



Servicing Guide Announcement (SVC-2023-04)

July 12, 2023

The *Servicing Guide* has been updated to include changes to the following:

- [Requirements for partial release of security*](#): updates the requirements for evaluating a request for the release, or partial release, of property securing a mortgage loan
- [Updates to the Request for Approval of Servicing or Subservicing Transfer](#): updates *Request for Approval of Servicing or Subservicing Transfer* ([Form 629](#)) with a new data element
- [Miscellaneous updates](#):
 - Automated Clearing House banking instructions
 - Insured loss events*

View the list of [impacted topics](#).

*Policy change not applicable to reverse mortgage loans.

Requirements for partial release of security

We updated the requirements related to evaluating release, or partial release, requests to

- allow a post-release LTV ratio threshold of the higher of the LTV ratio immediately prior to release or 60% when the estimated property value after the release is greater than or equal to 60%, and
- provide clarity as to when to submit a release, or partial release, request to us for a non-delegated review.

Additionally, we updated the *Application for Release of Security* ([Form 236](#)) to clarify the appraisal requirements.

Effective: Servicers are encouraged to implement these changes immediately but must do so by Aug. 31, 2023.

Updates to the Request for Approval of Servicing or Subservicing Transfer

We updated Form 629 in Quick Exchange to require servicers to provide the agreed upon purchase price within plus or minus five basis points that was paid on the portfolio when submitting a servicing transfer request.

Effective: Servicers must provide this information with their next servicing transfer submission.

Miscellaneous updates

Automated Clearing House banking instructions: Servicers are now required to use the Cash Remittance System (CRS) to add or update Automated Clearing House (ACH) banking instructions for all remittance types. To align our policies with the recent enhancements to CRS, we retired the *Authorization for Automatic Transfer of Funds* (Form 1072). In addition, updates were made to the *Certificate of Authority, Incumbency, and Specimen Signatures* ([Form 360](#)) to remove references to ACH fund transfers and to clarify that it is now only applicable to single-family sellers. The *Servicing Guide* has been updated to

- reflect the revised forms,
- replace outdated processes and terminology, and
- provide updated contact information for related inquiries.

Insured loss events: We reorganized and streamlined our requirements for insured loss events to improve clarity for servicers.

Effective: All of the policy changes and clarifications for the miscellaneous updates are effective immediately.



See the *Servicing Guide* for details about these updates.

Servicers who have questions about this Announcement should contact their Fannie Mae Account Team, Portfolio Manager, or Fannie Mae's Single-Family Servicer Support Center at 1-800-2FANNIE (1-800-232-6643).

Have *Guide* questions? Get answers to all your policy questions, straight from the source. [Ask Poli.](#)



Impacted Topics

Section of the Announcement	Updated <i>Servicing Guide</i> Topics and Related Documents (Dated July 12, 2023)
Requirements for partial release of security	<ul style="list-style-type: none">▪ D1-1-01, Evaluating a Request for the Release, or Partial Release, of Property Securing a Mortgage Loan▪ F-1-04, Evaluating a Request for the Release, or Partial Release, of Property Securing a Mortgage Loan▪ F-4-02, List of Contacts▪ <i>Application for Release of Security</i> (Form 236)
Updates to the <i>Request for Approval of Servicing or Subservicing Transfer</i>	<ul style="list-style-type: none">▪ <i>Request for Approval of Servicing or Subservicing Transfer</i> (Form 629)
Automated Clearing House banking instructions	<ul style="list-style-type: none">▪ F-1-03, Establishing and Implementing Custodial Accounts▪ F-1-20, Remitting and Accounting to Fannie Mae▪ F-4-02, List of Contacts▪ <i>Authorization for Automatic Transfer of Funds</i> (Form 1072) (Retired)▪ <i>Certificate of Authority, Incumbency, and Specimen Signatures</i> (Form 360)
Insured loss events	<ul style="list-style-type: none">▪ B-5-01, Insured Loss Events