



Servicing Guide Announcement SVC-2017-06

July 12, 2017

Servicing Guide Updates

The *Servicing Guide* has been updated to include changes related to Property Inspection and Preservation Updates. These policy changes also apply to Home Keeper® loans but are not applicable to Home Equity Conversion Mortgage (HECM) loans.

The affected topics for these policy changes are included below. Servicers should review the *Servicing Guide* and the [Property Preservation Matrix and Reference Guide](#) to gain a full understanding of the changes.

Property Inspection and Preservation Updates

In response to industry feedback and in an effort to better serve our customers, we are

- updating the *Property Preservation Matrix and Reference Guide* to provide servicers with more specific and detailed procedures for preserving and completing inspections for properties that secure delinquent mortgage loans;
- restructuring *Servicing Guide* [D2-2-10, Requirements for Performing Property Inspections](#), to clarify requirements for ordering and completing inspections for properties that secure mortgage loans that are in default; and
- making the process easier for completing maintenance work by adding or updating reimbursement limits in *Servicing Guide* [F-1-06, Expense Reimbursement](#), for the following:
 - moisture control,
 - address discoloration,
 - roof cleaning,
 - repair/replace fascia,
 - repair/replace soffits,
 - emergency pump water,
 - plumbing services,
 - utility service - initial service and per month,
 - code violations for fines/fees/liens,
 - cleaning toilet – life of loan maximum expense limit added,
 - repair/replace fence gate/lania,
 - repair/replace exterior door, and
 - repair/replace exterior door jamb.

Additionally, *Servicing Guide* [E-3.3-03, Inspecting Properties Prior to Foreclosure Sale](#), has been updated to change the number of days to complete an inspection from 30 to 35 days prior to the foreclosure sale.

Additional Servicing Guide Topics Impacted

References to the revised *Property Preservation Matrix and Reference Guide* were added to the following topics:

- [A2-1-01, General Servicer Duties and Responsibilities](#)
- [D1-6-02, Handling Notices of Liens, Legal Action, Other Actions Impacting Fannie Mae's Interest](#)
- [D2-2-10, Requirements for Performing Property Inspections](#)
- [D2-3.3-01, Fannie Mae Short Sale](#)
- [D2-3.3-02, Fannie Mae Mortgage Release \(Deed-in-Lieu of Foreclosure\)](#)
- [E-1.2-02, Timing of the Foreclosure Referral for Mortgage Loans Generally](#)
- [E-3.2-12, Performing Property Preservation During Foreclosure Proceedings](#)



- [E-3.3-03, Inspecting Properties Prior to Foreclosure Sale](#)
- [E-3.5-02, Handling Third-Party Sales](#)
- [F-1-06, Expense Reimbursement](#)
- [F-1-09, Managing Foreclosure Proceedings](#)

Effective Date

Policy changes must be implemented by October 1, 2017. However, servicers are encouraged to implement the updated expense limits and guidelines for these policy changes as of the date of this Announcement.

Contact your Customer Delivery Team, Portfolio Manager, or Fannie Mae's Single-Family Servicer Support Center at 1-800-2FANNIE (1-800-232-6643) with any questions regarding this Announcement.

Carlos T. Perez
Senior Vice President and
Chief Credit Officer for Single-Family