

Agency Update

Fannie Mae Update



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MBA's Document Custody Conference September 17-19, 2006

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deal is you.



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Agenda

- Policy Changes and 2006 Activity
 - » Reviews for 2006
- Announcements
 - » Phase 1: 06-10 released July 20, 2006
 - » Phase 2: New Form 2003/Form 2001
- *New Requirements for Document Custodians*
- eFannieMae.com



Review Process

- All “active” Document Custodians
- Four areas of review
 - » Eligibility criteria
 - » Certification & custody practices
 - Includes a test sample
 - » Physical facilities
 - » Certification & custody procedures

Announcements 2006

Phase One

- Published 1st Announcement 06-10 on July 20, 2006 to implement new requirements for Document Custodians:
 - » Insurance requirements
 - » New Certification Fields due in 2007
 - » Document Certification Application
 - New web-based application went into production 05/01/06
 - Enhancements implemented 08/06

Phase Two

- Publish 2nd Announcement to change rating requirements, Revise Form 2003 and Add New Eligibility Certification, Form 2001
 - » New Rating Requirements
 - » Implement New Form 2003
 - Tri-party Agreement
 - Re-execute Form 2003
 - Phased roll-out over 18 months
 - » Implement new Form 2001 for Annual Document Custodian Eligibility Certification



Revised Form 2003 and New Form 2001

- **Revised Form 2003**
 - » Concept of Master and Individual Pool Agreement Outdated
 - » Removes outdated MEDA language
 - » Clarifies Custodian's fiduciary duty to Fannie Mae
 - » Defines roles, expectations & responsibilities of each party
 - » Execute new Forms by March 31, 2007
- **Annual Document Custodian Eligibility Certification**
 - » Due March 31 for previous year end
 - » Requires annual certification that the custodian meets eligibility and operational requirements
 - » Requests information on contacts, ownership, relationships, and facilities

FORM 2003 ROLL OUT

- All Lenders and their Custodians will have to re-execute a Custodial Agreement
- Process to Take a Phased Approach
- Waivers Will be Amendments to the Custodial Agreement.
 - » Exceptions
 - Single Loan Waivers, Pool Loan Waivers, Recertification Waivers, Extensions
- Waivers will be in both the Master Agreement and New Custodial Agreement



New "RDC" - Requirements for Document Custodians

May 2006 – Revised document with "new" name posted on AllRegs

More Changes by Year End

- » Make it User Friendly
- » Expand Upon Areas that are Vague
- » Provide Job Aides

The purpose of Document Custodian Site is to:

- Communicate key information to Fannie Mae business partners
- Provide access to document custodian information
- Serve as central repository for custodian information
- Efficiently and consistently disseminate and retrieve custodian information

eFannieMae.com

Entry to the Document Custodian Site

The screenshot displays the eFannieMae.com website interface. At the top, there is a search bar with a 'Go' button and an 'Advanced Search' link. Below the search bar are navigation tabs for 'Single-Family', 'Multifamily', and 'Training & Education'. The main content area is divided into several sections:

- Housing Finance Institute™ (HFI)**: A section with a sub-header and a small image of a document. Text describes HFI sessions and includes a 'Learn more' link.
- Hurricane Relief**: A section with a sub-header and text about relief efforts, including a 'More on hurricane relief' link.
- Improved Underwriting Recommendation on Certain Loans**: A section with a sub-header, text about an effective date (April 23, 2014), and a 'View DU Release Notes' link.
- Frequently Searched Pages**: A section with a magnifying glass icon and a list of links including 'Accepted Condos, Co-ops, and PUDs', 'Form 1003', 'Asset Management Network', 'Fannie Mae Property GeoCoder™', and 'Tilting Manufactured Housing as Real Property'.
- Industry Specialists**: A section with a magnifying glass icon and text about quick access to information. It lists various roles: Appraisers, Attorneys, Document Custodians, Housing Counselors, Housing Finance Agencies, LOS Vendors, Mortgage Insurers, Multifamily Property Inspectors, NFDC Vendors, Real Estate Developers, Real Estate Professionals, and Settlement Agents.
- Highlights**: A section with a gear icon and a list of links including 'Announcement 06-04 (pdf)' and 'Preventing Mortgage Fraud'.
- Mortgage Fraud**: A section with a magnifying glass icon and text about Fannie Mae's commitment to preventing mortgage fraud.
- Become a Fannie Mae Lender**: A section with a sub-header, a small image of people, and text about benefits and training opportunities, including a 'How to Apply Online' link.

At the bottom of the page, there is a copyright notice: '© 2001-2008 Fannie Mae. All Rights Reserved.' and a link to the corporate site: 'Visit our corporate site, www.fanniemae.com'.



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Document Custodian Site: High-Level Subject Areas

- Hot Topics/Highlights
 - » Announcements and items of interest to custodians
- About Us/Contacts
 - » Contact information for the COM team
- Guides and Training Material
 - » Requirements for Document Custodians
- Forms
 - » List of PDF forms Custodians can download
 - Request for Release/Return of Documents (Form 2009)
 - Custodial Agreement (Form 2003)
 - Annual Certification of Eligibility (Form 2001)

- Document Custodian Review
 - » Description of a review
 - » List of items to facilitate a COM Team review
- Fannie Mae Certification Service Center (CSC) and Custody Vault
 - » Information for lenders that use Fannie Mae as their custodian
- Document Certification Application
 - » Link to Doc Cert Application user guide and reference materials

Q&A

- Questions ????