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Fannie Mae Update

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HOME and Housing Trust Fund JANUARY 13 – 15













Housing Credit
JANUARY 15 – 17

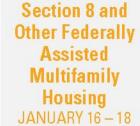


















Simplifying Servicing – 2018 Priorities

Fannie Mae's Servicing North Star – Simplify servicing of Fannie Mae loans to help reduce the cost of servicing

- Simplify Fannie Mae-related processes
- · Simplify servicing policies for Fannie Mae loans



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Simplifying Servicing Processes



Master Servicing

- □ Loan Servicing Data Utility (LSDU) — near real time visibility to Investor Reporting rejects and exceptions as well as visibility into Fannie Mae servicing data
 - ✓ Reduces manual efforts to triage LAR exceptions
 - ✓ Shortens turn-around time to resolve hard and soft LAR rejects



Loss Mitigation & Valuations

- □ Simplify Loss Mitigation Solutions with SMDU[™] – eliminate the pain point of servicers having to go to multiple systems
 - √ Retention Case Reporting
 - ✓ Case Management for Liquidations
 - ✓ Ability to report BK Cramdowns
 - ✓ Modifications with Assumption for exempt transactions
 - ✓ Imminent Default Evaluations
- ☐ Simplify Valuation Ordering Centralize valuation ordering and retrieval through SMDU



Ask Poli

- ☐ Simpler, faster answers to Servicing Guide questions, direct from Fannie Mae –
- Live since May 2018
 - √ 400k+ interactions to-date
 - ✓ Utilized by 85% of customers
 - ✓ Self-servicer score >80%
 - ✓ In-app distribution made available in SMDU



Expenses/Claims

☐ Expenses Straight Through
Processing – reduces invoice
documentation, reimbursement
cycle time and cost, increases
certainty of payments





Simplifying Servicing Policies

- MI Termination (Lender Letter 2018-03)
 - Simplify MI termination requirements
 - Align policies with Freddie Mac as feasible
 - Use Fannie Mae existing data, processes, and systems to the extent possible
- MI Factor (Announcement SVC-2018-05)
 - Implemented a new alternative MI claim resolution process
 - Reduce servicer's curtailment-driven disputes with select MI companies and Fannie Mae
 - Discontinue Fannie Mae's MI curtailment billing (for claims paid via MI Factor)
- REO Responsibilities to Advance Certain Expenses (Announcement SVC-2018-06)
 - Further reduce post-acquisition servicer responsibilities
 - · Fannie Mae assumes responsibility to pay co-op fees, assessments, and ground rents

