



Servicing Guide Announcement (SVC-2021-01)

Jan. 20, 2021

The *Servicing Guide* has been updated to include changes to the following:

- [Automatic reclassification time frame for delinquent MBS mortgage loans](#)*: incorporates Lender Letter LL-2020-13, which extended automatic reclassification triggers from four to 24 months for most delinquent MBS mortgage loans.
- [Update to delinquency status reporting for a disaster payment deferral](#)*: eliminates the requirement for reporting a delinquency status code for a disaster payment deferral if the mortgage loan is brought current.
- [Miscellaneous update](#): updates our policies on remote online notarizations for the purpose of servicing or modifying a mortgage loan.

View the list of [impacted topics](#).

*Policy change not applicable to reverse mortgage loans.

Automatic reclassification time frame for delinquent MBS mortgage loans

We have updated the *Guide* to reflect changes to the criteria for automatic reclassification of MBS mortgage loans serviced under the special servicing option from four consecutive months delinquent to 24 consecutive months delinquent, as previously communicated in [Lender Letter LL-2020-13](#).

Effective: These policy changes are effective in January 2021 for mortgage loans that become greater than four consecutive months delinquent (based on December 2020 and January 2021 reporting activity).

Update to delinquency status reporting for a disaster payment deferral

In circumstances where the servicer uses a processing month to complete a disaster payment deferral, we have updated the *Guide* to eliminate the requirement that the servicer report the same delinquency status code used when reporting the previous month's delinquency status information (i.e., delinquency status code 09 - Forbearance or 42 - Delinquent, No Action). If no other delinquency code is applicable and the mortgage loan reflects as current in our investor reporting system, the servicer is not required to report delinquency status information in the month in which the disaster payment deferral is completed.

Effective: This policy change is effective immediately.

Miscellaneous update

Remote online notarization requirements. We recently updated our remote online notarization policies, as communicated in *Selling Guide* Announcement [SEL-2020-06](#). The policies also apply to remote online notarizations for the purpose of servicing or modifying a mortgage loan.

Effective: Servicers may take advantage of the updated policies immediately.

See the *Servicing Guide* for details about these updates.

Servicers who have questions about this Announcement should contact their Fannie Mae Account Team, Portfolio Manager, or Fannie Mae's Single-Family Servicer Support Center at 1-800-2FANNIE (1-800-232-6643). Have Guide questions? Get answers to all your policy questions, straight from the source. [Ask Poli](#).



Impacted Topics

Section of the Announcement	Updated <i>Servicing Guide</i> Topics and Related Documents (Dated Jan. 20, 2021)
Automatic reclassification time frame for delinquent MBS mortgage loans	<ul style="list-style-type: none">▪ A1-3-02, Fannie Mae-Initiated Repurchases, Indemnifications, Make Whole Payment Requests and Deferred Payment Obligations▪ A1-3-06, Automatic Reclassification of MBS Mortgage Loans▪ A2-1-02, Servicers Duties and Responsibilities Related to MBS Mortgage Loans▪ D2-3.1-02, Conditions of a First and Second Lien Mortgage Loan Modification for an MBS Mortgage Loan▪ E-2.1-11, Remitting P&I for MBS Mortgage Loans That Are Part of a Bankruptcy▪ E-3.5-01, Reclassifying or Removing MBS Mortgage Loans Post-Foreclosure▪ E-4.1-01, Notifying Fannie Mae of an Acquired Property▪ F-1-25, Reclassifying or Voluntary Repurchasing an MBS Mortgage Loan
Update to delinquency status reporting for a disaster payment deferral	<ul style="list-style-type: none">▪ F-1-21, Reporting a Delinquent Mortgage Loan via Fannie Mae's Servicing Solutions System