

MPF Announcement

September 20, 2019

2019-50

Alert

Policy Update

New Policy

Reminder

Clarification

Training Information

Audience

Program Management

Origination

Quality Control

Servicing

Underwriting

Compliance/Legal

Product

MPF Xtra

MPF® Direct

MPF Government MBS

MPF Traditional

Effective Date:

**Effective Immediately
(unless noted otherwise)**

REFERENCE

[Fannie Mae Servicing Guide
Announcement SVC-2019-06](#)

Please note you can access the [MPF Guides](#) and [MPF Announcements](#) on our [MPF Website](#).

Visit the [MPF Website](#) to review and register for upcoming complimentary [MPF Webinars](#).

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MPF Xtra Servicing Guide Updates

On September 11, 2019 Fannie Mae issued Servicing Guide Announcement SVC-2019-06 which covered the below referenced topics that are applicable to loans sold under the MPF Xtra product:

- Revised the maximum allowable foreclosure and bankruptcy attorney fees.

Fannie Mae Servicing Systems

The MPF Xtra Servicing Guide was further clarified to indicate where the Fannie Mae Servicing Guide directs communication to Fannie Mae or to utilize Fannie Mae servicing systems that are only available to Fannie Mae Seller/Servicers, the Servicers must contact and work through the Master Servicer. Servicers should not communicate with Fannie Mae directly.

Guide Template

The MPF Xtra Servicing Guide template has been updated, with this update any typos/formatting issues have been corrected. Please note the contents of the MPF Xtra Servicing Guide have not changed.

Other topics mentioned in the Fannie Mae

announcement do not apply to MPF Xtra. To gain a full understanding of these topics, PFIs should review the entire Fannie Mae Announcements on the following pages, and any applicable Fannie Mae Servicing Guide chapters, forms, or exhibits noted in the announcements.

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Servicing Guide Announcement SVC-2019-06

September 11, 2019

Servicing Guide Updates

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

- Foreclosure and Bankruptcy Allowable Attorney Fees*
- Miscellaneous Revisions
 - Guide Updates for Maximum Servicing Fee for UMBS Loans**
 - Reporting Bankruptcy Notifications to Fannie Mae**
 - Document Custodian Timing Requirements for Post-Delivery Servicing Transfers

*Policy change applies only to HomeKeeper® loans and is not applicable to Home Equity Conversion Mortgage (HECM) loans.

**Policy change not applicable to reverse mortgage loans.

Foreclosure and Bankruptcy Allowable Attorney Fees

We are updating the maximum allowable foreclosure attorney fees in all jurisdictions except Maine, New Hampshire, Washington (foreclosures for e-Notes only), Hawaii, Iowa (non-judicial foreclosures), and South Dakota. We determined that fees do not need to be adjusted at this time for those states. Additionally, we are updating the following maximum allowable bankruptcy attorney fees for legal services provided on mortgage loans we own or securitize:

- Motion for Relief for Chapter 7, 11, 12, and 13 cases;
- Proof of Claim Preparation and Plan Review for Chapter 11, 12, and 13 cases;
- Objection to Plan for Chapter 12 and 13 cases; and
- Response to Final Cure Payment Notice for Chapter 13 cases.

Updated *Servicing Guide* Exhibits

- [Allowable Foreclosure Attorney Fees](#)
- [Allowable Bankruptcy Attorney Fees](#)

Effective Date

The allowable fee updates are effective as follows:

- The new allowable foreclosure fees apply to all matters referred to counsel for initiation of foreclosure proceedings, regardless of referral date, if the matter is still active as of September 11, 2019. Servicers are encouraged to implement the new fees for the impacted states immediately, but must do so no later than December 1, 2019.
- The new allowable bankruptcy fees apply to all legal services performed on or after December 1, 2019.

Servicers may exercise reasonable discretion in determining how to implement the changes, including working as needed with the law firm or an applicable invoicing technology provider.



Miscellaneous Revisions

Guide Updates for Maximum Servicing Fee for UMBS Loans. To support the Uniform Mortgage-Backed Securities (UMBS), we previously announced new maximum servicing fees for fixed-rate mortgage loans delivered on or after June 1, 2019 in [Lender Letter LL-2019-03](#). We are now incorporating these changes into the following topics of the *Servicing Guide*:

- [F-2-09, Servicing Fees for MBS Mortgage Loans](#)
- [F-2-10, Servicing Fees for Portfolio Mortgage Loans](#)

Reporting Bankruptcy Notifications to Fannie Mae. Currently, servicers must notify us when they learn after the foreclosure sale date that a borrower has filed for bankruptcy. In response to servicers' feedback and to resolve confusion, we have created the [Bankruptcy Notification Template](#) to clarify the information that servicers must provide to us in connection with bankruptcy filings identified after the foreclosure sale date.

Updated *Servicing Guide* Topics

- [E-2.3-07, Responding to Bankruptcies Identified After Foreclosure Sale](#)
- [F-4-01, References to Fannie Mae's Website](#)
- [F-4-03, List of Contacts](#)

Effective Date

Servicers are encouraged to use the template immediately, but must do so by December 1, 2019.

Document Custodian Timing Requirements for Post-Delivery Servicing Transfers. To enable timely and accurate recertification of custodial documents, we have updated [A2-7-03, Post-Delivery Servicing Transfers](#) to require that when a post-delivery servicing transfer occurs, the transferor servicer must advise the transferor document custodian maintaining possession of the custodial documents within 30 days of the transfer effective date.

Effective Date

Servicers are encouraged to implement this change immediately, but must do so for post-delivery servicing transfers that occur on or after January 1, 2020.

Contact your Fannie Mae account 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.

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