



Servicing Changes Reference Guide – 1.0

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Introduction

This section includes the following topics:

- Initiative Overview
- Guide Purpose & Scope
- How to Use This Guide
- Document Support

Initiative Overview

Fannie Mae is transforming how servicers report and manage loan-level activity through a multi-year transformation initiative. As outlined in [Lender Letter \(LL-2025-02\) -Advance Notice of Changes to Servicing Processes and System](#), this initiative introduces:

- Event-based reporting that will replace legacy summary reporting (e.g., Loan Activity Records or Transaction Type Reporting),
- Expanded data requirements that support reporting for investor reporting, escrow, loan delinquency, loss mitigation (repayment plan and forbearance plan) and liquidation (foreclosure) events., and
- Fannie Mae-initiated remittance of Principal and Interest (P&I) for Actual/Actual (A/A) summary loans.

These changes are designed to simplify and streamline servicer reporting, enhance risk management capabilities, and create operational efficiencies across the mortgage servicing lifecycle. Servicers will benefit from:

- Near real-time feedback,
- Fewer manual reconciliations, and
- A more integrated and transparent data exchange with Fannie Mae.

Guide Purpose & Scope

Disclaimer: *This document is **not** intended to serve as the official policy or guideline. Official updates will be communicated through formal channels.*

This reference guide helps servicing partners prepare for upcoming changes and includes:

- An overview of the initiative,
- Guidance on how to prepare for the upcoming changes,
- A summary of core servicing expectations applicable to all events, including reporting timelines, remittance schedules, and submission standards, and
- Detailed guidance for the servicing events, complete with examples, business rules, and exception protocols.

It should be used alongside the [Data Requirements](#), [Technical Specifications](#) and [Implementation Timeline](#) to support readiness and implementation planning.

NOTE: Version 1.0 Scope: *This is the **initial publication** of the reference guide and provides foundational information for the upcoming changes while focusing on three servicing events: **Loan Escrow, Loan Delinquency Reporting, and Loan Contractual Payment**. As operational and technical details are finalized, the reference guide will be **expanded** to include additional events, examples, and guidance. All future updates will be documented in the [Revision Log](#), which should be referenced to ensure alignment with the latest version.*



How to Use This Guide

- Review the General Event-Based Reporting & Remittance Requirements section to understand reporting and remittance expectations and timelines applicable to all servicing events.
- Use the event-specific sections to prepare for implementation of each servicing event.
- Share this reference guide with internal teams and technology service provider(s) to support planning, analysis, development, and testing.
- Refer to the [Revision Log](#) to see all the changes included in subsequent publications of the reference guide.
- Visit our [Master Servicing Simplification Changes webpage](#) regularly to stay up to date.

Document Support

For inquiries or assistance regarding this document, please contact future_of_servicing@fanniemae.com.



General Event-Based Reporting & Remittance Requirements

This section includes the following topics:

- Introduction to the event-based reporting
- Remittance requirements
- General Reporting Requirements, Submission, Positions & Resolution
- General Business Rules, Exception Management & Resolution
- Activity Period Assignment
- Drafting Timeline: Actual / Actual (A/A) Remittance Type Loans
- Drafting Timeline: Scheduled / Scheduled (S/S) Remittance Type Loans
- Calculations

Introduction

Servicers are required to report standardized loan-level borrower and servicer activities to Fannie Mae's servicing solutions system **on the same day** the servicing events are **processed in the servicers' system**, but no later than **3:00 a.m. Eastern Time on the next business day**. Servicers should establish a reasonable daily cut-off of its work to ensure that servicing events are reported by the 3:00 am ET reporting timing requirement. This near real-time reporting ensures that servicing events are processed timely and are reflected in Fannie Mae's systems. If no payment has been received from the borrower by the twenty-second calendar day of the month of the reporting period, servicers will be required to report a 'no payment' event. If the twenty-second calendar day falls on a weekend or holiday, the servicing event must be reported on the preceding business day. The reporting period will continue to close by 5:00 p.m. Eastern Time on the second business day of the month. Any activity reported after 5:00 p.m. Eastern Time on the second business day of the month will be applied to the next activity period.

Fannie Mae will automatically initiate a draft of the **P&I remittance amount** for A/A remittance type loans from the servicer's custodial account **two business days after** the payment event is successfully processed. These reporting and remittance timelines are critical to maintaining data accuracy, minimizing exceptions, and ensuring compliance with Fannie Mae's servicing requirements.

NOTE: *There are no remitting or draft date changes for any other remittance types.*

General Reporting Requirements, Submission, Positions, & Resolution

After the loan is successfully acquired by Fannie Mae, it will be boarded to Fannie Mae's servicing solutions system. Subsequently, the loan position and the P&I projections will be made available in near real time. Servicers are required to report loan-level activity by submitting the appropriate servicing events – selected from a set of defined event types - to Fannie Mae as the activity is processed in the servicers' systems. Servicing events will be processed and results made available in near real-time.

Scenario 1: Loan Onboarding

As shown in the table below, an A/A loan is successfully onboarded to Fannie Mae's servicing solution system with the following:

- Loan Last Paid Installment Due Date: 02/01/2025
- Loan Actual UPB Amount: \$400,000.00

Fannie Mae will provide positional values after the loan is acquired. Projections for the month of acquisition will be available in near real time upon loan onboarding based on the loan position at the time of acquisition.



Loan Event Name	Loan Onboarded (Internal Event)	Projection
Loan Event Sequence Number	1	-
Fannie Mae Servicer Number	333333333	-
Fannie Mae Loan Number	4444499999	-
Loan Servicer Transaction Effective Date	2/10/2025	-
Loan Servicer Transaction Processed Date	2/10/2025	-
Loan Last Paid Installment Due Date	2/1/2025	-
Loan Actual UPB Amount	\$400,000.00	-
Loan Non-Interest Bearing Balance Amount	\$0.00	-
Loan Suspense Balance Amount	\$0.00	-
Loan Interest Rate	0.06875	-
Loan Lender Pass Through Rate	0.06625	-
Loan Principal And Interest Payment Amount	\$2,627.72	-
Loan Status	Active	Active
Processing Date	2/10/2025	2/10/2025
Activity Period	02/2025	03/2025
Borrower Loan Last Paid Installment Due Date	2/1/2025	3/1/2025
Borrower Beginning Loan Actual Net UPB Amount	\$400,000.00	\$400,000.00
Borrower Loan Interest Rate Amount	\$0.00	\$2,291.67
Borrower Loan Principal Reduction Amount	\$0.00	\$336.05
Borrower Unscheduled Principal Amount	\$0.00	\$0.00
Borrower Loan Amortization True up	\$0.00	\$0.00
Borrower Ending Loan Actual Net UPB Amount	\$400,000.00	\$399,663.95
Fannie Mae Loan Last Paid Installment Due Date	2/1/2025	3/1/2025
Fannie Mae Beginning Loan Factored UPB Amount	\$400,000.00	\$400,000.00
Fannie Mae Loan Lender Pass Through Interest	\$0.00	\$2,208.33
Fannie Mae Loan Factored Actual Principal Reduction	\$0.00	\$336.05
Fannie Mae Loan Factored Unscheduled Principal Amount	\$0.00	\$0.00
Fannie Mae Loan Amortization True up	\$0.00	\$0.00
Fannie Mae Ending Loan Factored Actual UPB Amount	\$400,000.00	\$399,663.95

Event Reporting Requirements

- **Prior to submission to Fannie Mae**, the file must be validated against the schema requirements to ensure:
 - Proper file structure
 - Correct data formatting
 - Use of defined allowable values
 - Compliance with all conditional data requirements.
- **For a given loan**, each event in the file must be assigned a unique sequence number that reflects the order in which the event was processed.

NOTE: Please refer to the *Data Requirements and Technical Specifications* section of the [Fannie Mae Master Servicing Simplification webpage](#) for details on the schema requirements.

Servicing Event Reporting Details

Fannie Mae provides positional values and projections for the next activity period after the payment event is successfully processed. Projected positions will reflect Last Paid Instalment (LPI) Due Date, unpaid principal balance (UPB), principal, and interest (P&I) for the next activity period. In addition, servicers will be able to view the data attributes associated with the submitted servicing event, including the borrower position and Fannie Mae position.



Borrower Position – The borrower position principal and interest amounts are calculated using Fannie Mae’s Loan Interest rate, Loan Principal and Interest Payment Amount, and Loan Actual UPB Amount reported by the servicer.

- **Fannie Mae Position** – The Fannie Mae position principal and interest amounts are calculated using Fannie Mae’s Pass-through rate, monthly payment amount, and Loan Actual UPB reported by the servicer.

General Business Rules, Exception Management & Resolution

Business Rules are conditions that validate events submitted by servicers. They determine whether the reported data aligns with Fannie Mae’s expectations and falls into the following three categories:

- **Accepted**
All data passed validation. No rule failures occurred.
- **Accepted with Warnings**
Validation completed successfully, but one or more rules failed with a **severity level of Warning**. The event is accepted but may require servicers review.
- **Rejected**
At least one rule failed with a **severity level of Fatal**, preventing the event from being accepted.

All rejected events must be reviewed and prioritized followed by events with warnings. All necessary corrective actions must be completed in a timely manner.

A Post-Purchase Adjustment (PPA) may be required when a data discrepancy is identified between a servicer’s and Fannie Mae’s loan data.

Common root causes of severity levels for fatal exceptions and warnings include:

- Incorrect loan data, such as an inaccurate LPI date, UPB, P&I amount, note rate, and/or pass-through rate.
- Event-driven discrepancies, such as an adjustable-rate mortgage (ARM) change value that conflicts with Fannie Mae’s system.
- Misreported activity, where the values submitted do not accurately reflect the actual loan data.

Activity Period Assignment

On business day (BD) 1 and 2, there will be two open reporting periods.

- All payment events with an effective date earlier than first calendar day of the current month processed by BD 2, 5:00 p.m. Eastern Time, will be applied to the earliest activity period.
- All liquidations with an effective date of current month processed by BD 2, 5:00 p.m. Eastern Time, will be applied to the earliest activity period.
- Payment events excluding liquidations, with an effective date of current month processed by BD2, 5:00 p.m. Eastern Time, will be applied to the latest activity period.
- All Payment events received after 5:00 p.m. Eastern Time on BD2 will be applied to the latest activity period regardless of the transaction effective date.

Activity Period Assignment Examples: Loan Contractual Payment

For scenarios below, the current activity period is March 2025.

Scenario 1: Contractual payment was submitted by borrower on March 31, 2025. Servicer processed and submitted the contractual payment event to Fannie Mae on April 1, 2025, at 2:00 a.m. Eastern Time. The Loan Contractual Payment event is applied to the earliest activity period (March 2025).

Servicing Event Name	Loan Contractual Payment
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Loan Servicer Transaction Effective Date (Borrower submitted date)	03/31/2025
Loan Servicer Transaction Processed Date (Servicer Processed Date)	04/01/2025
Activity Period	03/2025

Scenario 2: Contractual payment was submitted by borrower on March 31, 2025. Servicer processed and submitted the Loan Contractual Payment event to Fannie Mae on April 2, 2025, at 6:00 p.m. Eastern Time. The Loan Contractual Payment event is applied to the latest activity period (April 2025).

Servicing Event Name	Loan Contractual Payment
Loan Servicer Transaction Effective Date (Borrower submitted date)	03/31/2025
Loan Servicer Transaction Processed Date (Servicer Processed Date)	04/02/2025
Activity Period	04/2025

Scenario 3: Contractual payment was submitted by borrower on April 1, 2025. Servicer processed and submitted the Loan Contractual Payment event to Fannie Mae on April 2, 2025, at 2:00 a.m. Eastern Time. The Loan Contractual Payment event is applied to the latest activity period (April 2025).

Servicing Event Name	Loan Contractual Payment
Loan Servicer Transaction Effective Date (Borrower submitted date)	04/01/2025
Loan Servicer Transaction Processed Date (Servicer Processed Date)	04/02/2025
Activity Period	04/2025

Activity Period Assignment Examples: Loan Paid in Full

For scenarios below, the current activity period is March 2025.

Scenario 1: Payoff was submitted by borrower on April 1, 2025. Servicer processed and submitted the Loan Paid In Full event to Fannie Mae on April 2, 2025, at 2:00 a.m. Eastern Time. The Loan Paid In Full event is applied to the earliest activity period (March 2025).

Servicing Event Name	Loan Paid in Full
Loan Servicer Transaction Effective Date (Borrower submitted date)	04/01/2025
Loan Servicer Transaction Processed Date (Servicer Processed Date)	04/02/2025
Activity Period	03/2025

Scenario 2: Payoff was submitted by borrower on April 1, 2025. Servicer processed and submitted the Loan Paid in Full event to Fannie Mae on April 2, 2025, at 6:00 p.m. Eastern Time. The Loan Paid in Full event is applied to the latest activity period (April 2025).



Servicing Event Name	Loan Paid in Full
Loan Servicer Transaction Effective Date (Borrower submitted date)	04/01/2025
Loan Servicer Transaction Processed Date (Servicer Processed Date)	04/02/2025
Activity Period	04/2025

NOTE: *Servicers are required to report loan-level servicing events to Fannie Mae the same day as the servicing events are processed in the servicers' systems, but no later than 3:00 a.m. Eastern Time the next business day.*

Drafting Timeline: Actual / Actual (A/A) Remittance Type Loans

Fannie Mae will automatically initiate a draft of the P&I remittance amount for A/A remittance type mortgage loans. The pre-draft notification will be available no later than the next business day after the event is successfully processed by Fannie Mae. We will draft the P&I remittance amount from the servicer's custodial account two business days after successfully processing payment events.

Servicer Activity Processed Day	Report To Fannie Mae By	Pre-Draft Notification available to Servicers	P&I Cash Draft date by Fannie Mae
Monday	Tuesday 3:00 AM	Tuesday	Wednesday
Tuesday	Wednesday 3:00 AM	Wednesday	Thursday
Wednesday	Thursday 3:00 AM	Thursday	Friday
Thursday	Friday 3:00 AM	Friday	Monday
Friday	Monday 3:00 AM	Monday	Tuesday
Saturday	Monday 3:00 AM	Monday	Tuesday
Sunday	Monday 3:00 AM	Monday	Tuesday

On business days, Monday through Thursday, events will need to **be reported on the same day they are processed in the servicers' systems**, but no later than 3:00 a.m. Eastern Time on the next business day. For BD2 (Cycle Close), reporting will be due by 5:00 p.m. Eastern Time.

For **Friday, Saturday, or Sunday** processing, you must report the event to us **no later than 3:00 a.m. Eastern Time on Monday**. We will publish the pre-draft notification no later than Monday. This will allow you to see the remittance amount and ensure the accounts are funded ahead of the remittance being auto drafted on Tuesday.

Holidays: If either the pre-draft notification date or P&I cash draft date falls on a Federal Reserve holiday, the impacted date will be moved to the following business day. You will always have one business day to review the pre-draft notification prior to the P&I cash draft date.

Drafting Timeline: Scheduled / Scheduled (S/S) Remittance Type Loans

The drafting timeline for S/S Portfolio Mortgage or MBS loans remains unchanged. As the events are processed, the preliminary draft amounts will become available in near real time. After the reporting period cycle closes, the final draft notification will be made available, and the P&I funds must be in the servicer's designated draft account. If the S/S draft date falls on a Federal Reserve holiday or a weekend, it will be drafted on the preceding business day.

For additional S/S remitting details, please refer to section [F-1-20, Remitting and Accounting to Fannie Mae](#) in Fannie Mae's Servicing Guide.



Calculations

The new servicing system uses a series of formulas when processing events to calculate the principal, interest, and UPB, supporting both computational accuracy and data validation for A/A and S/S loans.

NOTE: Examples for S/S loans using the below calculations will be provided at a later date.

Scheduled Net Ending UPB Amount:

The UPB of an S/S loan after amortizing (forward or reverse) the loan's current UPB and LPI Due Date to the scheduled LPI Due Date for the activity period.

Forward Amortization

Forward Amortization Formula:

Borrower Ending Loan Actual Net UPB Amount – (P&I Amount – (Borrower Ending Loan Actual Net UPB Amount * Note Rate / 12))

- Note Rate – Use the note rate in effect as of the starting LPI Due Date.
- P&I Amount – Use the payment amount in effect as of the starting LPI Due Date plus 1 payment period.
- Borrower Ending Loan Actual Net UPB Amount – The loan balance reported on the event.
- Rounding to 2 decimal places occurs after all values have been calculated (Borrower Ending Loan Actual Net UPB Amount * Note Rate / 12).

NOTE: If a loan requires amortization across multiple payments, the note rate and payment amount associated with the new LPI Due Date, which reflects the point to which the loan was amortized, should be applied to each subsequent amortization.

Forward Amortization Example:

To determine the loan's scheduled UPB as of 06/01/2025 for a delinquent S/S loan with an LPI due date of 03/01/25, use the below loan information and Forward Amortization formula.

- Current reporting period: June 2025
- Current unpaid principal balance: \$500,000.00
- LPI Due Date: 03/01/25

Note Rate Effective Date	Note Rate	P&I Payment Amount Effective Date	P&I Payment Amount
03/01/2025	.075	04/01/2025	\$3,250.48
04/01/2025	.07375	05/01/2025	\$3,217.21
05/01/2025	.073	06/01/2025	\$3,182.18

Forward Amortization formula:

- 04/01/2025 UPB = \$500,000.00 – (\$3,250.48 – (\$500,000.00 * .075 / 12)) = \$499,874.52
- 05/01/2025 UPB = \$499,874.52 – (\$3,217.21 – (\$499,874.52 * .07375 / 12)) = \$499,729.46
- 06/01/2025 UPB = \$499,729.46 – (\$3,182.18 – (\$499,729.46 * .073 / 12)) = \$499,587.30



Reverse Amortization

Reverse Amortization Formula:

Borrower Ending Loan Actual Net UPB Amount + P&I Amount / (1+(Note Rate / 12))

- Note Rate – Use the note rate in effect as of the starting LPI Due Date minus 1 payment period.
- P&I Amount – Use the payment amount in effect as of the starting LPI Due Date.
- Borrower Ending Loan Actual Net UPB Amount – The loan balance reported on the event.
- Rounding to 2 decimals occurs after all values have been calculated.

Reverse Amortization Example:

To determine the loan's scheduled UPB as of 04/01/2025 for a prepaid S/S loan with an LPI due date of 06/01/25, use the below loan information and Reverse Amortization formula.

- Current reporting period: April 2025
- Current unpaid principal balance: \$499,587.30
- LPI Due Date: 06/01/25

Note Rate Effective Date	Note Rate	P&I Payment Amount Effective Date	P&I Payment Amount
03/01/2025	.075	04/01/2025	\$3,250.48
04/01/2025	.07375	05/01/2025	\$3,217.21
05/01/2025	.073	06/01/2025	\$3,182.18

Reverse Amortization formula:

- 05/01/2025 UPB = (\$499,587.30 + \$3,182.18) / (1 + (.073 / 12)) = \$499,729.46
- 04/01/2025 UPB = (\$499,729.46 + \$3,217.21) / (1 + (.07375/12)) = \$499,874.52

Fannie Mae Ending Loan Factored Scheduled Net UPB Amount

The unpaid principal balance of a loan amortized to the scheduled LPI Due Date for the activity and adjusted by the Ownership Percent.

Fannie Mae Ending Loan Factored Scheduled Net UPB Amount Formula:

Scheduled Net UPB * Ownership Percent.

- Value obtained after multiplying by the Ownership Percent is rounded to 2 decimal places.

Scheduled Factored Net UPB Example:

- \$499,874.52 * .90 = \$449,887.068 (round to 2 decimal places)
\$449,887.07

Scheduled Principal Amount

The amount of principal to be applied to the loan for the scheduled payment for the activity period.

Scheduled Principal Formula:

P&I Amount – (Scheduled Net UPB Amount * Note Rate / 12))



- P&I Amount – use the amount that is in effect as of the scheduled LPI Due Date.
- Note Rate – use the note rate in effect as of the scheduled LPI Due Date minus 1 payment period.
- Scheduled UPB – the Scheduled UPB as of the latest loan position.
- Interest component is rounded to 2 decimal places (Scheduled UPB * Note Rate / 12)

Scheduled Principal Example:

- $\$3,250.48 - (\$500,000.00 * .075 / 12) = \125.480 (round to 2 decimals)
\$125.48

Fannie Mae Loan Factored Scheduled Principal Reduction Amount

The scheduled principal amount on a loan factored by the Ownership Percent.

Fannie Mae Loan Factored Scheduled Principal Reduction Amount formula:

Scheduled Principal Amount * Ownership Percent

- Value obtained after multiplying by the Ownership Percent is rounded to 2 decimal places.

Fannie Mae Loan Factored Scheduled Principal Reduction Amount example:

- $\$125.48 * .9 = \112.932 (round to 2 decimals)
\$112.93

Fannie Mae Loan Scheduled Amortization True Up Amount

Adjustment(s) required to align the beginning unpaid principal balance to the ending unpaid principal balance after applying scheduled principal reduction and / or unscheduled principal reduction. True Up adjustments can occur in the Borrower Position and / or the Fannie Mae Position. Amortization True Up Adjustments may be triggered due to the following:

- Differences in servicer values for rate and P&I payment compared to Fannie Mae values.
- Application of curtailment events on scheduled interest / scheduled principal remittance loans.
 - Current loan
 - Prepaid loan
- Variances in calculations and rounding of values used when amortizing a loan.
- Cumulative rounding differences when calculating the principal reduction and unpaid principal balance for a participation loan. Amortization True Up Amounts can be positive or negative and are billable.

Fannie Mae Loan Scheduled Amortization True Up Amount formula:

Fannie Mae Beginning Loan Factored Scheduled Net UPB Amount – Fannie Mae Loan Factored Scheduled Principal Reduction Amount – Fannie Mae Loan Factored Unscheduled Principal Amount – Fannie Mae Ending Loan Factored Scheduled Net UPB Amount

Note Rate Interest Amount

The amount of interest on a loan based on the outstanding unpaid principal balance for a single payment.

Note Rate Interest Amount Formula:

Actual UPB * Note Rate / 12

- Note Rate – use the rate in effect as of the LPI Due Date.



- Value obtained is rounded to 2 decimal places.

Note Rate Interest Amount Example:

- $\$500,000.00 * .075 / 12 = \$3,125.00$ (rounded to 2 decimals)
\$3,125.00

Lender Pass Through Interest Amount (S/S)

The amount of interest due Fannie Mae per the contract.

Lender Pass Through Interest Amount (S/S) Formula:

Fannie Mae Beginning Loan Factored Scheduled Net UPB Amount * Loan Lender Pass Through Rate / 12

- Lender Pass Through Rate – The rate in effect as of the scheduled LPI Due Date minus 1 payment period.
- Value obtained is rounded to 2 decimal places.

Lender Pass Through Interest Amount (S/S) Example:

- $\$500,000.00 * .0725 / 12 = \$3,020.833$ (rounded to 2 decimals)
\$3,020.83

Servicing Events

This section included the following topics:

- Introduction
- Loan Contractual Payment
- Loan Escrow Reporting
- Loan Delinquency Reporting

Introduction

As part of this initiative, servicing events represent a shift toward standardized, event-based reporting. Servicers are required to report loan-level activity in near real-time, using a defined set of servicing event types that reflect borrower and servicer actions throughout the loan lifecycle. This approach enhances data transparency, improves operational efficiency, and supports timely remittance and exception resolution. Each event type includes specific reporting attributes, business rules, and validation requirements to ensure alignment with Fannie Mae's systems and expectations.

Loan Contractual Payment

Event Overview

Loan Contractual Payment is collected by the servicer as part of the borrower's scheduled monthly mortgage obligation, which typically includes principal and interest, as outlined in the loan documents. Servicers must report individual Loan Contractual Payment events when multiple contractual payments are processed.

Event Definition: The application of a monthly P&I payment as determined per the terms of the Note/Modification, such that the loan LPI date is advanced one payment period.

NOTE: Review the [Loan Management: Servicing Event & Data Requirements](#) for detailed information on the associated data requirements for this event.



Examples

Loan Onboarding

On 02/05/2025, Fannie Mae acquired an A/A loan with current LPI of 02/01/2025 (see first table below). Subsequently, the loan position and the P&I projections will be made available in near real time (see second table below).

Attribute	Value
Original Loan Amount	400,000.00
Origination Date	01/10/2025
LPI at Origination	02/01/2025
Original Loan Term	360
1 st Installment Due Date	02/01/2025
Fannie Mae Loan #	4444499999
Amortization Type	Fixed
Acquisition Date	02/05/2025
Actual UPB at Acquisition	399,663.95
Scheduled UPB at Acquisition	399,663.95
P&I Amount	2,627.72
Note Rate	.06875
Lender Pass Through Rate	.0625
Servicing Fee	.25%
Remittance Type	A/A
Participation %	100%

Fannie Mae will provide positional values after the loan is acquired. Projections for the month of acquisition will be available in near real time upon loan onboarding based on the loan position at the time of acquisition.



Loan Event Name	Loan Onboarded	Projection
Loan Event Sequence Number	1	-
Fannie Mae Servicer Number	333333333	-
Fannie Mae Loan Number	444449999	-
Loan Servicer Transaction Effective Date	2/10/2025	-
Loan Servicer Transaction Processed Date	2/10/2025	-
Loan Last Paid Installment Due Date	2/1/2025	-
Loan Actual UPB Amount	\$400,000.00	-
Loan Non-Interest Bearing Balance Amount	\$0.00	-
Loan Suspense Balance Amount	\$0.00	-
Loan Interest Rate	0.06875	-
Loan Lender Pass Through Rate	0.06625	-
Loan Principal And Interest Payment Amount	\$2,627.72	-
Loan Status	Active	Active
Processing Date	2/10/2025	2/10/2025
Activity Period	02/2025	03/2025
Borrower Loan Last Paid Installment Due Date	2/1/2025	3/1/2025
Borrower Beginning Loan Actual Net UPB Amount	\$400,000.00	\$400,000.00
Borrower Loan Interest Rate Amount	\$0.00	\$2,291.67
Borrower Loan Principal Reduction Amount	\$0.00	\$336.05
Borrower Unscheduled Principal Amount	\$0.00	\$0.00
Borrower Loan Amortization True up	\$0.00	\$0.00
Borrower Ending Loan Actual Net UPB Amount	\$400,000.00	\$399,663.95
Fannie Mae Loan Last Paid Installment Due Date	2/1/2025	3/1/2025
Fannie Mae Beginning Loan Factored UPB Amount	\$400,000.00	\$400,000.00
Fannie Mae Loan Lender Pass Through Interest	\$0.00	\$2,208.33
Fannie Mae Loan Factored Actual Principal Reduction Amount	\$0.00	\$336.05
Fannie Mae Loan Factored Unscheduled Principal Amount	\$0.00	\$0.00
Fannie Mae Loan Amortization True up	\$0.00	\$0.00
Fannie Mae Ending Loan Factored Actual UPB Amount	\$400,000.00	\$399,663.95

One Loan Contractual Payment event

Scenario 1: On March 10, borrower makes their March contractual payment per the terms of the note which was processed in the servicer's system on the same day. The servicer reports the Loan Contractual Payment event to Fannie Mae that advances the loan LPI Due Date by one month to March.

	Loan Event Name	Loan Contractual Payment
Servicing Event Reporting	Loan Event Sequence Number	1
	Fannie Mae Servicer Number	333333333
	Fannie Mae Loan Number	444449999
	Loan Servicer Transaction Effective Date	3/10/2025
	Loan Servicer Transaction Processed Date	3/10/2025
	Loan Last Paid Installment Due Date	3/1/2025
	Loan Actual UPB Amount	\$399,663.95
	Loan Non-Interest Bearing Balance Amount	\$0.00
	Loan Suspense Balance Amount	\$0.00
	Loan Interest Rate	0.06875
	Loan Lender Pass Through Rate	0.06625
	Loan Principal And Interest Payment Amount	\$2,627.72

The event will be evaluated against a set of business rules to ensure alignment with Fannie Mae's expected values for LPI Due Date and Actual Loan UPB. The event is successfully processed, the Borrower and Fannie Mae positions are updated, and the P&I projections will be available for the next activity period (April).

- Borrower Position:** The Borrower position principal and interest amounts are calculated using Fannie Mae's Loan Interest rate, Loan Principal And Interest Payment Amount, and Loan Actual UPB Amount reported by the servicer. After the event is successfully processed, Fannie Mae will update the LPI Due Date and the Borrower Ending UPB to align with the servicer's Loan Contractual Payment event value.



- **Fannie Mae Position:** Fannie Mae's principal and interest amounts are calculated using Fannie Mae's pass-through rate, monthly payment amount, and Loan Actual UPB reported by the servicer. Fannie will initiate the P&I draft based on the calculated amounts shown in the Fannie Mae Position. For A/A remittance type, these calculations determine the billable amounts.
- **Draft Amounts:** Fannie Mae will initiate the P&I draft on the calculated amounts from the servicer's custodial account two business days after successfully processing payment events.
 - Lender Pass Through Amount: \$2,208.33
 - Scheduled Principal: \$336.05
- **Projections:** Fannie Mae will provide the projections for next month (April) after successfully processing the Loan Contractual Payment (March) in near real time.

		Loan Contractual Payment	Projections
Borrower Position	Loan Status	Active	Active
	Processing Date	3/10/2025	3/10/2025
	Activity Period	03/2025	04/2025
	Borrower Loan Last Paid Installment Due Date	3/1/2025	4/1/2025
	Borrower Beginning Loan Actual Net UPB Amount	\$400,000.00	\$399,663.95
	Borrower Loan Interest Rate Amount	\$2,291.67	\$2,289.74
	Borrower Loan Principal Reduction Amount	\$336.05	\$337.98
	Borrower Unscheduled Principal Amount	\$0.00	\$0.00
	Borrower Loan Amortization True up	\$0.00	\$0.00
	Borrower Ending Loan Actual Net UPB Amount	\$399,663.95	\$399,325.97
Fannie Mae Position	Fannie Mae Loan Last Paid Installment Due Date	3/1/2025	4/1/2025
	Fannie Mae Beginning Loan Factored UPB Amount	\$400,000.00	\$399,663.95
	Fannie Mae Loan Lender Pass Through Interest	\$2,208.33	\$2,206.48
	Fannie Mae Loan Factored Actual Principal Reduction	\$336.05	\$337.98
	Fannie Mae Loan Factored Unscheduled Principal Amount	\$0.00	\$0.00
	Fannie Mae Loan Amortization True up	\$0.00	\$0.00
	Fannie Mae Ending Loan Factored Actual UPB Amount	\$399,663.95	\$399,325.97

Loan Contractual Payment and Loan Curtailment event

Scenario 2: On March 10, the borrower makes a contractual payment and a curtailment that were processed in the servicers' system on the same day. The servicer reports the payment and curtailment as two separate events to Fannie Mae. As these events were submitted within a single file, the servicer must ensure that the sequence numbers correspond to the exact order in which the transactions were processed in the servicer's system, enabling Fannie Mae to process the events accurately.

	Loan Event Name	Loan Contractual Payment	Loan Curtailment
Servicing Event Reporting	Loan Event Sequence Number	1	2
	Fannie Mae Servicer Number	333333333	333333333
	Fannie Mae Loan Number	4444499999	4444499999
	Loan Servicer Transaction Effective Date	3/10/2025	3/10/2025
	Loan Servicer Transaction Processed Date	3/10/2025	3/10/2025
	Loan Last Paid Installment Due Date	3/1/2025	3/1/2025
	Loan Actual UPB Amount	\$399,663.95	\$349,663.95
	Loan Non-Interest Bearing Balance Amount	0	0
	Loan Curtailment Amount	0	\$50,000.00
	Loan Suspense Balance Amount	\$0.00	\$0.00
	Loan Interest Rate	0.06875	0.06875
	Loan Lender Pass Through Rate	0.06625	0.06625
	Loan Principal And Interest Payment Amount	\$2,627.72	\$2,627.72

The event will be evaluated against a set of business rules to ensure alignment with Fannie Mae's expected values for LPI Due Date and Actual Loan UPB. The event is successfully processed, the Borrower and Fannie Mae positions are updated, and the P&I projections will be available for the next activity period (April).



- **Borrower Position:** The Borrower position principal and interest amounts are calculated using Fannie Mae's Loan Interest rate, Loan Principal And Interest Payment Amount, and Loan Actual UPB Amount reported by the servicer. Fannie Mae will update the LPI Due Date and the Borrower Ending UPB to align with the servicer's Loan Contractual Payment event value.
- **Fannie Mae Position:** Fannie Mae Position: Fannie Mae's principal and interest amounts are calculated using Fannie Mae's Pass-through rate, monthly payment amount, and Loan Actual UPB reported by the servicer. Fannie will initiate the P&I draft based on the calculated amounts shown in the Fannie Mae Position. For A/A remittance type, these calculations determine the billable amounts.
- **Draft Amounts:** Fannie Mae will initiate the P&I draft on the calculated amounts from the servicer's custodial account two business days after successfully processing payment events.
 - Lender Pass Through Amount: \$2,208.33
 - Scheduled Principal: \$50,336.05

Business Rules

This section provides business rules with severity of Fatal or Warnings that occur during the processing of Loan Contractual Payment event reporting.

- **Fatal** These occur when specific business rule validations fail during event processing. Servicers should review the Fatal Exceptions and promptly take corrective actions to resolve the reject(s) related to the Loan Contractual Payment event.
- **Warnings:** Loan Contractual Payment event is accepted, however there are certain data attributes that may not align with Fannie Mae. Servicers should review the warning(s) for the specific data attributes and take appropriate actions to help ensure accuracy and alignment with Fannie Mae.

Severity	Rule Logic
Fatal	Fannie Mae loan number must be valid.
Fatal	Fannie Mae servicer number must be associated to the Fannie Mae loan number.
Fatal	The day of the month in the Loan Last Paid Installment Due Date is not the same as the day of the month in the Fannie Mae Loan Last Paid Installment Due Date.
Fatal	Loan Servicer Transaction Effective Date is earlier than latest accepted event Loan Servicer Transaction Effective date.
Fatal	Loan Servicer Transaction Effective Date is greater than today's date.
Fatal	An event is submitted for the latest activity period with no event processed for the earliest activity period.
Fatal	Loan Last Paid Installment Due Date on the Loan Contractual payment event is equal to the loan maturity date.
Fatal	Loan Last Paid Installment Due Date on the Loan Contractual payment event is greater than the current LPI date plus one payment period.
Fatal	Loan Last Paid Installment Due Date on the Loan Contractual payment event is less than or equal to the current LPI date.
Fatal	Fannie Mae Loan Number is inactive for Loan Contractual payment event.
Fatal	Servicer Loan Non-Interest-Bearing Balance Amount is not aligned to Fannie Mae Loan Non-Interest-Bearing Balance Amount.
Fatal	Servicer Loan Actual UPB is greater than +/- .05 from Fannie Mae projected Loan Actual UPB
Warning	Servicer Loan Actual UPB is within +/- .05 from Fannie Mae projected Loan Actual UPB
Warning	Servicer Loan Interest Rate Percent is not aligned to Fannie Mae Loan Interest Rate Percent.
Warning	Servicer Loan Principal and Interest Payment Amount is not aligned to Fannie Mae Loan Principal and Interest Payment amount.
Warning	Servicer Loan Lender Pass Through Rate is not aligned to Fannie Mae Loan Lender Pass Through Rate.



Calculations

Attribute	Calculation
Factored Actual UPB	$(\text{Actual UPB} - (\text{P\&I Amount} - (\text{Actual UPB} * \text{Note Rate} / 12))) * \text{Acquired \%}$ $\$400,000.00 - (\$2,627.72 - (\$400,000.00 * .06875 / 12))$ $\$400,000.00 - (\$2,627.72 - (\$2,291.666666))$ $\$400,000.00 - (\$2,627.72 - \$2,291.67) \text{ rounded to 2 decimals}$ $\$400,000.00 - \336.05 $\$399,663.95$ $(\$399,663.95 * 100\%) \text{ rounded to 2 decimals}$ $\$399,663.95$
Factored Principal	$(\text{P\&I Amount} - (\text{Prior UPB} * \text{Note Rate} / 12)) * \text{Acquired \%}$ $\$2,627.72 - (\$400,000.00 * .06125 / 12) \text{ rounded to 2 decimals}$ $\$2,627.72 - \$2,291.67$ $\$336.05$ $(\$336.05 * 100\%) \text{ rounded to 2 decimals}$ $\$336.05$
Factored LPT Interest	$\text{Prior Factored UPB} * \text{LPT Rate} / 12$ $\$400,000.00 * .06625 / 12$ $\$2,208.333333 \text{ round to 2 decimals}$ $\$2,208.33$

Event Reporting JSON Schema

See the [Technical Specifications](#) found on the [Master Servicing Simplification](#) web page for more details.

Applicable Resources

- [Loan Management: Servicing Event & Data Requirements](#) for detailed information on the associated data requirements for this event.
- [Technical Specifications](#) for the underlying JSON Schema and other specification files.
- [Implementation Timeline](#) for the testing and go-live milestones for this event under “Enhance & Expand Servicer Payment Event Reporting and Cash Position Management.”

Loan Escrow Reporting

Event Overview

Escrow payments are collected by the servicer as part of the borrower’s monthly mortgage payment to disburse property taxes, homeowners’ insurance, and other applicable charges on behalf of the borrower. Servicers are required to report Escrow Deposits and Disbursement events on the same day the servicing events are processed in the servicers’ systems, but no later than 3:00 a.m. Eastern Time on the next business day. Enhancing visibility into escrow data will strengthen Fannie Mae’s risk management capabilities.



Event Definition: The deposit and disbursement activities related to the management of funds held in the escrow account.

NOTE: Review the [Loan Management: Servicing Event & Data Requirements](#) for detailed information on the associated data requirements for this event.

Examples

Scenario 1: For loans with an active escrow account, the servicer must report a 'Setup' event for a seasoned loan at the time of conversion or a newly acquired loan to establish the initial escrow account balances for each loan escrow item category type. These must be reported as separate events, prior to reporting any subsequent escrow deposits or disbursements. This ensures that all escrow-related activities are accurately recorded as they are processed in a servicer's system.

Servicing Event Reporting								Fannie Mae Balance Tracking			
Fannie Mae Servicer Number	Fannie Mae Loan Number	Loan Escrow Contractual Payment Amount	Loan Servicer Transaction Processed Date	Loan Escrow Item Category Type	Loan Escrow Item Type	Loan Escrow Item Amount	Loan Escrow Balance Amount	Loan Taxes & Insurance Balance Amount	Loan Buy Down Balance Amount	Loan Loss Draft Balance Amount	Loan Renovation Balance Amount
333333333	1234567890	\$1,000.00	5/9/2025	Loan Taxes and Insurance	Set up	\$500.00	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00
333333333	1234567890	\$1,000.00	5/9/2025	Loan Loss Draft	Set up	\$20,000.00	\$20,000.00	\$500.00	\$0.00	\$20,000.00	\$0.00
333333333	1234567890	\$1,000.00	5/9/2025	Loan Renovation	Set up	\$30,000.00	\$30,000.00	\$500.00	\$0.00	\$20,000.00	\$30,000.00
333333333	1234567890	\$1,000.00	5/10/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$1,000.00	\$1,500.00	\$1,500.00	\$0.00	\$20,000.00	\$30,000.00

Scenario 2: In June, the servicer reports the Loan Escrow Contractual Payment, an interest deposit on the escrow account, and subsequently in June and July disbursements are made for property insurance and county tax.

Servicing Event Reporting								Fannie Mae Balance Tracking			
Fannie Mae Servicer Number	Fannie Mae Loan Number	Loan Escrow Contractual Payment Amount	Loan Servicer Transaction Processed Date	Loan Escrow Item Category Type	Loan Escrow Item Type	Loan Escrow Item Amount	Loan Escrow Balance Amount	Loan Taxes & Insurance Balance Amount	Loan Buy Down Balance Amount	Loan Loss Draft Balance Amount	Loan Renovation Balance Amount
333333333	1234567890	\$1,000.00	6/15/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$1,000.00	\$2,501.00	\$2,501.00	\$0.00	\$17,000.00	\$25,000.00
333333333	1234567890	\$1,000.00	6/30/2025	Loan Taxes and Insurance	Interest on Escrow	\$1.00	\$2,502.00	\$2,502.00	\$0.00	\$17,000.00	\$25,000.00
333333333	1234567890	\$1,000.00	6/30/2025	Loan Taxes and Insurance	Property Insurance	(\$500.00)	\$2,002.00	\$2,002.00	\$0.00	\$17,000.00	\$25,000.00
333333333	1234567890	\$1,000.00	7/1/2025	Loan Taxes and Insurance	County Tax	(\$2,500.00)	(\$498.00)	(\$498.00)	\$0.00	\$17,000.00	\$25,000.00

Scenario 3: In March and April, the servicer reports Loan Taxes and Insurance events for two loan escrow contractual payments and the corresponding escrow balance amounts. In May, the servicer submits another Loan Taxes and Insurance event for a loan escrow contractual payment with an escrow balance amount. When Fannie Mae processes this event and applies business rules, the event is rejected due to an incorrect escrow balance amount, leaving Fannie Mae's Taxes & Insurance balance unchanged. On the same day, the servicer submits a new Loan Taxes and Insurance event with the correct escrow balance amount, which updates Fannie Mae's Taxes & Insurance balance. The previously rejected event is cleared upon acceptance of the new event.

Servicing Event Reporting								Fannie Mae Balance Tracking			
Fannie Mae Servicer Number	Fannie Mae Loan Number	Loan Escrow Contractual Payment Amount	Loan Servicer Transaction Processed Date	Loan Escrow Item Category Type	Loan Escrow Item Type	Loan Escrow Item Amount	Loan Escrow Balance Amount	Loan Taxes & Insurance Balance Amount	Loan Buy Down Balance Amount	Loan Loss Draft Balance Amount	Loan Renovation Balance Amount
333333333	1234567890	\$1,000.00	3/3/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$1,000.00	\$2,000.00	\$2,000.00	\$0.00	\$0.00	\$0.00
333333333	1234567890	\$1,000.00	4/10/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$1,000.00	\$3,000.00	\$3,000.00	\$0.00	\$0.00	\$0.00
333333333	1234567890	\$1,000.00	5/8/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$1,000.00	\$5,000.00	\$3,000.00	\$0.00	\$0.00	\$0.00
333333333	1234567890	\$1,000.00	5/8/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$1,000.00	\$4,000.00	\$4,000.00	\$0.00	\$0.00	\$0.00

Scenario 4: When loan escrow reporting began, the loan was non-escrowed; therefore, no setup event was required. Later that year, the borrower failed to pay county taxes, causing the servicer to establish an escrow account. In May, the servicer reports Loan Taxes and Insurance event for the county tax disbursement, followed by two loan escrow contractual payments. As this event occurred post-conversion, no setup event was necessary to establish the escrow account.



Servicing Event Reporting								Fannie Mae Balance Tracking			
Fannie Mae Servicer Number	Fannie Mae Loan Number	Loan Escrow Contractual Payment Amount	Loan Servicer Transaction Processed Date	Loan Escrow Item Category Type	Loan Escrow Item Type	Loan Escrow Item Amount	Loan Escrow Balance Amount	Loan Taxes & Insurance Balance Amount	Loan Buy Down Balance Amount	Loan Loss Draft Balance Amount	Loan Renovation Balance Amount
333333333	1234567890	\$1,000.00	5/15/2025	Loan Taxes and Insurance	County Tax	(\$5,000.00)	(\$5,000.00)	(\$5,000.00)	\$0.00	\$0.00	\$0.00
333333333	1234567890	\$1,000.00	7/1/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$1,000.00	(\$4,000.00)	(\$4,000.00)	\$0.00	\$0.00	\$0.00
333333333	1234567890	\$1,000.00	8/10/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$1,000.00	(\$3,000.00)	(\$3,000.00)	\$0.00	\$0.00	\$0.00

Scenario 5: In February and March, the servicer reports Loan Taxes and Insurance event for loan escrow contractual payment. No contractual payments were made between April and July, resulting in the loan becoming delinquent. In July, the first installment of county taxes became due and was paid by the servicer, causing the Taxes and Insurance balance to become negative. In August, a Delinquency Modification event was reported to establish an updated Loan Taxes and Insurance balance along with a new loan escrow contractual payment amount.

Servicing Event Reporting								Fannie Mae Balance Tracking			
Fannie Mae Servicer Number	Fannie Mae Loan Number	Loan Escrow Contractual Payment Amount	Loan Servicer Transaction Processed Date	Loan Escrow Item Category Type	Loan Escrow Item Type	Loan Escrow Item Amount	Loan Escrow Balance Amount	Loan Taxes & Insurance Balance Amount	Loan Buy Down Balance Amount	Loan Loss Draft Balance Amount	Loan Renovation Balance Amount
333333333	1234567890	\$1,000.00	2/10/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$1,000.00	\$1,500.00	\$1,500.00	\$0.00	\$0.00	\$0.00
333333333	1234567890	\$1,000.00	3/10/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$1,000.00	\$2,500.00	\$2,500.00	\$0.00	\$0.00	\$0.00
333333333	1234567890	\$1,000.00	7/20/2025	Loan Taxes and Insurance	County Tax	(\$5,200.00)	(\$2,700.00)	(\$2,700.00)	\$0.00	\$0.00	\$0.00
333333333	1234567890	\$800.00	8/10/2025	Loan Taxes and Insurance	Modification	\$300.00	\$300.00	\$300.00	\$0.00	\$0.00	\$0.00
333333333	1234567890	\$800.00	9/10/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$800.00	\$1,100.00	\$1,100.00	\$0.00	\$0.00	\$0.00

Scenario 6: When loan escrow reporting began, the loan only had Taxes and Insurance escrow account, with no Loan Buy Down, Loan Loss Draft, or Renovation escrow account. Subsequently, in May, the servicer reports a Loan Taxes and Insurance event for the county tax disbursement. Later in mid-May, the servicer reports a Loan Escrow Item Category Type of Loan Loss Draft with an associated Loan Escrow Item Type of Loan Loss Draft Activity. In this instance, no setup event for 'Loan Loss Draft' was required, as the event occurred after conversion.

Servicing Event Reporting								Fannie Mae Balance Tracking			
Fannie Mae Servicer Number	Fannie Mae Loan Number	Loan Escrow Contractual Payment Amount	Loan Servicer Transaction Processed Date	Loan Escrow Item Category Type	Loan Escrow Item Type	Loan Escrow Item Amount	Loan Escrow Balance Amount	Loan Taxes & Insurance Balance Amount	Loan Buy Down Balance Amount	Loan Loss Draft Balance Amount	Loan Renovation Balance Amount
333333333	1234567890	\$1,000.00	5/15/2025	Loan Taxes and Insurance	County Tax	(\$5,000.00)	(\$5,000.00)	(\$5,000.00)	\$0.00	\$0.00	\$0.00
333333333	1234567890	\$1,000.00	5/18/2025	Loan Loss Draft	Loan Loss Draft Activity	\$20,000.00	\$20,000.00	(\$5,000.00)	\$0.00	\$20,000.00	\$0.00
333333333	1234567890	\$1,000.00	6/18/2025	Loan Loss Draft	Loan Loss Draft Activity	(\$3,000.00)	\$17,000.00	(\$5,000.00)	\$0.00	\$17,000.00	\$0.00
333333333	1234567890	\$1,000.00	7/15/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$1,000.00	(\$4,000.00)	(\$4,000.00)	\$0.00	\$17,000.00	\$0.00
333333333	1234567890	\$1,000.00	8/10/2025	Loan Taxes and Insurance	Loan Escrow Payment	\$1,000.00	(\$3,000.00)	(\$3,000.00)	\$0.00	\$17,000.00	\$0.00

Business Rules

This section provides business rules with severity of Fatal that occur during the processing of Loan Escrow event reporting.

- **Fatal:** These occur when specific business rule validations fail during event processing. Servicers should review Fatal Exceptions and promptly take corrective actions to resolve issues related to the Loan Escrow event.

Severity	Rule Logic
Fatal	Fannie Mae loan number must be valid.
Fatal	Fannie Mae servicer number is not associated to the Fannie Mae loan number.
Fatal	Escrow event processed date must be less than or equal to the file timestamp.
Fatal	Escrow event escrow item type amount must not equal to 0.00.



Severity	Rule Logic
Fatal	When reported Escrow Item Category Type is Loan Tax and Insurance, then the prior Loan Taxes and Insurance Balance Amount plus the Loan Escrow Item amount must equal the reported Loan Escrow Balance Amount. If Loan Escrow Balance Amount doesn't exist (null) then assume the balance is 0.00 when performing calculation.
Fatal	When reported Escrow Item Category Type is Loan Loss Draft, then the prior Loan Loss Draft Balance Amount plus the Loan Escrow Item amount must equal the reported Loan Escrow Balance Amount. If Loan Escrow Balance Amount doesn't exist (null) then assume the balance is 0.00 when performing calculation.
Fatal	When reported Escrow Item Category Type is Loan Buy Down, then the prior Loan Buy Down Balance Amount plus the Loan Escrow Item amount must equal the reported Loan Escrow Balance Amount. If Loan Escrow Balance Amount doesn't exist (null) then assume the balance is 0.00 when performing calculation.
Fatal	When reported Escrow Item Category Type is Loan Renovation, then the prior Loan Renovation Balance Amount plus the Loan Escrow Item amount must equal the reported Loan Escrow Balance Amount. If Loan Escrow Balance Amount doesn't exist (null) then assume the balance is 0.00 when performing calculation.
Fatal	The processed date for the reported escrow item category type is prior to the latest processed date for the reported escrow item category type.
Fatal	Loan Loss Draft, Loan Buy Down and Loan Renovation balance cannot be a negative amount.

Event Reporting JSON Schema

See the [Technical Specifications](#) found on the [Master Servicing Simplification](#) web page for more details.

Applicable Resources

- [Loan Management: Servicing Event & Data Requirements](#) for detailed information on the associated data requirements for this event.
- [Technical Specifications](#) for the underlying JSON Schema and other specification files.
- [Implementation Timeline](#) for the testing and go-live milestones for this event under “Escrow Reporting.”
- [Customer Integration Test Plan](#) for the testing requirements and scenarios.

Loan Delinquency Reporting

Event Overview

To comply with Fannie Mae’s requirements to take action on delinquent loans, servicers are required to report on the following:

- Loans that are past the late charge date, or
- Loans with any delinquency-related activities, including any available information, such as actions taken to manage delinquency, even if the loan is current or less than 30 days delinquent.

Event Definition: The reporting of an action taken and/or information obtained in managing a delinquent loan.

A. Servicer reports Loan Delinquency Reporting events the same day as the delinquency activities occur, but no later than 3:00 a.m. Eastern Time on the next business day including:

1. Loan Delinquency Servicer Action Type - A status reported by the servicer indicating the latest action taken on a delinquent mortgage loan. The servicer may report one loan delinquency servicer action type at a time.
2. Loan Delinquency Status Type - Loan status information reported by the servicer related to current or future delinquency.



NOTE: The servicer may report up to a maximum of five delinquency status types per event as applicable.

- Loan Delinquency Reason Type - The reason for the borrower's failure to make their monthly Principal and Interest (P&I) payment.

NOTE: Several different "reasons for delinquency" could apply to an individual mortgage loan; the servicer may report up to a maximum of five reason types per event as applicable.

B. Servicer is no longer required to report the following delinquency status' as part of the Loan Delinquency Reporting event as these activities will be reported in Servicing Management Default Underwriter™ (SMDU™), Property 360, or the Default Reporting Application (DRA):

- Forbearance
- Repayment Plan
- Trial Modification
- Loan Third Party Sale
- Foreclosure Sale Continued
- Foreclosure Sale Scheduled
- Judgement or Decree Entered

Examples

Scenario 1: Illustration of various delinquency reporting activities followed by a repayment plan

Activity Period	Reporting Date	Reporting Systems	Event Type	Loan Delinquency Servicer Action Type	Conditional Data Attributes	Loan Delinquency Status Type	Loan Delinquency Reason Type	Reporting Due By
Mar	3/20/2025		Delinquency	Payment Reminder Notice	Payment Reminder Notice Sent Date: 3/17/25	N/A	N/A	CD 20
	3/22/2025		No Payment Event (Investor Reporting)					CD 22
	3/28/2025		Delinquency	Outbound Contact Attempted	Last Attempted Date: 3/27/25 Contact Established: No	N/A	N/A	37 th Day of Delinquency
Apr	4/15/2025	New Servicing System	Delinquency	Borrower Solicitation Package	Borrower Solicitation Package Sent Date: 4/15/25	N/A	N/A	45 th Day of Delinquency
	4/22/2025		No Payment Event (Investor Reporting)					CD 22
					QRPC Achieved Date: 4/28/25 Expected Duration of Hardship: Short Term			
	4/28/2025		Delinquency	Quality Right Party Contact	Borrower's Ability to Repay the Debt: Yes Educate the Borrower on Workout Options: Yes Obtain Borrower Commitment: Retention Property Occupancy Status: Occupied	N/A	Illness of Borrower; Curtailment of Income	N/A
	4/29/2025	SMDU	(New Servicing System will consume repayment plan case data from SMDU)			Repayment Plan	N/A	N/A

- Reporting will only occur when there is an action taken by the servicer and/or change in the loan delinquency status or loan delinquency reason.
- Servicers should submit a Loan Delinquency Reporting event with each loan delinquency servicer action (e.g., outbound contact attempted, workout solicitation).
- The new servicing platform will source data from other internal data sources including Forbearance and Repay Plan workouts reported into SMDU.

Scenario 2: Illustration of same day multi-Servicer Action Reporting and No Payment events reporting.



- LPI is 2/1/25 (due for March 2025 Payment)

Activity Period	Reporting Date	Reporting Systems	Event Type	Loan Delinquency Servicer Action Type	Conditional Data Attributes	Loan Delinquency Status Type	Loan Delinquency Reason Type	Reporting Due By
Mar	3/20/25	New Servicing System	Delinquency	Payment Reminder Notice	Payment Reminder Notice Sent Date: 3/17/25	N/A	N/A	CD 20
				Outbound Contact Attempted	Last Attempted Date: 3/17/2025	N/A	N/A	
					Contact Established: No	N/A	N/A	
	3/22/25		No Payment Event (Investor Reporting)					CD 22

- Each Loan Delinquency Servicer Action taken on a single day must be reported individually (e.g., Payment Reminder Notice (Loan Event Sequence Number = 1), Outbound Contact Attempted (Loan Event Sequence Number = 2))

Business Rules

This section provides business rules encountered for Loan Delinquency Reporting events:

- Fatal Exceptions:** These occur when specific business rule validations fail during event processing. Servicers should review Fatal Exceptions and promptly take corrective actions to resolve issues related to the Loan Delinquency event.
- Notification Rules:** These are informational only notification flags indicating a potential delay in expected action or missed reporting within the expected timeframe.

Severity	Rule Logic	Rule Description
Fatal	Fannie Mae loan number must be valid.	Fannie Mae loan number is not valid.
Fatal	Fannie Mae servicer number must be associated to the Fannie Mae loan number.	Fannie Mae servicer number is not associated to the Fannie Mae loan number.
Fatal	When Loan Delinquency Reason Type includes two or more of the following values: <i>Property Problem, Disaster Impact – FEMA-Declared Disaster Area Eligible for Individual Assistance, Casualty Loss</i>	The following Loan Delinquency Reason Types cannot be reported in the same event: Property Problem, Disaster Impact – FEMA-Declared Disaster Area Eligible for Individual Assistance, Casualty Loss.
Fatal	When Loan Delinquency Reason Type Of Borrower Declined to Provide a Reason is reported with any other Loan Delinquency Reason Type	The Loan Delinquency Reason Type Borrower Declined to Provide a Reason cannot be reported with any other Loan Delinquency Reason Type.
Fatal	When Loan Delinquency Status Type includes two or more of the following values: <i>Assumption Exempt, Assumption Non-Exempt, Refinance, Assignment</i>	The following Loan Delinquency Status Types cannot be reported in the same event: Assumption Exempt, Assumption Non-Exempt, Refinance, Assignment.
Fatal	When Loan Delinquency Status Type IS Military Indulgence AND includes any other of the following values: <i>Veterans Affairs - Refund, Partial Reinstatement, Drug seizure, Probate, Contested or Litigated Foreclosure, Pre-file mediation/mediation, Title Issue in Progress</i>	The Loan Delinquency Status Type Military Indulgence cannot be reported in the same event as a Foreclosure related Loan Delinquency Status Types of Veterans Affairs - Refund, Partial Reinstatement, Drug Seizure, Probate, Contested or Litigated Foreclosure, Pre-file mediation/mediation, Title Issue in Progress.
Fatal	When reported Loan Delinquency Status Type includes one the following values: <i>Veterans Affairs - Refund, Partial Reinstatement, Drug seizure, Probate, Contested or Litigated Foreclosure, Pre-file mediation/mediation, Title Issue in Progress</i> AND Delinquency Status Type includes one or more of the following values: <i>Bankruptcy Chapter 7 – Asset Case, Bankruptcy – Property Surrendered, Chapter 12 Bankruptcy, Chapter 7 Bankruptcy, Chapter 11 Bankruptcy, Chapter 13 Bankruptcy, Chapter 13 Bankruptcy Plan – Post-Petition Period Utilize</i>	Foreclosure related Loan Delinquency Status Types of Veterans Affairs - Refund, Partial Reinstatement, Drug seizure, Probate, Contested or Litigated Foreclosure, Pre-file mediation/mediation, Title Issue in Progress cannot be reported in the same event as Bankruptcy related Loan Delinquency Status types of Bankruptcy Chapter 7 – Asset Case, Bankruptcy – Property Surrendered, Chapter 12 Bankruptcy, Chapter 7 Bankruptcy, Chapter 11 Bankruptcy, Chapter 13 Bankruptcy, Chapter 13 Bankruptcy Plan – Post-Petition Period Utilize.



Severity	Rule Logic	Rule Description
Fatal	When Servicer Action Type IS Quality Right Party Contact AND Loan Delinquency Reason Type is not reported OR Loan Delinquency Reason Type doesn't exist on the loan.	When a Servicer Action Type of Quality Right Party Contact is reported there should be an existing or previously reported Loan Delinquency Reason Type.
Fatal	When reported Servicer Action Type IS Modification Denial Under Appeal AND Loan Delinquency Reason Type is not reported OR Loan Delinquency Reason Type doesn't exist on the Loan.	When a Servicer Action Type of Modification Denial Under Appeal is reported there should be an existing or previously reported Loan Delinquency Reason Type.
Notification	When the loan is one period delinquent for loans due on the first and two periods delinquent for odd due date loans as measured by LPI (confirmed loan position by Servicer during the current activity period) AND the most recently reported Loan Delinquency Status Type on the loan is not equal to: <ul style="list-style-type: none">• Bankruptcy Chapter 7 – Asset Case Or• Bankruptcy – Property Surrendered Or• Chapter 12 Bankruptcy Or• Chapter 7 Bankruptcy Or• Chapter 11 Bankruptcy Or• Chapter 13 Bankruptcy Or• Chapter 13 Bankruptcy Plan – Post-Petition Period Utilize AND no Loan Delinquency Servicer Action Type has been reported in the current activity period OR the reported Loan Delinquency Servicer Action Type in the current activity period does not equal: <ul style="list-style-type: none">• Payment Reminder Notice AND there is no active workout case in SMDU (case where status is not equal to Closed, Completed, Cancelled, Denied)	A Servicer Action Type Payment Reminder Notice should be reported by CD23 if the loan is past due. Rule is not applicable if a Bankruptcy status has been previously reported or there is an active workout case in SDMU.
Notification	When the loan is two periods delinquent for loans due on the first and three periods delinquent for odd due date loans as measured by LPI (confirmed loan position by Servicer during the current activity period) AND the most recently reported Loan Delinquency Status Type on the loan is not equal to: <ul style="list-style-type: none">• Bankruptcy Chapter 7 – Asset Case Or• Bankruptcy – Property Surrendered Or• Chapter 12 Bankruptcy Or Chapter 7 Bankruptcy Or• Chapter 11 Bankruptcy Or Chapter 13 Bankruptcy Or• Chapter 13 Bankruptcy Plan – Post-Petition Period Utilize AND any reported Loan Delinquency Servicer Action Type reported in the last 2 activity periods does not equal: <ul style="list-style-type: none">• Outbound Contact Attempted Or• Quality Right Party Contact Or• Borrower Solicitation Package AND there is no active workout case in SMDU (case where status is not equal to Closed, Completed, Cancelled, Denied)	A Servicer Action Type of Outbound Contact Attempted, Quality Right Party Contact, or Borrower Solicitation Package should be reported by if the loan is 53 or more days past due. Rule is not applicable if a Bankruptcy status has been previously reported or there is an active workout case in SDMU.
Notification	When the loan is three periods delinquent for loans due on the first and four periods delinquent for odd due date loans as measured by LPI (confirmed loan position by Servicer during the current activity period) AND the most recently reported Loan Delinquency Status Type on the loan is not equal to: <ul style="list-style-type: none">• Bankruptcy Chapter 7 – Asset Case Or• Bankruptcy – Property Surrendered Or• Chapter 12 Bankruptcy Or• Chapter 7 Bankruptcy Or• Chapter 11 Bankruptcy Or• Chapter 13 Bankruptcy Or	A Servicer Action Type of Breach Letter Sent should be reported by if the loan is 83 or more days past due. Rule is not applicable if a Bankruptcy status has been previously reported or there is an active workout case in SDMU.



Severity	Rule Logic	Rule Description
	<ul style="list-style-type: none"> Chapter 13 Bankruptcy Plan – Post-Petition Period Utilize <p>AND any reported Loan Delinquency Servicer Action Type in the last 3 Activity periods does not equal:</p> <ul style="list-style-type: none"> Breach Letter Sent <p>AND there is no active workout case in SMDU (case where status is not equal to Closed, Completed, Cancelled, Denied)</p>	
Notification	<p>When the loan is five periods delinquent for loans due on the first and six periods delinquent for odd due date loans as measured by LPI (confirmed loan position by Servicer during the current activity period)</p> <p>AND the most recently reported Loan Delinquency Status Type on the loan is not equal to:</p> <ul style="list-style-type: none"> Bankruptcy Chapter 7 – Asset Case Or Bankruptcy – Property Surrendered Or Chapter 12 Bankruptcy Or Chapter 7 Bankruptcy Or Chapter 11 Bankruptcy Or Chapter 13 Bankruptcy, Or Chapter 13 Bankruptcy Plan – Post-Petition Period Utilize <p>AND Loan Delinquency Servicer Action Breach Expiration Date has passed (if available)</p> <p>AND any of the following Loan Delinquency Servicer Action Types reported does not equal:</p> <ul style="list-style-type: none"> Workout Option Solicitation reported in the last 2 Activity periods, OR Borrower Response Package Received reported in the last 2 Activity periods, OR Referred to Foreclosure reported in the last Activity period <p>AND there is no active workout case in SMDU (case where status is not equal to Closed, Completed, Cancelled, Denied)</p>	<p>A Servicer Action Type of Referred to Foreclosure should be reported by if the loan is 153 or more days due. Rule is not applicable if a Bankruptcy status has been previously reported or there is an active workout case in SDMU</p>
Notification	<p>When the loan is two or more periods delinquent for loans due on the first and three or more periods delinquent for odd due date loans as measured by LPI (confirmed loan position by Servicer during the current activity period)</p> <p>AND reported Loan Servicer Delinquency Action Type IS Outbound Contact Attempted and the conditional attribute of Contacted Established Is Yes</p> <p>AND Loan Delinquency Reason Type IS</p> <ul style="list-style-type: none"> NULL OR Loan Delinquency Reason Type doesn't exist on the Loan. 	<p>When the loan is two or more periods delinquent for loans due on the first and three or more periods delinquent for odd due date loans as measured by LPI (confirmed loan position by Servicer during the current activity period)</p> <p>AND reported Loan Servicer Delinquency Action Type IS Outbound Contact Attempted and the conditional attribute of Contacted Established Is Yes</p> <p>AND Loan Delinquency Reason Type IS</p> <ul style="list-style-type: none"> NULL OR Loan Delinquency Reason Type doesn't exist on the Loan.

Event Reporting JSON Schema

See the [Technical Specifications](#) found on the [Master Servicing Simplification](#) web page for more details.

Applicable Resources

- [Loan Management: Servicing Event & Data Requirements](#) for detailed information on the associated data requirements for this event.
- [Technical Specifications](#) for the underlying JSON Schema and other specification files.
- [Implementation Timeline](#) for the testing and go-live milestones for this event under “Enhance & Expand Delinquency Event Reporting.”



Revision Log

Document Change History		
Data	Version #	Description
December 17, 2025	Version 1.0	Initial document publication

Additional Resources

- [Master Servicing Simplification Changes | Fannie Mae](#)
- [Lender Letter LL-2025-02 – Advance Notice of Changes to Servicing Processes and Systems](#)
- [Implementation Timeline](#)
- Data Requirements and Technical Specifications:
 - [Loan Management: Servicing Events and Data Requirements](#)
 - [Technical Specifications in Box](#) (for Technology Service Providers)
 - [Technical Specifications](#) (zip) (for Servicers)
 - [How to Box Guide](#)
- [Customer Integration Test Plan](#)
- [Frequently Asked Questions](#)