



August 16, 2017



Announcement SVC-2017-07: Servicing Guide Updates

The Fannie Mae *Servicing Guide* has been updated to simplify servicing and improve processes. These changes:

- Streamline the *Selling* and *Servicing Guides* by removing certain topics from *Servicing Guide* Part A, including general contract terms, indemnification provisions, and Fannie Mae trade names and trademarks. These topics will be updated and included in the *Selling Guide* on Aug. 29.
- Provide Fannie Mae sellers/servicers advance notice of changes to fidelity bond and errors and omissions insurance requirements, effective Oct. 1, 2018.
- Revise how servicers should calculate the pass-through rate when an adjustable-rate mortgage (ARM) adjusts. Servicers will now use the calculation, *index plus the net margin*, to better align whole loan ARM execution with the market demand in ARM MBS.

Read about these updates in *Servicing Guide* [Announcement SVC-2017-07](#). For a summary of key updates in this *Servicing Guide* Announcement, view the [executive overview](#) from Carlos Perez, Chief Credit Officer for Single-Family.

Updates to bankruptcy-related attorney fees and processes

We have updated the [Allowable Bankruptcy Attorney Fees Exhibit](#) to reflect changes to the maximum fee reimbursement for select services and detail steps to take when a servicer incurs out-of-pocket expenses less than \$150 that are governed by Federal Rule of Bankruptcy Procedure 3002.1. We've also simplified a related process by no longer requiring law firms to seek excess fee approval for a Chapter 7 Motion for Relief filed more than 60 days after the bankruptcy filing date.

The updated fees take effect immediately and apply to all matters referred to counsel for bankruptcy services regardless of referral date, as long as the matter is still active as of Aug. 16. You are encouraged to implement the fee updates for impacted files as soon as possible, but must do so no later than Dec. 1. We will incorporate these updates in the September *Servicing Guide* Announcement. All Attorney Authorization Approval (AAA) matrices have been updated to reflect the changes. View details on the [Excess Attorney Fee/Cost Guidelines page](#).

Inquiry Response Tool enhancement coming Aug. 25

In an effort to improve customer service and increase efficiency, an "Excess Fees" option will be added to the Inquiry Category drop-down list in the [Inquiry Response Tool \(IRT\)](#) on Aug. 25. This category should be used only for inquiries that are specific to the excess attorney fees process.

Additional information regarding the IRT can be found on the [Servicer Expense Reimbursement page](#).

Impacts to HSSN and SMDU Aug. 26-27

We'll be making changes to investor reporting during the weekend of Aug. 26, and information between our systems may not be synchronized during that time. To avoid exceptions, we recommend delaying case creation and closing from 6 p.m. ET, Saturday, Aug. 26 until 8 a.m. ET, Sunday, Aug. 27. This recommendation is intended for those who use [Servicing Management Default Underwriter™ \(SMDU™\)](#) Case Management functionality to create [HomeSaver Solutions™ Network \(HSSN\)](#) cases, as well as those creating cases directly on HSSN. Note that XML bulk file submissions for HSSN submitted during this timeframe will be held and processed on Monday, Aug. 28. SMDU Auto Decision will not be impacted; SMDU will remain available per the usual availability schedule.

Join us at these [upcoming events](#):

- Aug. 20-22 | **The Mortgage Collaborative Summer Conference** | Nashville
- Sept. 13-15 | **New England Mortgage Bankers Conference** | Newport, RI
- Sept. 17-20 | **Pacific Northwest Mortgage Lenders Conference** | Stevenson, WA



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