

MEMORANDUM

To: All Preservation Crews
From: Property Preservation Department, Wolverine Real Estate Services
Date: October 31st, 2012
Re: FNMA work orders

Due to increased work from several of our clients that deal with Fannie Mae (FNMA) loans it has become necessary to clarify FNMA Regs and how those work orders should be completed.

FNMA loans, compared to FHA, limit the amount of work done on the property done without approval. At an Initial Secure one door is to be locked and unless noted no lockbox is to be installed. ***The exception to this rule is any NYCB (Lender 675) conventional properties need a lockbox. Appropriate lockbox codes to use are; "OCN," "NVD," "UOM," or "1121."*** At the time of an initial secure, depending on location and season, a Winterize and/or Grass Cut may be needed. These are only to be done within the allowable prices. If there is a violation posted at a property and you complete the grass cut to cure the violation it is imperative that you provide a copy of the violation with the work order update. As always, invoices without proper documentation may be subject to changes.

Possibly the most drastic difference between the more common FHA loan and the FNMA loan is how to handle the securing of pools, damage of a roof and/or water in the property. For FNMA properties we are to always bid these items. It may seem counter intuitive to leave a roof leaking without tarping but per FNMA Regs as long as you complete the work order and report the discovery of the leak with bids in a timely matter you will not be held liable for the damages.

Finally, when providing bids for debris at the property we must bid hazards separate from debris. Per FNMA only interior hazards need to be removed while exterior debris and hazards need to be removed upon approval. Hazards include chemicals, paint, broken glass, etc.... Please note, items inside outbuildings or garages are *NOT* considered Exterior debris. Ensure all other bids for conveyance and damages are provided as well.

If you would like a copy of the FNMA Regs please visit our website at the below address;

<https://www.fieldinspection.com/page.php?id=13>

As always we are available Monday thru Thursday 8am till 6pm and on Fridays 8am till 5pm should you have any questions while you or your crew is out in the field.

We appreciate all of your hard work, thank you

Wolverine Real Estate Services