Remitting and Reporting Short Sale

This job aid provides servicers with a brief overview for remitting short sale proceeds and reporting short sale activity on loans.

Remitting Short Sale Proceeds

Fannie Mae requires servicers to remit the short sale proceeds to Fannie Mae within two business days of a servicer's receipt of the net sale proceeds, but no later than three business days after the short sale closing.

The list below includes important reminders for remitting short sale proceeds.

- Remit the short sale proceeds via the Cash Remittance System (CRS) using the special remittance code 310. Do not use code 001, 002, or 003 to remit short sale proceeds as this will cause errors.
- Be sure to include the Fannie Mae loan number where indicated.
- Borrower cash contributions and/or promissory note associated with short sale transactions are remitted using special remittance code 324 in addition to and separately from the short sale proceeds (310). Note: All servicers must be aware of, and in full compliance with, all federal, state and local laws relating to borrower contributions.
- Short sale proceeds must not be applied on your system to reduce the unpaid principal balance of a loan as this will cause an error that impacts the accuracy of both the remittance and reporting to Fannie Mae.

Reporting Short Sale Activity

Servicers must ensure that reporting is completed timely and accurately by submitting a Loan Activity Report (LAR) in SURF.

The list below includes important reminders for submitting a LAR.

- Submit the LAR the next business day after processing the removal transaction on servicer's system.
- Report an Action Date equal to the short sale date.
- Report remaining LAR fields based on the loan's specific remittance type (Actual/Actual, Scheduled/Actual, or Scheduled/Scheduled).
Refer to the [SURF job aids](#) for more information as needed.

For short sale remitting and reporting questions, contact your assigned Fannie Mae Investor Reporting Analyst. If you do not know who your assigned Fannie Mae Investor Reporting Analyst is, you may call 1-800-2-FANNIE (1-800-232-6643), option 1 (servicer), option 5 (investor reporting).

**Additional Resources and Support**

For general questions on evaluating a loan for a short sale, send an email to servicing_solutions@fanniemae.com or call 1-800-2-FANNIE (1-800-232-6643), option 1 (servicer), option 3 (general servicing questions).

For specific information on a short sale case, send an email to ream_short_sales_desk@fanniemae.com