



3900 Wisconsin Avenue, NW  
Washington, DC 20016-2892

*Announcement 03-11*

*October 28, 2003*

*Amends these Guides: Servicing*

*Changes to Posting and Publishing of Nonjudicial Foreclosures of California Properties*

We have been reviewing the process and costs for publication of legal notices associated with the foreclosures of mortgages secured by California properties. In an effort to make the process more efficient and to better manage our foreclosure costs, we are announcing changes to the posting and publication process for nonjudicial foreclosures in the State of California.

Under our current policy, we reimburse servicers for the publication costs of legal notices for nonjudicial foreclosures only if the notices are placed through the Daily Journal Corporation. Effective November 1, 2003, the Daily Journal Corporation will no longer prepare, post, check, or typeset legal notices of sale. The Daily Journal Corporation will only publish legal notices of sale for Fannie Mae foreclosure cases that are referred to them by a posting and publishing company. Therefore, servicers should instruct trustees that they must select a competent and experienced posting and publishing company to coordinate the publication of legal notices of sale for all notices referred for publication on or after November 1, 2003. In addition, we will not reimburse servicers for any publication costs related to a foreclosure unless these requirements are met:

- the trustee must direct the posting and publication company to place the legal notice of the foreclosure sale in one of the Daily Journal Corporation newspapers listed in Attachment 1 that will satisfy the notice requirements of California law; or,
- if there is no Daily Journal Corporation newspaper listed on Attachment 1 that will meet the notice requirements of California law, the trustee must select another newspaper that both will meet the notice requirements of California law and is one of the least expensive and most frequently published.

Trustees must ensure that the posting and publication firm they choose prepares the necessary notices and arranges for the publication of the notices in the appropriate newspaper. When posting and publishing companies are utilizing one of the Daily Journal Corporation newspapers listed in Attachment 1, the posting and publishing company must

provide the Daily Journal Corporation newspaper with the applicable Fannie Mae loan number and indicate that the publication relates to a “Fannie Mae Referral.”

With respect to any foreclosure in which the legal notice of sale is placed in a newspaper that meets our requirements, Fannie Mae will reimburse the servicer the maximum of \$55 for the publication-processing fee, plus the actual cost of publishing the newspaper legal notice, less any applicable discounts received from the newspaper by the posting and publishing company. For example, suppose that the newspaper charges the publication fee of \$200 with a 25% discount to the posting and publishing company. This would result in a charge of \$150 for the publication (\$200 less 25% discount). In addition, Fannie Mae will pay up to the maximum of \$55 for the publication processing-fee. This would bring the total reimbursable charges to \$205 (\$150 + \$55 maximum). Fannie Mae also will reimburse the servicer an additional \$5 for each postponement handled by the posting and publishing company.

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Servicers should contact their Servicing Representative in their lead Fannie Mae office with any questions about this Announcement.

Pamela S. Johnson  
Senior Vice President

Attachment

Attachment 1

Daily Journal Corporation Newspapers for Fannie Mae Trustee's Sale Publications

Newspaper

Antelope Valley Journal

Daily Commerce (Los Angeles)

The Daily Recorder (Sacramento)

The Inter-City Express (Oakland)

Orange County Reporter

Riverside Business Journal

San Diego Commerce

San Jose Post-Record

Sonoma County Herald-Recorder

San Francisco Daily Journal