

NJ/CA SCRA and NJ Hurricane Sandy Deferment Job Aid:

New Jersey/California Servicemembers Civil Relief Act (SCRA) Loans:

Loan Activity Reporting (LAR 96/97) During Deferment:

- If the deferment request between the borrower and servicer is established before the deferment period
 - Servicer will advance the last paid installment (LPI) date monthly and reduce actual unpaid principal balance (UPB) by the deferred principal
- If the deferment request between the borrower and servicer is established after the end of the deferment period
 - Servicer reports post deferment LPI Date and reduces the actual UPB by the deferred principal
- If the deferment request between the borrower and servicer is established during the deferment period
 - Servicer reports LPI Date as current and reduces the actual UPB by the deferred principal to date. Servicer should then continue to advance the LPI date monthly and reduce the actual UPB by the deferred principal
- Servicer to report code 32 in Home Savers Solutions Network (HSSN)
- If the loan pays off during the deferment period, Fannie Mae will not reimburse the deferred principal and interest (P&I) to the servicer as that amount should have been included in the payoff quote to the borrower

Post Deferment Activities:

1. Upon completion of the deferred period servicer submits Form 1022 to the sailors_and_soldiers@fanniemae.com mailbox requesting reimbursement of deferred P&I
 - a. Fannie Mae will add Special Feature Code 788 to loans
2. Fannie Mae will review the Form 1022 request and if approved reimburse servicer for the deferred P&I. Fannie Mae processes Shortage/Surplus Adjustment (SSA) (CASH & PFP) / ACH (MBS) equivalent to deferred principal and interest amount from the approved Form 1022 to reimburse servicer
3. If **loan liquidates prior to the original maturity date**, servicer must submit a Form 1022 to the sailors_and_soldiers@fanniemae.com mailbox requesting Fannie Mae to draft the outstanding deferred P&I
 - Fannie Mae will validate and draft funds via SSA/ACH
 - **Servicer to include the deferred P&I in the payoff quote to borrower**
4. Fannie Mae requests that servicers notify Fannie Mae 2 months prior to original maturity date of the outstanding deferred P&I and whether the borrower is extending the maturity date and paying the deferred balance in equal installments or paying off the deferred P&I as a one-time balloon payment
 - a. Fannie Mae will send reminder email 2 months prior for confirmation
 - b. If extending, Fannie Mae will submit Post Purchase Adjustment (PPA) to extend maturity date by number of deferred months
 - c. Servicer to leave a \$1.00 UPB amount to keep the loan active until the deferred balance is paid off
 - d. Servicer to send the deferred P&I payments in equal installments monthly via 1022 form
5. If the loan reaches its original maturity date and is a pooled loan, the loan will be re-classed
6. For loans that require term extension, send email to the sailors_and_soldiers@fanniemae.com mailbox for further guidance



NOTE: Borrower to repay deferred P&I in equal installments during the extended term. The servicer is required to submit a Form 1022 monthly with the debit amount allowing Fannie Mae to draft back the deferred P&I.

NJ Hurricane Sandy: (Benefit ended July 2022)

1. After the deferment period servicer reports post deferment LPI date and reduces the actual UPB by the number of deferred payments
2. Upon completion of the deferment period servicer submits a Form 1022 to the sailors_and_soldiers@fanniemae.com mailbox requesting reimbursement of deferred payment.
3. Fannie Mae will review the Form 1022 request and if approved reimburse servicer for the deferred payment. Fannie Mae processes SSA (CASH & PFP) / ACH (MBS) equivalent to deferred payment amount from the approved Form 1022 to reimburse servicer
4. **If loan liquidates prior to the original maturity date**, servicer must submit a Form 1022 to the sailors_and_soldiers@fanniemae.com mailbox requesting Fannie Mae to draft the outstanding deferred payment
 - Fannie Mae will validate and draft funds via SSA/ACH
 - **Servicer to include the deferred payment in the payoff quote to borrower**
2. Fannie Mae requests that servicers notify Fannie Mae 2 months prior to original maturity date of the outstanding deferred P&I and whether the borrower is extending the maturity date and paying the deferred balance in equal installments or paying off the deferred P&I as a one-time balloon payment
 - Fannie Mae will send reminder email 2 months prior for confirmation
 - If extending, Fannie Mae will submit Post Purchase Adjustment to extend maturity date by number of deferred months
 - Servicer to leave a \$1.00 UPB amount to keep the loan active until the deferred balance is paid off
 - Servicer to send the deferred P&I payments in equal installments monthly via 1022 form
5. If the loan reaches its original maturity date and is a pooled loan, the loan will be re-classed
6. For loans that require term extension, send email to the sailors_and_soldiers@fanniemae.com mailbox for further guidance

NOTE: Borrower to repay deferred payment in equal installments during the extended term. The servicer is required to submit a Form 1022 monthly with the debit amount allowing Fannie Mae to draft back the deferred payment