

THE HFA INSTITUTE 2019

Fannie Mae Update

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Fannie Mae®

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National Council of
State Housing Agencies

HOME and
Housing Trust
Fund
JANUARY 13 – 15



Housing Credit
JANUARY 15 – 17



MRBs and
Other Federal
Homeownership
Programs
JANUARY 16 – 18



Section 8 and
Other Federally
Assisted
Multifamily
Housing
JANUARY 16 – 18



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



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

