

**MPF Announcement:**

2025-08

**Date:**

January 14, 2025

**Alert:**

Clarification

**New Policy**

Policy Update

Reminder

Training Information

**Audience:**

Compliance/Legal

Program Management

Origination

Quality Control

**Servicing**

Underwriting

**Product:**

MPF Government MBS

MPF Traditional

**MPF Xtra®**

**Effective Date:**

Noted within the  
announcement

## MPF Xtra Advance Notice of Change to Investor Reporting Layout and Processes

**Reference**

[Fannie Mae Lender Letter LL-2023-05](#)

Fannie Mae published an update to [LL-2023-05](#), which provides updates to the effective dates of the Investor Reporting changes previously communicated:

- **Investor Reporting Changes**
  - Removed from the Lender Letter, since they have been incorporated into the Servicing Guide or Investor Reporting Manual as of November 2024.
- **Loan Level Data File Format Updates**
  - Removed from the LAR 96 format expansion from the Lender Letter, future changes to loan activity reporting will be communicated in a separate communication.
- **Updates to the P&I remittance cash reconciliation for A/A mortgage loans.**
  - P&I remittance for summary reporting A/A mortgage loans will remain on hold. Further details will be provided in a separate communication.

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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To gain a full understanding of these topics, PFIs should review the entire Fannie Mae Lender Letter and any applicable Fannie Mae Servicing Guide chapters, forms, or exhibits noted in the announcements.

If you have any questions, please contact the MPF Service Center via email ([MPF-Help@fhlbc.com](mailto:MPF-Help@fhlbc.com)) or phone (877-345-2673).

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# Lender Letter (LL-2023-05)

Updated: Dec. 11, 2024

## To: All Fannie Mae Single-Family Servicers Advance Notice of Changes to Master Servicing Processes and Systems

This Lender Letter contains the policies previously published in [LL-2021-12](#) on Jun. 16, 2021 as updated from time to time, with the most recent changes noted below. For a consolidated description of all previous updates to this Lender Letter and LL-2021-12, refer to the [Change Control Log](#).

This Lender Letter provides advance notice of upcoming changes to our Master Servicing processes and systems. These changes further simplify and streamline servicer reporting and will be introduced in a phased approach. These changes are not applicable to reverse mortgage loans.

Dec. 11, 2024

- Removing *Reporting due date for summary reporting mortgage loans*, which has been incorporated into the *Servicing Guide* or *Investor Reporting Manual* as of November 2024.
- Removing the *LAR 96 format expansion*. Future changes to loan activity reporting will be communicated in a separate communication in 2025.
- Communicating updated status for *P&I remittance for summary reporting A/A mortgage loans* for which further details will be provided in a separate communication.

## Cash simplification changes [Updated Dec. 11, 2024](#)

### P&I remittance for summary reporting A/A mortgage loans

To simplify the servicer's responsibilities for remitting a P&I payment for an A/A remittance type mortgage loan, we will automatically initiate a draft of the remittance amount from the servicer's custodial account within 48 hours. This change will align to remitting requirements for summary and detailed reporting A/A remittance type mortgage loans and will also eliminate the monthly shortage/surplus balance reconciliation using *Schedule 3 – Reconciliation of Shortage Surplus* ([Form 472](#)). Once the change becomes effective, we will settle-up any outstanding shortage/surplus balances at that time. There are no remitting changes for any other remittance types.

**Effective:** P&I remittance for summary reporting A/A mortgage loans will remain on hold. We will communicate further details in 2025.

Servicers who have questions about this Lender Letter should contact the Future of Servicing mailbox at [future\\_of\\_servicing@fanniemae.com](mailto:future_of_servicing@fanniemae.com). Have Guide questions? Get answers to all your policy questions, straight from the source. [Ask Poli](#).



## Change Control Log

The following table provides a description of the updates that have been made to this Lender Letter and in [LL-2021-12](#).

Date of Update	Description of Update
Jul. 31, 2024	<ul style="list-style-type: none"><li>Communicating updated reporting requirements based on remittance type and clarification of timing for summary reporting mortgage loans</li></ul>
Jun. 26, 2024	<ul style="list-style-type: none"><li>Communicating the effective date for cash simplification changes related to reporting due date for summary reporting mortgage loans</li></ul>
Mar.13, 2024	<ul style="list-style-type: none"><li>Removing the topic <i>Streamline Investor Reporting with LSDU and Master Servicing Portfolio Manager Self-Serve Capabilities</i>, which has been incorporated into the <i>Servicing Guide</i> or <a href="#">Investor Reporting Manual</a> as of December 2023</li><li>Communicating an updated target effective date for cash simplification changes related to reporting due date for summary reporting mortgage loans</li></ul>
Aug. 30, 2023	<ul style="list-style-type: none"><li>Communicating the specific effective date for retirement of the SURF™ application</li><li>Communicating the target effective date for the cash simplification changes</li></ul>
Apr. 19, 2023	<ul style="list-style-type: none"><li>Communicating the effective date for when the SURF application will be retired</li></ul>
Dec. 14, 2022	<ul style="list-style-type: none"><li>Remove the following topics which have been incorporated into the <i>Servicing Guide</i> or <a href="#">Investor Reporting Manual</a> as of the dates indicated below:<ul style="list-style-type: none"><li>Reimbursement of gross servicing fee and guaranty fee for mortgage loans with a payment deferral (September 2020)</li><li>Elimination of servicer's advance payment of UPB at foreclosure (August 2021)</li><li>Guaranty fee relief after four months delinquency (July 2022)</li></ul></li><li>Clarify effective date for remaining topics</li></ul> <p><b>NOTE:</b> Any future updates to the remaining topics in this Lender Letter will be communicated when appropriate via a separate policy communication.</p>
Feb. 2, 2022	<p>Update the effective date for the changes described in</p> <ul style="list-style-type: none"><li>Streamline investor reporting with LSDU self-serve capabilities</li><li>2022 cash simplification changes</li><li>Guaranty fee relief after four months delinquency</li></ul>
Sept. 29, 2021	<ul style="list-style-type: none"><li>Announce effective dates for Cash Simplification changes</li></ul>
Jun. 16, 2021	<ul style="list-style-type: none"><li>Reimbursement of gross servicing fee and guaranty fee for mortgage loans with a payment deferral</li><li>Elimination of servicer's advance payment of UPB at foreclosure</li><li>Streamline investor reporting with LSDU self-serve capabilities</li><li>2022 cash simplification changes</li><li>Guaranty fee relief after four months delinquency</li></ul>