



Servicing Management Default Underwriter (SMDU)

Executive Overview

Fannie Mae's Servicing Management Default Underwriter™ (SMDU™) is a groundbreaking workout decisioning and case reporting tool for servicers that dramatically reduces cycle times, costs, and uncertainty in loss mitigation.

SMDU simplifies the eligibility determination for all Fannie Mae loss mitigation programs so servicers can make real-time workout decisions with confidence, offering the best available solutions to homeowners with unrivaled efficiency.

SMDU is part of Fannie Mae's unique suite of free tools – including Desktop Underwriter®, Collateral Underwriter®, and EarlyCheck™ – that deliver value to our partners throughout the loan life cycle.

How SMDU Delivers Value

Certainty

- Ensures compliance with Fannie Mae workout evaluation policies through accurate and consistent workout decisioning
- Offers servicers limited liability relief when using SMDU decisions

Simplicity

- Access SMDU via a seamless integration with most servicing platforms, tailored integration with proprietary systems, or the web-based user interface
- Uses a uniform dataset to evaluate a case and returns detailed findings for every decided workout

Efficiency

- Reduces costs and resources required to update, implement, and maintain Fannie Mae loss mitigation programs
- Eliminates manual and resource-intensive loss mitigation activities
- Identifies cases qualified for streamlined processing
- Delivers real-time decisioning to enable timely responses and faster workout fulfillment

Enhanced Homeowner Experience

- Ensures servicers can provide homeowners fast, accurate, and consistent decisions
- Provides detailed, action-oriented messaging for improved communication with homeowners

What Are Servicers Saying?

"SMDU offers us the ability to work in a more efficient and accurate manner to decision Fannie Mae modifications. We replaced a very manual process with one that is now fully automated due to our direct integration with SMDU."

– Michael Small, Director of Loss Mitigation, CitiMortgage

"With SMDU, we are able to absorb policy changes immediately. We've seen an increase in approvals – about twice the pre-SMDU rate – especially for solutions that let homeowners stay in their homes."

– Marty Foster, Senior Vice President of Servicing, PHH Mortgage

"With every iteration, SMDU gets stronger. It makes it even easier to work with Fannie Mae to help keep at-risk clients in their homes."

– Tracy Zobel, Divisional Vice President of Default, Quicken Loans

For information about SMDU, contact your Fannie Mae Servicing Account Manager
or visit fanniemae.com/singlefamily/smdu