



**From the Desk of Carlos Perez**  
Chief Credit Officer for Single-Family

November 8, 2017

## Executive Overview of *Servicing Guide* Updates

This month I'm sharing a recently issued disaster-relief Lender Letter and the regular monthly *Servicing Guide* updates.

### Lender Letter LL-2017-09

On Nov. 2, we published Lender Letter [LL-2017-09: Fannie Mae Extend Modification for Disaster Relief and Other Clarifications for Mortgage Loans Impacted by Disaster Events](#). This Lender Letter:

- Introduces the Fannie Mae Extend Modification for Disaster Relief, a new, temporary workout option for borrowers at the end of their forbearance period;
- Simplifies the process for getting insurance funds directly to the borrower and reduces the frequency of inspections to monitor repairs; and
- Clarifies policies related to reimbursements for inspections to confirm repairs on impacted properties and acceptable payment records for when a borrower requests a termination of mortgage insurance.

For more information, visit the [Assistance in Disasters page](#).

### November *Servicing Guide* updates

Our November 2017 *Servicing Guide* update includes the following changes:

- **We simplified the requirements for transfers of ownership, releases of liability, and mortgage assumptions.**
  - *Transfers of ownership:* We're removing the owner-occupancy requirements for transfers of ownership that are exempt from enforcement of the due-on-transfer clause, and we now allow a transfer of ownership into a limited liability companies under certain conditions.
  - *Releases of liability:* To increase certainty for releases of liability, we're allowing servicers to use Desktop Underwriter® to determine if a transferee's credit and financial capacity are acceptable to release the borrower of liability.
  - *Assumptions:* Servicers now have the option to decide on a transfer of ownership through an assumption modification.
- **We updated the Cash Remittance System™.** We simplified the remittance process by adding new codes to minimize the need for post-remittance clarifications.

See [Announcement SVC-2017-10](#) for details.

I hope these changes make it even easier to do business with us. We look forward to working with you!

A handwritten signature in black ink, appearing to read 'Carlos Perez'.

Carlos Perez