective with this Lender Letter, servicers may request reimbursement for counseled cases that were initiated through the Homeowner's HOPE Hotline on and after October 1, 2011, through December 31, 2011. The cases must be invoiced no later than March 31, 2012, and the reimbursement request must be submitted to Fannie Mae on or before April 30, 2012.

The amount of the reimbursement remains at the lesser of the actual cost or \$150 per case for each mortgage loan, participation pool mortgage loan, and MBS mortgage loan serviced under the special servicing option. Additionally, servicers should not submit more than one request for reimbursement of borrower counseling per calendar year for any Fannie Mae mortgage loan. Servicers are reminded that all requests for reimbursement are subject to Fannie Mae's review and approval. Otherwise, the process for submitting requests for reimbursement remains unchanged and is described in Lender Letter 06-2009, *Extension of HOPE NOW Alliance Borrower Counseling Reimbursement*.

As stated in Lender Letter 02-2008, *Enhancements to the HOPE NOW Alliance Borrower Counseling Reimbursement Initiative*, servicers should maintain copies of counseling invoices, and must be able to submit them to Fannie Mae upon request. In addition, servicers must be fully aware of the status or outcome of all counseling efforts made by the counseling agency for a specific case. At least once each month, servicers should update their servicing system with the actions taken by a counselor. At a minimum, Fannie Mae expects the servicer to retain in its individual mortgage loan servicing records information related to the reason for the delinquency and any other information obtained from the borrower.

As a reminder, all servicers of Fannie Mae-owned or securitized mortgage loans are encouraged to have borrowers with delinquent mortgage loans who may benefit from delinquency counseling access the KnowYourOptions.com Web site or contact the toll-free hotline, 1-888-995-HOPE™ (1-888-995-4673), which is available 24 hours a day to provide mortgage loan counseling in multiple languages.



Servicers with questions should contact their Servicing Consultant, Portfolio Manager, or the National Servicing Organization's Servicer Solution Center at 1-888-FANNIE5 (888-326-6435).

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