



Fannie Mae®

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# **Property Preservation Matrix and Reference Guide July 2017**



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# **Section 1: Introduction to Fannie Mae Property Preservation**



## Section 1: Introduction to Fannie Mae Property Preservation

### Property Preservation Matrix and Reference Guide Overview

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This Property Preservation Matrix and Reference Guide (Property Preservation Guide) is incorporated by reference into the Fannie Mae Servicing Guide and provides servicers with Fannie Mae's expectations on how to preserve and protect vacant properties associated with delinquent loans.

If the servicer receives a code violation or otherwise determines a property is in disrepair and the property is occupied on a delinquent loan, the servicer must remind the borrower of their obligation to the collateral and refer to Servicing Guide [D2-2-10: Requirements for Performing Property Inspections](#).

If the servicer receives a code violation or otherwise determines a property is in disrepair and the property is in Fannie Mae's REO inventory, the servicer must contact the REO real estate agent as determined in Asset Management Network (AMN). See [Asset Management Network](#) for further guidance.

This Property Preservation Guide also provides further information and expectations of services required by Fannie Mae and helps define items that may be unclear. If at any time there are questions regarding this Property Preservation Guide, contact Fannie Mae at [property\\_preservation@fanniemae.com](mailto:property_preservation@fanniemae.com).

### Amendments to the Guide

Fannie Mae reserves the right to alter or waive any of the requirements in this Property Preservation Guide, to impose additional requirements, and to rescind or amend any and all material set forth herein.

### Tips for Using the Guide

The following tips will help make this Property Preservation Guide a valuable resource and reference tool:

- Ensure you are using the most current version of the Property Preservation Guide available.
- Read through the Property Preservation Guide from start to finish familiarizing yourself with the information it contains.
- Strictly adhere to all Fannie Mae processes and procedures to ensure smooth transactions.
- Keep the Property Preservation Guide readily available as a reference tool.

### Important:

**Throughout this Property Preservation Guide, it is not possible to provide guidance or expectations on every possible situation a servicer may encounter. Fannie Mae expects the servicer to notify Fannie Mae immediately of any situation if unsure of how to handle.**



## Section 1: Introduction to Fannie Mae Property Preservation

# Property Preservation for Fannie Mae

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### Our Mission

At Fannie Mae, the Property Preservation team's mission is to ensure the quality of our property maintenance services throughout the default process to eliminate community blight and protect housing values.

### Our Goal

Our goal is for the servicer to provide services to maintain each property to a level of Fannie Mae quality and to adhere to local codes and requirements. In addition, we strive to:

- Be a good neighbor.
- Support neighborhood stabilization.
- Minimize Fannie Mae's exposure to potential property damage and liability and/or code violations.
- Partner with servicers to ensure they, as well as their Local / Regional / National Property Preservation Vendor(s) provide quality services.

Fannie Mae's Property Preservation practices are part of its overall neighborhood stabilization efforts.

The servicer is required to maintain the interior and the exterior of the property year round. Fannie Mae provides the servicer with allowable thresholds in order to perform routine maintenance, preservation, and repairs. All expense reimbursement limits (allowables) can be found in Servicing Guide [F-1-06: Expense Reimbursement](#). Within this Property Preservation Guide, all required services and expectations will be provided as they correspond to the associated allowable.



## Section 1: Introduction to Fannie Mae Property Preservation

### **Servicer/Property Preservation Vendor Expectations**

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In addition to complying with the core performance expectations, critical functions, and metrics presented in this Property Preservation Guide, Fannie Mae expects the following from all servicers:

- Provide high quality goods, services, procedures and processes.
- Perform services in a fiscally responsible manner.
- Deliver timely and accurate goods and services.
- Provide the highest possible standards of business ethics and professional courtesy.
- Provide professional customer service.
- Strive for continuous improvement.
- Comply with all applicable laws and codes.

Fannie Mae requires any specialty services (i.e., extermination, roof replacement, demolition, etc.) to have bids obtained and services performed by qualified/licensed/certified contractors as required by local/state requirements.

For more information, see Servicing Guide [A4-1-01: Staffing Training, Procedures, and Quality Control Requirements](#).



# Section 2: Technology and Photos



## Section 2: Technology and Photos

### HomeTracker® Requirements

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HomeTracker® is the required method of submission for all over allowable bids. This system is specifically designed to streamline work processes and facilitate communication between Fannie Mae and the servicers. HomeTracker allows the servicer to search property information, submit bids, receive responses, track history, and print bids for files along with other functionality. The servicer must request access to HomeTracker by following the procedures in *Requesting Fannie Mae Approval for Property Preservation and Maintenance* in Servicing Guide [F-1-09: Managing Foreclosure Proceedings](#) or by contacting their servicer HomeTracker administrator. Any questions about the HomeTracker process can be sent to: [property\\_preservation@fanniemae.com](mailto:property_preservation@fanniemae.com).

In the event the loan is not available in HomeTracker, the servicer must submit bids with the required information found in *Property Preservation Request for Repair (Form 1095)* and include all necessary photo attachments to [property\\_preservation@fanniemae.com](mailto:property_preservation@fanniemae.com).

### Submitting Bids in HomeTracker

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See the Servicer User Guide in the Learning Center of HomeTracker for specific directions on how to submit a bid via HomeTracker. The servicer must provide all required information and documentation when submitting bids.

The servicer has seven (7) calendar days from the Fannie Mae bid response date to submit any requested subsequent bids and/or additional information for reconsideration



## Section 2: Technology and Photos

### Photo Requirements

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Fannie Mae requires the servicer to make available all date stamped, before, during, and after photos and/or videos of all work completed. Depending on type of service performed, Fannie Mae will require photos showing any debris being hauled away (removed from property). The photos must clearly show work was performed to verify all work was completed. In addition to the requirements found in this Property Preservation Guide, the servicer must adhere to the requirements as set forth in Servicing Guide [A2-5.2-03: Retention and Storage of Individual Mortgage Loan Files and Records](#).

#### General Photo Requirements

In addition to the servicer's own photo requirements, Fannie Mae requires the following:

- Date-stamped photos.
- Photos must remain clear at a dimension of 3.5" X 5".
- Before, during and after photos should be taken from the same perspective and angle to show progression of work.
- Only submit photos associated with the service requested.
- Limit duplicate photos when possible.
- Front, rear and side views should be taken from a distance far enough away that the entire view of the property can be seen.
- Do not submit photos sideways or upside down.
- If providing a link to photos, the link must directly take the reviewer (no log in required) to the photos of the selected service only.

**Note:** It is recommended to limit photos to only four per page. All photos/videos provided must meet Fannie Mae system of record requirements.

#### Initial Secure and Initial/Ongoing Services Exterior Photo Requirements

In addition to the servicer's own photo requirements and Fannie Mae's general photo requirements, the following are required when performing initial and ongoing exterior services:

- Photos of rekey/lockboxes, fence and outbuilding locks.
- Photos of contractor/servicer posting.
- Before and after of right and left side of the property from a distance to obtain full view of the sides.
- Before and after of the front of the property from street to obtain full view.
- Before and after photos of back of the property showing entire back yard, behind any outbuildings and view from back of home and facing back of home.
- Before, during, and after photos clearly showing all exterior services completed as defined in this Property Preservation Guide.
- During photos must include removal/haul away photos of all existing/old materials, if applicable, i.e., debris shown in truck beds, dumpsters, trailers, etc.
- Photos of any damages that cannot be addressed within allowable.



## Section 2: Technology and Photos

### Initial/Ongoing Services Interior Photo Requirements

In addition to the servicer's own photo requirements and Fannie Mae's general photo requirements, the following are required when performing initial and ongoing interior services:

- Front, rear and side views to confirm property location and condition on date of service.
- Photo of lockbox and keys.
- Photos of all interior rooms, including basement rooms, showing as much of the room as possible (ceilings/walls/floor).
- Photos of all mechanicals and circuit breakers.
- Before, during, and after photos clearly showing all interior services completed as defined in this Property Preservation Guide.
- During photos must include removal/haul away photos of all existing/old materials, if applicable, i.e., debris shown in truck beds, dumpsters, trailers, etc.
- Photos of any damages unable to address within allowable.

### Additional Photo Requirements

Throughout this Property Preservation Guide, there are additional photo requirements for the various services required to be performed and to assist the servicer when submitting for over allowable bid requests, expenses, and/or work completion.

#### **Important:**

**All photos in this Property Preservation Guide are used for illustrative purposes only. All actual property photos supplied by the servicers must be date stamped.**



# Section 3: Inspections



## Section 3: Inspections

### Inspection Overview

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The servicer must use a *Property Inspection Report* ([Form 30](#)) or its own form that provides equivalent information to document the property inspection, and make any checklists or other documentation relied upon to determine occupancy status available to Fannie Mae upon request. Occupancy status should be supported by multiple indicators with supporting photos and/or documentation.

More frequent property inspections must be completed when necessary, such as when required by local ordinance, in high vandal areas, based on property condition, and/or during winter months. Examples of instances when more frequent inspections are necessary include, but are not limited to:

- Properties with hazard claim activity for theft and/or vandalism.
- Properties with recent FEMA disasters or flooding.
- Properties in areas prone to extended freezing temperatures.
- Properties with recent flooding/water intrusion.
- Properties subject to local ordinance requirements.

See Serving Guide [D2-2-10: Requirements for Performing Property Inspections](#) for further guidance on delinquent loan property inspection requirements.



# Section 4: Property Registrations



## Section 4: Property Registrations

### Property Registrations Overview

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Upon delinquency, the servicer must determine any requirements imposed by municipal, county, or state authorities for property registration. The servicer must register the property as required and pay all applicable registration fees using the Property Registration Allowable. A servicer may have to register properties upon vacancy, foreclosure, title transfer, blight conditions or any combination thereof. The servicer may need to re-register upon loan servicing transfers or contact information updates. Timely compliance is required to avoid penalties and fines.

In addition to the initial registration, municipalities may require periodic registration renewals. The servicer must file any subsequent notices as required by law. Timely compliance is required to avoid penalties and fines. The servicer will be held responsible for any fines, fees and penalties charged against Fannie Mae or the servicer as a result of the servicer's failure to file the required notice(s). These fines, fees, penalties, and/or liens are not reimbursable by Fannie Mae.

Refer to [Section 16: Reimbursement Requests](#) within this Property Preservation Guide for further guidance.



# **Section 5: Initial Securing and Initial Services**



## Section 5: Initial Securing and Initial Services

### Overview

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Once an inspection or other notification determines a property vacant for the first time, the servicer is expected to complete initial securing and initial services within fourteen (14) calendar days from the first time vacant (FTV). When a property securing a Fannie Mae loan includes multiple units, each unit used as collateral for the loan must also be secured as it becomes vacant. The servicer must research if unsure of the property line or location of outbuildings included in the property.

An industry best practice is to post a notice at the primary entrance advising any potential occupant that the servicer has information the property is no longer occupied, appears vacant or has been abandoned, and will be securing the property if no response is received prior to posting expiration. A notice should provide clear contact information for either the servicer, the property preservation company, or both, and a projected securing date, not exceeding the fourteen (14) calendar days from FTV.

**Note:** Regardless of the servicer's decision to post a notice, Fannie Mae's expectation is that initial securing and initial services will be completed within (14) fourteen calendar days from FTV.

The servicer is authorized to perform common property preservation work, including maintenance and repairs, in accordance with *Defined Expense Reimbursement Limits* in Servicing Guide [F-1-06: Expense Reimbursement](#). There is no need to seek Fannie Mae prior approval for services completed within the allowables.

- The servicer must adhere to applicable legal requirements and/or local ordinance/association standards when they differ from Fannie Mae requirements.
- If any of the initial services exceed the allowables, the servicer must submit an over allowable bid within fifteen (15) calendar days of the date of discovery. Date of discovery is the day the servicer discovered services were required. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for information on submitting bids. All initial securing and initial services completion dates must be reported in the Incurred section of HomeTracker when an over allowable request is submitted.
- When the servicer is notified of a code violation, the servicer must refer to [Section 10: Code Violations](#) within this Property Preservation Guide for further guidance.

### Initial Securing

The following services must be completed within fourteen (14) calendar days from the FTV. Refer to the expectations and details within each service for further guidance.

- [Rekey / Lock Changes](#)
- [Secure Detached Structure](#)
- [Contractor Posting](#)
- [Boarding](#)
- [Clear Boarding and Reglaze / Repair / Replace Window](#)
- [Security Door](#)
- [Exterior Door / Exterior Door Jamb](#)
- [Repair Garage Door](#)
- [Pool / Hot Tub / Spa Securing](#)
- [Pool / Hot Tub / Spa Covers](#)
- [Fence Repair](#)



## Section 5: Initial Securing and Initial Services

### Initial Services

The following services must be completed within fourteen (14) calendar days from the FTV. Refer to the expectations and details within each service for further guidance.

- Initial Services: Property Exterior
  - [Exterior Debris Removal](#)
  - [Move Personal Property](#)
  - [Yard Services](#)
  - [Trim Trees / Shrubs / Vines](#)
  - [Tree Removal](#)
  - [Snow Removal](#)
  - [Address Posting](#)
  - [Roof Patch / Repair](#)
  - [Chimney Caps](#)
  - [Clean Gutters](#)
  - [Repair Gutter](#)
  - [Exterior Handrails](#)
  - [Exterior Dryer Vent Cover](#)
  - [Roof Cleaning](#)
  - [Fascia](#)
  - [Soffit](#)
  - [Step Repair](#)
  - [Graffiti Removal](#)
- Initial Services: Property Interior
  - [Interior Debris Removal / Move Personal Property](#)
  - [Cleaning Refrigerator or Stand-Alone Freezer](#)
  - [Cleaning Toilets](#)
  - [Winterization and Re-Winterization](#)
  - [Capping Wires](#)
  - [Capping Water / Sewer Lines](#)
  - [Capping Gas Lines](#)
  - [Extermination](#)
  - [Repair / Replace Sump Pump](#)
  - [Dead Animal Removal](#)
  - [Basement Moisture Control](#)
  - [Plumbing](#)
  - [Discoloration](#)
  - [Emergency Pump Water](#)
- [Identify Property Condition Issues](#)



## Section 5: Initial Securing and Initial Services

### Initial Securing

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Fannie Mae expects properties to remain secure while the property is delinquent and vacant. The servicer must ensure all access points are secure upon leaving the property. If a lockbox is utilized, keys must be returned to the lockbox prior to leaving the property.

#### **Rekey / Lock Changes (Knob / Pad / Slider / Window Locks)**

The servicer is required to rekey or change locks on an exterior rear or a secondary door for access on the main dwelling of vacant properties. Only one lock is to be changed on main dwellings for access. The main entrance should be rekeyed or have the lock changed when it is the only option for gaining access. In the event the main dwelling becomes unsecure or the servicer's lock(s) are changed, the servicer must proceed with re-securing to gain access utilizing lock change allowable. Refer to [Section 16: Reimbursement Requests](#) within this Property Preservation Guide for further guidance on the Slider Lock/Window Lock, Padlock/Hasp and Padlock, and/or Knob Lock/Knob Lock with Deadbolt Allowables.

#### ***Expectations***

- All lock changes include the removal and replacement of the lock which includes the deadbolt, should there be one present.
  - If the servicer utilizes a lockbox, Fannie Mae will reimburse the servicer within the Padlock/ Hasp and Padlock Allowable expense line without prior approval.
  - Place any previous locksets and deadbolts in a kitchen drawer. Do not discard.
- When the property is a condo and cannot be rekeyed or have lock changed, the servicer must contact the condo association and obtain a copy of the key for access.
- Garage doors must be secured as a part of the initial secure, existing locks to remain when possible, or by adding a padlock.
- Outbuildings must be secured with existing locks when possible or by adding a padlock.
- Slider locks and window locks must be repaired/replaced when existing locks are inoperable or are not present on the main level and where accessible.



## Section 5: Initial Securing and Initial Services

### *Photo Examples*

#### *Example of Before and After Window Locks*



#### *Example of Incomplete Lock Change*

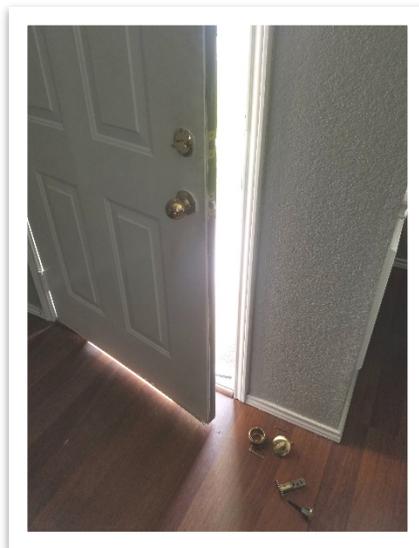


Photo shows completed lock change, however old lockset must be placed in a kitchen drawer.  
Do not leave on the ground.



## Section 5: Initial Securing and Initial Services

### Secure Detached Structure

A detached structure is described as a building that is not directly attached to the main building; something that is not affixed to the main property. Examples of detached structures include a shed, garage, or barn.

#### ***Expectations***

- All detached structures must be secured with existing locks when possible or by adding a padlock.
- Missing or inoperable doors must be replaced using the Exterior Door / Door Jamb Allowables.
- Area around the detached structure must be cleared of vegetation and debris.

#### ***What To Do If***

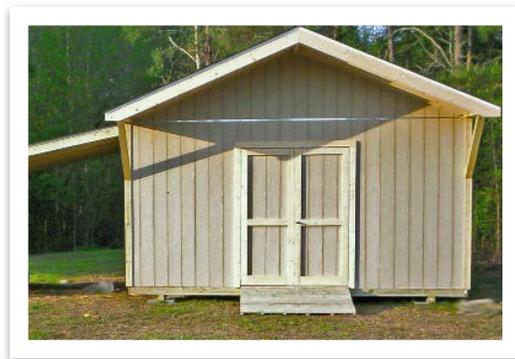
If...	Then...
The detached structure is collapsing, fire damaged, or too unstable to repair,	Utilize the Boarding Allowable to plywood board any unsecured openings including window openings. Submit bids to demolish the detached structure. Refer to <a href="#">Section 2: Technology and Photos</a> within this Property Preservation Guide for bid submission details.

#### ***When to Submit a Bid***

Most damage that would prevent securing of the detached structure can be addressed utilizing an allowable. Any damage preventing securing of the structure that cannot be completed withing an allowable should have a bid submitted via HomeTracker within fifteen (15) calendar days from discovery of the damage. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidelines.

#### ***Photo Examples***

##### ***Examples of Detached Structures***



**Detached structures must be secured. The area around the structure is to be clear of vegetation and debris**



## Section 5: Initial Securing and Initial Services

### Contractor Posting

The servicer must post the property with the servicer's and/or the field services vendor's emergency contact information and ensure posting remains clearly visible while the property is delinquent and vacant. Fannie Mae preference is to clearly post emergency contact information on the front door and/or front window of the main dwelling.

Posting must meet legal requirements and/or local ordinance/association standards when they differ from Fannie Mae requirements.

### Photo Examples

#### Examples of Documenting Contractor Postings





## Section 5: Initial Securing and Initial Services

### Boarding

The servicer must ensure properties are boarded with plywood to prevent vandalism when exterior non-window openings are not otherwise securable. Boarding is measured in united inches (UI). To calculate UI, add length and width (e.g., a 36 inch x 60 inch window is equal to 96 UI). The servicer may utilize the Graffiti Removal Allowable to paint the plywood boards according to local ordinance/association standards.

The Boarding Allowable may be used for plywood in the following instances:

- Crawl spaces
- Pet doors
- Severely fire damaged / pre-demolition properties

### *Photo Examples*

#### *Examples of Before and After Boarding*





## Section 5: Initial Securing and Initial Services

### Clear Boarding and Reglaze / Repair / Replace Window

Clear boarding is a polycarbonate board-up system which offers a very unique alternative to using plywood if a property requires boarding. Clear boarding combines the necessary strength to protect a property with transparent window covers, giving an appearance of traditional windows, and securing the property without exposing its vacancy to onlookers.

Reglazing is replacing the glass within the window frame. A broken pane, deterioration over time or broken glass can lead to a window's need to be reglazed. The Repair / Replace Window Allowable can be utilized to reglaze a window or repair any portion of the window (except the lock) in order to secure the property.

Fannie Mae allows the servicer fourteen (14) calendar days to secure the property from the FTV. Within the fourteen (14) day timeframe, the window(s) should either be reglazed, repaired or clear boarded if found unsecured. If it is discovered that the window(s) needs to be reglazed, repaired or clear boarded any time after the initial secure timeframe, the appropriate service must be completed within three (3) calendar days of discovery.

Clear boarding is required in cases where plywood would have previously been utilized on windows. Exceptions where plywood may be acceptable:

- Severely fire damaged or pre-demolition properties. Contact Fannie Mae on a case by case basis for exceptions.
- Non-window openings such as crawl spaces, pet doors, etc.

### ***Expectations***

- Where feasible, Fannie Mae prefers to re-glaze/repair windows. The servicer should determine the appropriate strategy. Cost, number of windows, likelihood of additional breaks, etc. should all be considered.
- Outbuildings (detached and attached structures) must be secured. The servicer must reglaze, repair or clear board all unsecured outbuilding windows. If the outbuilding is too unstable to repair, the servicer must submit a bid to demolish the outbuilding and utilize the Boarding Allowable to plywood board any unsecured openings including window openings. If there is doubt about the condition of the outbuilding, the servicer must submit bids for the servicer's preferred action to Fannie Mae via HomeTracker. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidelines.
- The servicer must follow only Fannie Mae approved installation methods for clear boarding.
  - Clear boarding must be completed with high strength, polycarbonate sheeting with a minimum thickness of 3/16th inch. Acrylic and Plexiglas® products are not acceptable.
  - SecureView™ and InvisiBoard™ are approved material by Fannie Mae for use. All other material must be demonstrated in the field and approved by Fannie Mae prior to use.
  - SecureView™ and InvisiBoard™ have approved installation and bracing methods. Use of wood material is NOT an acceptable bracing method. All other installation/bracing methods and/or material must be demonstrated in the field and approved by Fannie Mae prior to use.
  - Fasteners and carriage bolts must be made of high strength galvanized steel. Bolts must be cut down to two inches or less and rubber capped to avoid injury.
  - Installation must not cause damage to the property.
- The servicer must use the Debris Removal Allowable to haul off any plywood removed during reglazing, repair or clear boarding of windows. The removal can typically be completed within one cubic yard. Refer to [Exterior Debris Removal](#) within this section for further details.



## Section 5: Initial Securing and Initial Services

### What To Do If

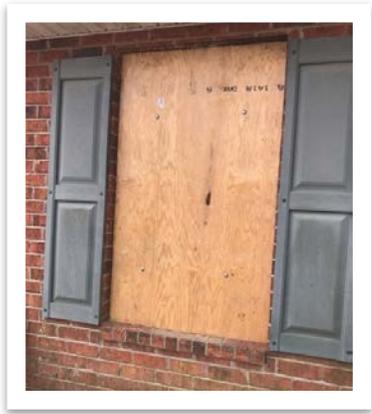
If...	Then...
Clear Boarding material is not immediately available and reglazing/repairing the window is not an option,	Install Clear Boarding within three (3) calendar days from discovery of the unsecured window opening.
Any exterior doors allowing access to the interior of the property are missing,	Replace exterior doors using the Exterior Door Allowable. See <a href="#">Exterior Doors</a> within this section for more information.
There is debris left from deboarding a previously plywood boarded window opening,	Deboarding debris may be removed using the Debris Allowable. In most cases this should not be more than one cubic yard. In the event the allowable has already been used; refer to <a href="#">Exterior Debris Removal</a> within this section for further details.
The property had broken window(s) and the servicer chose to reglaze/repair and later any window breaks,	Clear board any broken windows.
The property is found severely vandalized upon Initial Secure,	Clear board all windows on the main level of the property only or where access can be gained on other levels. The servicer must address any other broken/missing window on secondary levels with either reglazing/repairing/clear boarding at the servicer's discretion. Refer to <a href="#">Exterior Doors</a> within this section for further details on the necessary additional securing measures.
The property has a sliding glass door and the glass needs to be reglazed,	Utilize the Repair / Replace Window Allowable to replace the glass in the sliding glass door.
The property has a sliding glass door and the glass cannot be reglazed,	Utilize the Exterior Door Allowable to repair or replace the door.



## Section 5: Initial Securing and Initial Services

### *Photo Examples*

#### *Examples of Clear Boarding*





## Section 5: Initial Securing and Initial Services

### Security Door

A Security Door Allowable must only be utilized when the property is so severely damaged that a new exterior door and/or door frame does not make financial sense or cannot be put on due to the structure damage (e.g., severe fire damage). The security door must only be installed in areas that require future access. The Security Door Allowable includes boarding, painting the board to match the house and all hardware.

**Exception:** The servicer may utilize the Security Door Allowable to place a security door on the property when the exterior door cannot be replaced within the Exterior Door / Door Jamb Allowable(s) while waiting for approval of an over allowable bid.

### *Photo Examples*

#### *Example of Security Door*



**Properly installed, painted, and secured security door.**



## Section 5: Initial Securing and Initial Services

### *Example of Deficient Security Door*

**DEFICIENT**



Security door improperly installed leaving no access to the property. Painting of the door to match trim is also required.



## Section 5: Initial Securing and Initial Services

### Exterior Door / Exterior Door Jamb

The Exterior Door Allowable must be used to repair/replace missing or inoperable exterior doors including installation of a door jamb and hinge protection product to secure the interior of the main dwelling or detached structure. The preferred method is to repair the door and/or door jamb when possible in a manner that is consistent with pre-damage condition.

The Exterior Door Jamb Allowable must be used to replace/repair missing or damaged/split door jamb/frames, including installation of a door jamb protection product.

In the rare instance either repair or replacement cannot be completed within the applicable allowable, a bid must be submitted. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidelines.

If it is discovered that the exterior door and/or door jambs need to be repaired and/or replaced any time after the initial secure timeframe, the appropriate service must be completed within three (3) calendar days of discovery. The servicer must attempt to secure the property as best as possible in the interim utilizing the Padlock/Hasp and Padlock Allowable.

### ***Expectations***

- When providing exterior door replacement, ensure door fits properly and is adjusted and seals to prevent water from leaking in. There should be no gaps seen when service is complete.
- Replacement of the standard sized exterior door must be with a new exterior-rated door, either steel or wood door-rated materials. Use of interior-rated doors is strictly prohibited.
- Any new exterior door which also requires a new frame must be double bored for easy lockset and deadbolt installation.
- Each new exterior door with frame replaced must include deadbolt lock to increase security. Plated lock holes and hasp locks are not acceptable at any time. Locksets are required on all door replacements.
- Replacement of any exterior door to main dwelling or detached structure must also include installation of a door jamb and hinge protection product (Door Armor® MAX Combo). If there are other exterior doors which provide access to interior of the main dwelling but do not require repair or replacement, the servicer must install a door jamb protection product (Door Armor MINI Combo) on each of those doors as well.
- The Door Armor MAX Combo (door jamb and door hinge protection) and the Door Armor MINI Combo (door jamb protection) are the two approved products made by Armor Concepts®. All other material must be demonstrated in the field and approved by Fannie Mae prior to use.
- When replacement or repairs are made only to the door jamb, a door jamb protection product (Door Armor MINI Combo) must also be installed.
- This allowable is not to be used to replace missing screen or storm doors.



## Section 5: Initial Securing and Initial Services

### What To Do If

If...	Then...
All exterior doors and door jambs are functioning and secure,	No action is required.
The entire door is missing or irreparable,	<p>Replace the exterior door with exterior door rated materials and install a door jamb and door hinge protection product.</p> <p>If unable to complete within the allowable, secure with a security door and submit a bid to replace the door. Refer to <a href="#">Section 2: Technology and Photos</a> within this Property Preservation Guide for bid submission guidance.</p>
The entire door is missing or irreparable on a detached structure,	Replace the exterior door with exterior door rated materials and install a door jamb and door hinge protection product.
Repairs are made to the door jamb of a door allowing access to the interior of the property or to a detached structure,	Install a door jamb protection product.
An exterior door is replaced and the door jamb and door hinge protection product is installed,	Install a door jamb protection product on all remaining exterior doors which allow access to the interior of the property. This must be done regardless of any work performed on the door or door jamb.
The property is found severely vandalized upon Initial Secure,	Install a door jamb protection product on every interior access door, unless the door is replaced, which in those cases, install the door jamb and hinge protection product. Refer to <a href="#">Clear Boarding</a> within this section for further details on necessary additional securing measures.
The property has a sliding glass door and the glass needs to be reglazed,	Utilize the Repair / Replace Window Allowable to replace the glass in the sliding glass door.
The property has a sliding glass door and the glass cannot be reglazed,	Utilize the Exterior Door Allowable to repair or replace the door.



## Section 5: Initial Securing and Initial Services

### Photo Examples

#### Examples of Exterior Door and Door Jamb and Hinge Protection



Photo shows door jamb protection product being installed.



Photo shows door jamb protection product installed.



Photo showing door jamb and hinge protection product materials ready for installation.

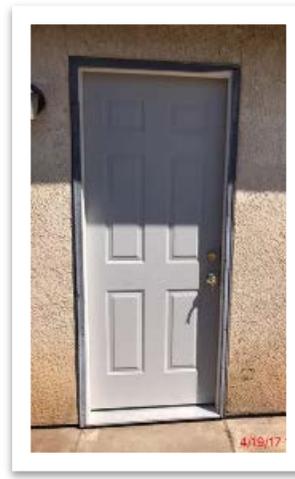


Photo showing door hinge protection product installed.



## Section 5: Initial Securing and Initial Services

### *Examples of Before and After Exterior Door Replacement*

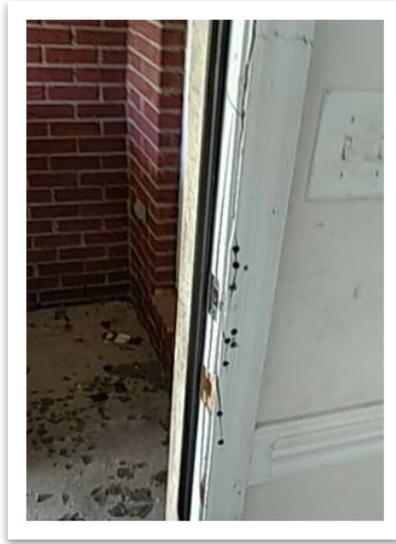




## Section 5: Initial Securing and Initial Services

### *Example of Deficient Door Jamb Repair*

**DEFICIENT**



**Nailing the door jamb together is not acceptable.**



## Section 5: Initial Securing and Initial Services

### Repair Garage Door

This Repair Garage Door Allowable must be utilized to secure overhead garage doors when unsecured. This includes replacing missing panels with like panels, repairing/replacing hardware (e.g., roller, tracks, springs, etc.) in order to close and secure the overhead garage door. If unable to close and secure the overhead garage door within the allowable, a bid must be submitted via HomeTracker.

#### ***What To Do If***

If...	Then...
The entire overhead garage door is missing where a previous door existed,	Submit a bid to replace.
The overhead garage door is unsecured and the garage structure is in good condition,	Utilize the Repair Garage Door Allowable to secure.
The overhead garage door cannot be repaired within the allowable,	Submit bids to repair or replace the door, whichever is most cost effective.
The garage is collapsing, fire damaged, or too unstable to repair AND is a detached structure,	Utilize the Boarding Allowable to plywood board any unsecured openings including window openings. Submit bids to demolish the detached structure. Refer to <a href="#">Section 2: Technology and Photos</a> within this Property Preservation Guide for bid submission details.

#### ***Photo Examples***

##### ***Example of Before and After Repair Garage Door***





## Section 5: Initial Securing and Initial Services

### Pool / Hot Tub / Spa Securing

If the property has a pool, hot tub and/or spa, the servicer must ensure the pool, hot tub and/or spa are covered and the fence, lanai and/or gate are intact, secured with a padlock, and are a minimum of four feet high. Refer to [Pool Covers](#) and [Fence Repair](#) within this section for further details and allowable usage.

### Pool / Hot Tub / Spa Covers

Regardless of fence/lanai/gate being present, pools must be covered using the Pool Cover Allowable. Pools must be covered in the following manner:

- Cover below ground pools with a polypropylene safety cover properly anchored to the pool deck. Use of roof tarps/non-polypropylene material as a cover on below ground pools is strictly prohibited by Fannie Mae.
- When a below ground pool cannot be covered utilizing the Pool Cover Allowable (i.e., raised and attached hot tubs), submit a bid for a polypropylene pool cover.
- Tarp above ground pools by properly anchoring tarp to the ground/deck.
  - Covering above ground pools may only be completed when the above ground pool is in excellent and usable condition. It is the servicer's discretion to either cover or dismantle and move the above ground pool to a secured outbuilding or garage. The servicer must submit a bid via HomeTracker to dismantle and move the pool if unable to complete within the Move Personal Property Allowable.
  - If the above ground pool is in poor condition, the servicer must remove the pool as debris. Refer to [Exterior Debris Removal](#) within this section for further details. Poor condition includes, but is not limited to, when the above ground pool is no longer functional, partially collapsed, or interior membrane has been damaged.

**Notes:** When covering an above ground pool or hot tub/spa, the cost of the service is significantly lower than covering a below ground pool, therefore the entire Pool Cover Allowable should not be used.

Once any pool/hot tub/spa is covered, the servicer must continue to remove water, leaves and debris from the cover. Refer to [Yard Services](#) within this section for further details.

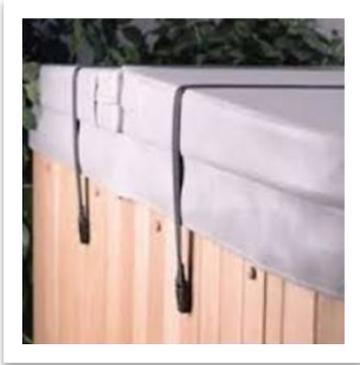
If the servicer is unable to cover a pool within the allowable, the servicer must submit an over allowable bid via HomeTracker. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission details.



## Section 5: Initial Securing and Initial Services

### Photo Examples

#### Examples of Pool Covers



Spa already covered. There is no further action to secure the pool. Ensure any debris on the cover is removed.

**DEFICIENT**



In-ground Pool: Covered correctly.

**DEFICIENT**

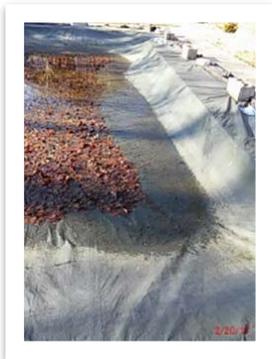


Pool cover is collapsing and pool is unsecured.

**DEFICIENT**



Pool must be drained and dismantled.



Use of cinder blocks is not a property way to secure a pool cover.



## Section 5: Initial Securing and Initial Services

### Fence Repair

The Fence Repair Allowable must be used to repair and/or replace unsecured fences/gates/lanais. The servicer must submit a bid to repair and/or replace the fence/gate/lanai when it is unable to be secured within the allowable. The allowable should be used for all fence/gate/lanai repairs including but not limited to:

- Chain Links
- Gate Locking Mechanism
- Lanai
- Posts
- Fence Repair
- Gates
- Pickets

### Expectations

- When repairing/replacing fences/gates/lanai, ensure the materials used match as closely as possible to current materials
- Painting or staining of material to match existing fence color is not required.

### What To Do If

If...	Then...
The entire fence is missing or has fallen over and CANNOT be repaired/replaced within the allowable, AND a pool/hot tub/spa is present,	Remove any remaining debris and submit a bid to repair/replace the fence/gate/lanai. Cover pool/hot tub/spa as required. Refer to the <a href="#">Pool Covers</a> and <a href="#">Exterior Debris Removal</a> within this section for further details.
The entire fence is missing or has fallen over and CANNOT be repaired/replaced within the allowable, AND a pool/hot tub/spa is NOT present, AND local ordinance/association DOES NOT require fencing,	Remove any remaining debris. No further action is required. Refer to the <a href="#">Exterior Debris Removal</a> within this section for further details.
The entire fence is missing or has fallen over and CANNOT be repaired/replaced within the allowable, AND a pool/hot tub/spa is NOT present, AND local ordinance/association DOES require fencing,	Remove debris and submit a bid to repair/replace fence/gate/lanai if unable to service within the allowable. Refer to the <a href="#">Exterior Debris Removal</a> within this section for further details. Bids must include a copy of the local ordinance/association standards. Refer to <a href="#">Section 2: Technology and Photos</a> within this Property Preservation Guide for bid submissions.



## Section 5: Initial Securing and Initial Services

### *Photo Examples*

#### *Examples of Before and After Fence Repair*





## Section 5: Initial Securing and Initial Services

### *Examples of Before, During, After and Haul Away of Fence Repair*



### *Examples of Deficient Fence Repair*

**DEFICIENT**



**DEFICIENT**



Use the Fence Repair Allowable to re-secure fencing or replace missing panels.

Use the Fence Repair Allowable to re-secure fencing



## Section 5: Initial Securing and Initial Services

### Initial Services: Property Exterior

---

The servicer is expected to perform all of the below Initial Exterior Services within fourteen (14) calendar days from the FTV. When a property securing a Fannie Mae loan includes multiple units, each unit used as collateral for the loan must also have services performed as it becomes vacant.

#### Exterior Debris Removal

Exterior debris removal includes removal of all debris, trash, and dead vegetation. Fannie Mae expects removal of these items from the entire exterior of the property and for the servicer to ensure the property is free of debris while the property is delinquent and vacant. Refer to [Section 17: Addendums](#) within this Property Preservation Guide for debris count and personal property references.

#### ***Expectations***

- Pick up and remove all exterior debris, trash, and dead vegetation.
  - Dead vegetation includes, but is not limited to: fallen leaves/tree limbs, dead shrubs/plants/small ornamental trees from the property.
- Ensure all debris (e.g., phone books, advertisement fliers, cobwebs, etc.) are removed from all porch areas
- Empty and turn over all trash cans and store in the garage, if applicable, or at the rear of the property out of street view.

Interior items not intended for exterior use that have been left outside and exposed to the elements are considered debris. Examples include:

- Furniture intended for interior use
- Refrigerator / Freezer

Other examples of items found outside considered debris include:

- Broken/deteriorated items intended for outdoor use
- Scattered wood/metal
- Tires

**Notes:** Items located inside outbuildings or garages are not considered exterior debris. These areas should be secured as part of the initial and ongoing services. Accessible debris in all crawl spaces and under the porch must be removed.

All debris must be removed from the property and properly disposed. Leaving trash or debris on public or neighboring property will not be tolerated.

The Debris Removal and the Move Personal Property Allowables include a combined maximum of 10 cubic yards for the removal of raw garbage, perishable items, debris, and/or moving of personal property. The combined maximum of 10 cubic yards is inclusive of interior and exterior debris removal and the moving of any personal property. A cubic yard is defined as 3' x 3' x 3' or 27 cubic feet and is measured by volume, not weight or content.



## Section 5: Initial Securing and Initial Services

When 11-20 cubic yards of combined interior or exterior debris or the relocation of personal property in the way of the grass cut or in street view, the servicer may elect to complete the work and then submit a bid after the fact via HomeTracker for the additional cubic yards. Refer to [Section 12: Bid After the Fact](#) within this Property Preservation Guide for further details. The servicer must provide before and after photos to support total debris removed from property, not just the overage. Refer to [Section 17: Addendums](#) within this Property Preservation Guide for debris count and personal property references.

### ***When to Submit a Bid***

- When more than 20 cubic yards of combined internal and external debris removal and/or moving personal property needs to be performed, the servicer must stop debris removal/moving personal property work and submit a bid via HomeTracker.
- When the servicer decides to address debris removal/moving personal property outside of the allowable threshold and prior to Fannie Mae approval, the servicer should take into account Fannie Mae may not agree with the cubic yard count and/or cost and may deny and/or modify the request.

### ***Photo Examples***

#### ***Examples of Before, During, Haul Away and After of Exterior Debris Removal***





## Section 5: Initial Securing and Initial Services

### Move Personal Property

Moving exterior personal property is limited to items which obstruct lawn maintenance or are in street view. Personal property must be moved to a secure location such as a shed, garage, or the interior of the property.

Examples of personal property to move include, but are not limited to:

- Lawn equipment
- Patio furniture
- Tools/building materials

Examples of personal property to not move/remove include, but are not limited to:

- Bird baths
- Grills
- Stacked building materials such as bricks
- Trampolines
- Dog houses
- Picnic tables
- Swing sets
- Vehicles/boats

The Debris Removal and the Move Personal Property Allowables include a combined maximum of 10 cubic yards for the removal of raw garbage, perishable items, debris, and/or moving of personal property. The combined maximum of 10 cubic yards is inclusive of interior and exterior debris removal and the moving of any personal property. A cubic yard is defined as 3' x 3' x 3' or 27 cubic feet and is measured by volume, not weight or content.

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- When the servicer decides to address debris removal/moving personal property outside of the allowable threshold and prior to Fannie Mae approval, the servicer should take into account Fannie Mae may not agree with the cubic yard count and/or cost and may deny and/or modify the request.



## Section 5: Initial Securing and Initial Services

### What To Do If

If...	Then...
Personal property is found outside and is in the way of grass cut or is in street view,	Move the personal property to a secured location.
Extraordinary circumstances arise (e.g., tire farm, dump site, hoarder site, crime scene, etc.),	Stop debris removal and notify Fannie Mae about the issue by submitting the proper bids via HomeTracker. The servicer is expected to provide details of extraordinary circumstance within the REOgram after liquidation and to the Fannie Mae REO broker.

### Photo Examples

#### Examples of Extraordinary Debris



**All debris must be properly disposed. Leaving trash or debris on public or neighboring property will not be tolerated.**



## Section 5: Initial Securing and Initial Services

### Yard Services

Fannie Mae expects the servicer to maintain yards year-round and comply with local ordinance/association standards. There is only one Initial Yard Service Allowable for the life of loan. In the event a subsequent initial yard service is required, a bid must be submitted via HomeTracker within fifteen (15) calendar days from date of discovery.

Each initial and ongoing (recut) yard service includes but is not limited to:

- Cut grass and remove clippings from sidewalks, driveways and lawns (front, sides, rear, etc.) from the entire property up to one acre.
- Remove weeds/grass from fence lines, foundation of home, driveways and flower beds without damaging existing plants or flowers.
- Remove all non-decorative vegetation attached to structure(s) and fencing (including hanging vines).
- Edge all driveways, walkways and sidewalks.
- Clear all driveways, walkways and sidewalks of clippings and dirt. Do not blow clippings into neighbor's yard.
- Remove water, leaves and incidental debris from covered pool/hot tub/spa.
- Remove all incidental leaves and debris/trash.
- Clear all debris and weeds from basement window wells.
- Remove all debris as a result of services from the property.
- Desert landscaping, rockscape, or low maintenance landscaping includes, but is not limited to, pulling and spraying of weeds, removing tumbleweeds, and trimming grass where necessary.

**Lots Up to One Acre (Up to 43,560 Square Feet):** Initial and ongoing (recut) yard services must be completed within the allowable based on the area to be cut and where grass is less than 12 inches on the majority of the lot.

*Example:* Lot size is 25,000 square feet and grass is 24 inches on 20% of the lot and 10 inches on 80% of the lot. Complete grass cut within the allowable.

When the yard services cannot be completed within the allowable and grass is less than three (3) feet high on the majority of the lot, the servicer may complete work and submit a bid after the fact. Refer to [Section 12: Bid After the Fact](#) within this Property Preservation Guide for further details.

When the yard services cannot be completed within the allowable and grass is over three (3) feet high on the majority of the lot, the servicer must submit bids via HomeTracker.

**Lots Over One Acre (More than 43,560 Square Feet):** The servicer is to cut the perimeter on useable land on over one acre lots regardless of the perimeter square footage (as long as the perimeter square footage adds up to less than one acre). The servicer is to utilize the corresponding grass cut lot square footage allowable.

The servicer must cut:

- All sides and entry points surrounding the property, driveways, sidewalks, and main dwelling and any attached structures.
  - It is at the discretion of the servicer if cutting around any detached structure(s) is needed.
- From the front view of the property to the street (starting with the grass closest to the front of the house working towards the street to allow as much street visibility as possible).

**Note:** Any pasture/farm land and/or wooded areas are not required to be cut.



## Section 5: Initial Securing and Initial Services

*Example:* Lot is 90,000 square feet in a rural area with a long driveway from street view. Perimeter to be cut is 22,000 square feet. The servicer is to utilize the '15,001 – 25,000 square feet' grass cut allowable to cut the perimeter (initial allowable and then re-cut allowable thereafter). No over allowable bid is necessary.

### **When to Submit a Bid**

Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission and include the following:

- Lot dimensions
- Grass height
- Copy of local ordinance, if applicable

### **What To Do If**

<b>If...</b>	<b>Then...</b>
Conditions are too severe (e.g., weather, ground is too moist/flooded, etc.) to perform the yard service,	Document the situation. Services must be completed as soon as possible.
Extraordinary circumstances arise,	Stop yard services and notify Fannie Mae about the issue by submitting the proper bids via HomeTracker.
Excessive leaves prohibit proper yard services,	Follow the debris removal process outlined in <a href="#">Exterior Debris Removal</a> within this section. When deciding to address excessive leaf removal outside the allowable and prior to Fannie Mae approval, the servicer should take into account Fannie Mae may not agree with the cubic yard count and/or cost and may deny and/or modify the request.
Animals are found at the property and/or if the animal is preventing services from being performed,	Contact local animal control immediately to coordinate the handling of animals in order to complete services.



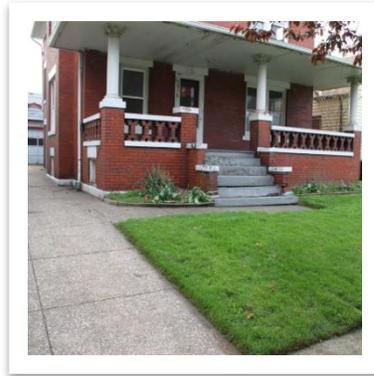
## Section 5: Initial Securing and Initial Services

### *Photo Examples*

#### *Examples of Incidental Debris*



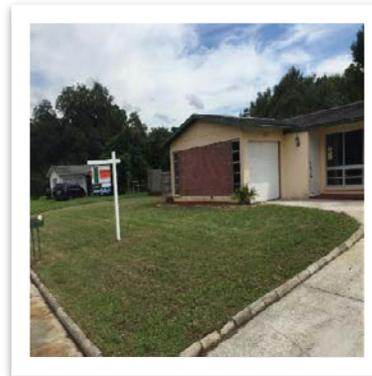
#### *Examples of Before and After Yard Services*





## Section 5: Initial Securing and Initial Services

### *Examples of Before and After Yard Services*





## Section 5: Initial Securing and Initial Services

### Trim Trees / Shrubs / Vines

Fannie Mae expects the servicer to maintain trees/shrubs/vines year-round as well as remain in compliance with local ordinance/association standards.

Maintenance of the entire property includes the trimming of the shrubs/trees/vines, fence lines and saplings near the foundation, as well as the removal of clippings, dead foliage, and vines on the main dwelling and detached structures. Tree/shrub/vine trimming should be completed in a manner that is consistent with the appropriate levels for the structure and/or local ordinance.

#### ***Expectations***

- Trimming must be completed when affecting the condition or access to the main dwelling, detached structures, fencing, lanai, and/or mechanical equipment.
- Decoratively prune all shrubs in front viewable areas to appropriate levels for the structure, this includes any side bed if viewable from front or if the property is located on a corner lot.
- Trim tree branches to a minimum of one (1) foot away from the structure and at least three (3) feet off of the roof.
- Remove all non-decorative vegetation attached to structure (including hanging vines).
- Trim all damaged/dead branches.
- Any resulting debris from the trimming must be removed from the property as a part of the trimming service. The Debris Removal Allowable must not be utilized to remove the resulting trimming debris from the property.

#### ***When to Submit a Bid***

Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for further guidance on bid submission and include the following:

- Tree/shrub/vine dimension.
- Cubic yard amounts that will be produced.

#### ***What To Do If***

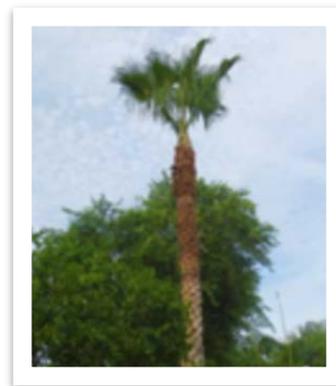
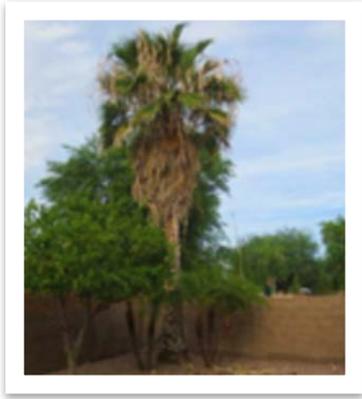
If...	Then...
Conditions are too severe (e.g., weather, ground is too moist/flooded, etc.) to perform trimming,	Document the situation. Services must be completed as soon as possible.
Excessive overgrowth exists,	Stop trimming and notify Fannie Mae about the issue by submitting the proper bids via HomeTracker.



## Section 5: Initial Securing and Initial Services

### *Photo Examples*

#### *Examples of Before and After Trim Trees/Shrubs*





## Section 5: Initial Securing and Initial Services

**DEFICIENT**



Expectation: Shrubs must be pruned to acceptable height.

**DEFICIENT**



Shrubs pruned to unacceptable height causing damage to the landscaping. This is not acceptable.

**DEFICIENT**



Shrubs properly trimmed off of the structure, however the shrubs must also be pruned to acceptable height.



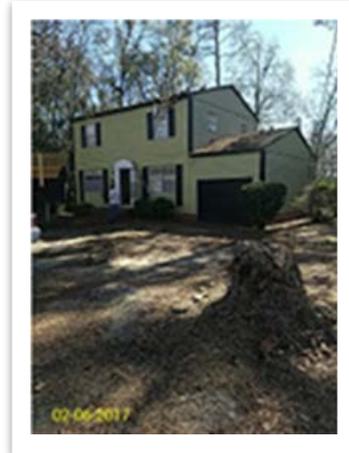
## Section 5: Initial Securing and Initial Services

### Tree Removal

On occasion a tree must be removed for safety reasons. When this occurs, the servicer must submit two (2) bids simultaneously and must only include removal to the stump, not removal of the root system. Bid photos should clearly identify the tree being requested for removal by some sort of marking on the tree (chalk numbers, string, etc.).

#### *Photo Examples*

##### *Examples of Before and After Tree Removal*



##### *Examples of Proper Marking of Tree for Tree Removal*





## Section 5: Initial Securing and Initial Services

### Snow Removal

When ice is present or after a minimum of three (3) inches of snowfall, the servicer must utilize the Snow Removal Allowable. When the cost of service exceeds the allowable or the allowable threshold has been exhausted, the servicer may elect to complete the work and then submit a bid after the fact via HomeTracker. Refer to [Section 12: Bid After the Fact](#) within this Property Preservation Guide for further details. The servicer must provide before and after photos to support this and all prior snow removal services.

When the servicer decides to address snow removal outside of the allowable threshold and prior to Fannie Mae approval, the servicer should take into account Fannie Mae may not agree with the service and/or cost and may deny and/or modify the request.

#### **Expectations**

- Remove snow/ice from all entries and paths to the property to include lockbox locations.
- Remove snow/ice from steps, driveway, and walkways, including sidewalk in front of the property and ensure access to parking area (garage, carports, etc.). Snow/ice must not be pushed up to the property or garage, blocking access.
- Apply salt or melting agent on all cleared areas including steps, driveway, and walkways, including sidewalk in front of the property.
- When any amount of ice is present, the servicer must assess the situation and provide services such as applying melting agent or breaking up ice, to ensure access to the property is safe.

#### **When to Submit a Bid**

Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission details and include the following:

- Location to be cleared (private road, roof, etc.).
- Dimensions including depth, length, and width or square feet.
- Snow / ice removal method (plow or products to be used).
- Copy of the local ordinance, if applicable.

#### **What To Do If**

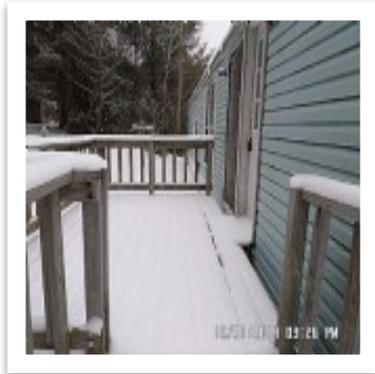
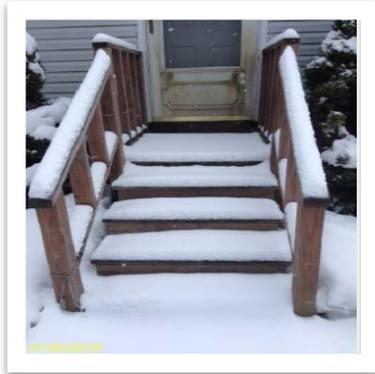
If...	Then...
Excessive snow is present on the roof and snow from roof is causing damage,	Provide bid via HomeTracker to remove.
Clearing of the snow cannot be completed due to extreme situations,	Document the situation and complete snow removal as soon as possible.
Excessive snow clearing or the plowing of a private road is necessary,	Notify Fannie Mae about the issue by submitting the proper bids via HomeTracker.



## Section 5: Initial Securing and Initial Services

### *Photo Examples*

#### *Examples of Before and After Snow Removal*

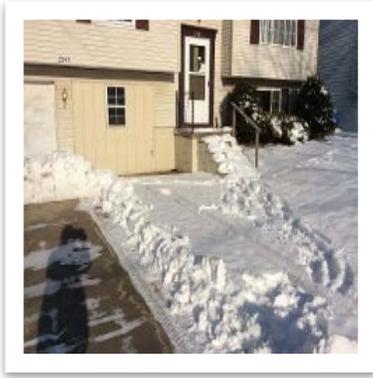




## Section 5: Initial Securing and Initial Services

### *Examples of Deficient Snow Removal*

**DEFICIENT**



**Expectation:**  
Snow must not be pushed to garage  
and all paths and steps must be cleared.

**DEFICIENT**



**Expectation:**  
Snow removal must be performed.



## Section 5: Initial Securing and Initial Services

### Address Posting

The servicer is required to confirm the correct address at the property prior to commencing any preservation work. After confirming the correct address, in the event the address posting is missing, the servicer must use the Address Posting Allowable to put the correct street number(s) on the property. These numbers must be large enough to see clearly from the street and must meet local ordinance/association standards.

#### *Photo Examples*

##### *Example of Address Posting*



##### *Example of Deficient Address Posting*

**DEFICIENT**



**Do not use spray paint to post address.**



## Section 5: Initial Securing and Initial Services

### Roof Patch / Repair

When a roof leak is discovered, appropriate measures must be taken to preserve the property by stopping the leak. The Roof Patch / Repair Allowable must be used to make minor repairs to a roof if found to be damaged. Tarping is not permitted under this allowable as a tarp is a temporary measure only and does not stop the leak.

When the cost to patch/repair an area of the roof exceeds the allowable, a bid to tarp and a bid to repair must be submitted simultaneously to help determine appropriate action. Flat roofs only require a bid to repair as tarps are ineffective in these instances. The Roof Patch / Repair Allowable includes the repair of all portions of the roof including, but not limited to: chimneys, skylights, roof vents, decking, and shingles. The allowable also includes the removal of a tarp that has been previously installed if used in conjunction with repairing the roof.

#### ***When to Submit a Bid***

Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidelines and include the following:

- Provide dimensions of the affected area (square footage).
- Provide specific interior location of the damage (e.g., the corner of the kitchen ceiling above the sink).
- Include full photo documentation including interior and exterior photos where the leak is present (including photos taken from the roof and attic photos).

#### ***What To Do If***

If...	Then...
The entire roof must be replaced,	Stop all work related to the roof and submit two (2) bids to replace the roof and a bid to tarp the roof via HomeTracker. Refer to <i>Roof Damages</i> in <a href="#">Section 8: Damaged Properties</a> within this Property Preservation Guide.
The chimney, roof vents, or skylights need to be resealed,	The Roof Patch / Repair Allowable can be utilized to perform the services.



## Section 5: Initial Securing and Initial Services

### *Photo Examples*

#### *Examples of Before, During and After Roof Repair*





## Section 5: Initial Securing and Initial Services

### Chimney Caps

When a chimney is present and missing a cap/spark arrestor, a maximum of one (1) cap/spark arrestor per chimney and a maximum of two (2) per property may be placed within the Chimney Cap Allowable. When there is more than one (1) flue per chimney, the servicer must utilize one (1) chimney cap to cover the entire chimney when possible.

#### *Photo Examples*

#### *Examples of Chimney Caps*



Example of one Chimney Cap Allowable used to cover a single flue.



Example of one Chimney Cap Allowable used to cover a double flue.



## Section 5: Initial Securing and Initial Services

### Clean Gutter

The servicer must use the Clean Gutter Allowable to clean existing gutters when necessary which includes removal of the associated debris from the property.

#### *Photo Examples*

#### *Examples of Before and After Clean Gutters*



### Repair Gutter

The servicer must use the Repair Gutter Allowable to repair, replace or reattach (secure, refasten) any existing/missing gutter sections and downspouts, including rerouting the downspout to divert the water away from the house.

#### *Expectations*

- When completing gutter repair, ensure the materials and color used match as closely as possible to current materials.
- Proper installation for all gutter sections and downspouts is required and must be performed to industry standards. Proper material must be utilized.
- If unable to complete within the allowable, the servicer must submit a bid to repair/replace gutters. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidelines.



## Section 5: Initial Securing and Initial Services

### ***What To Do If***

<b>If...</b>	<b>Then...</b>
There are no gutters and there is no evidence gutters were ever installed,	Do not install gutters. There is no action required.
There is an existing splash guard,	Do not remove. Ensure splash guard is placed under gutter downspout to lessen erosion.
There are gutter section(s) missing and downspout(s) are hanging,	Replace the missing section(s) and reattach the downspout(s) within the allowable.



## Section 5: Initial Securing and Initial Services

### *Photo Examples*

#### *Examples of Before and After Gutter Repair*

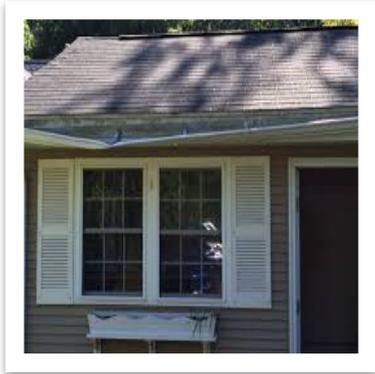




## Section 5: Initial Securing and Initial Services

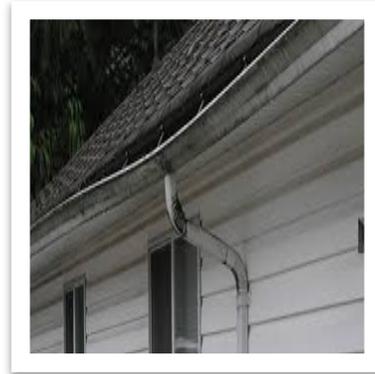
### *Examples of Gutter Repairs Needed*

**DEFICIENT**



Section of gutter needs repair.

**DEFICIENT**



Section of gutter needs repair.



## Section 5: Initial Securing and Initial Services

### Exterior Handrails

The Exterior Handrails Allowable may only be used to repair damaged handrails/railings or replace missing handrails/railings where they previously existed on an elevated patio, balcony, or where three or more steps are present. When local ordinances/association standards differ from Fannie Mae requirements, the servicer must adhere to local ordinance/association standards.

#### **Expectations**

- Replace any missing or broken handrail that cannot be repaired. The servicer must use appropriate handrail materials and ensure the materials and color used match as closely as possible to current materials. Photos must show there was evidence of an existing/previous handrail.
- All installed handrails must meet code requirements.
- When installing a handrail or repairing/replacing railings/spindles on decks, patios, balconies, porches, etc., the servicer is required to use exterior-rated materials designed for the specified installation. Unfinished lumber (e.g., raw 2x4) is not allowed on missing handrail installations unless it was the original material being repaired.

#### **What To Do If**

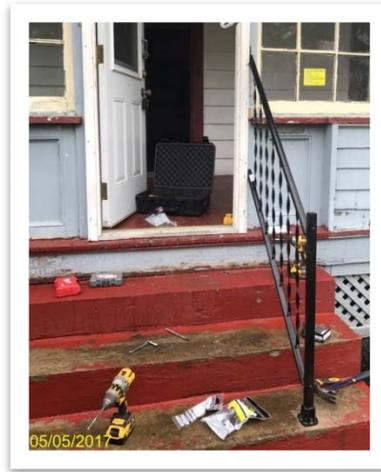
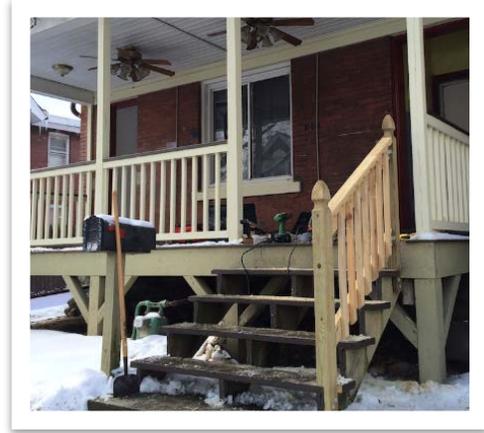
<b>If...</b>	<b>Then...</b>
Handrail is missing and it is obvious one was present,	Replace the handrail using appropriate handrail materials.
Handrail is broken and cannot be repaired,	Replace the handrail using appropriate handrail materials.
There is no handrail present and local code requires a handrail,	Install using appropriate handrail materials within the allowable. If unable to complete within the allowable, submit a bid with a copy of the local ordinance. Refer to <a href="#">Section 2: Technology and Photos</a> within this Property Preservation Guide for bid submission guidelines.
There are no handrails present and local ordinance does not require handrails,	There is no action required unless the servicer determines a safety hazard exists without the handrail. Use of the Exterior Handrails Allowable is acceptable in these situations.
Property has existing handrails that are loose,	Re-secure existing handrails. Utilize the Exterior Handrails Allowable if further repairs are necessary.
A handrail is installed,	The handrail must be installed correctly and meet all code requirements.
An existing handrail is present and does not meet local ordinance/association standards,	Utilize the Exterior Handrails Allowable to bring the handrail into compliance.



## Section 5: Initial Securing and Initial Services

### Photo Examples

#### Example of Before and After Exterior Handrail Repair





## Section 5: Initial Securing and Initial Services

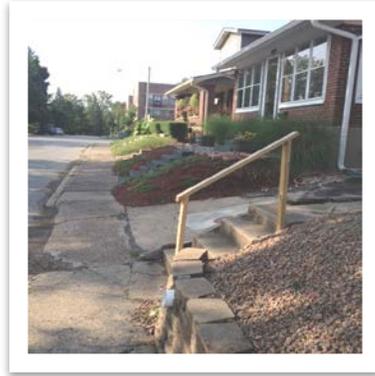
### *Examples of Deficient Exterior Handrails*

**DEFICIENT**



Improper use of materials and installation.

**DEFICIENT**



Improper use of materials and installation.

**DEFICIENT**



Re-secure handrail.

**DEFICIENT**



Improper use of materials and installation.



## Section 5: Initial Securing and Initial Services

### Exterior Dryer Vent Cover

The Exterior Dryer Vent Cover Allowable is to be used only when a cover is not present.

#### *Photo Examples*

#### *Examples of Dryer Vent Covers*



### Roof Cleaning

The servicer is required to ensure the roof is clear of limbs, branches, and excessive accumulation of leaves and moss. The Roof Cleaning Allowable is determined by the amount of debris, in cubic yards, on the roof, not the overall size of the roof itself.

If the servicer is unable to clean the roof within the allowable threshold, the servicer must submit an over allowable bid via HomeTracker. Bids in these instances must include pictures of interior ceilings/attics to ensure the roof debris has not caused damage to the roof.

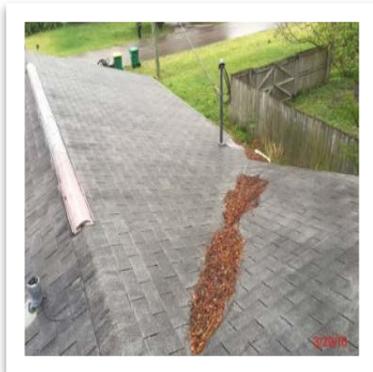
When removing moss present on the roof, the servicer must use a moss/mold/mildew/algae stain remover. Pressure washing in these situations is not acceptable and may cause further damage to the roof.



## Section 5: Initial Securing and Initial Services

### Photo Examples

#### Examples of Before and After Roof Cleaning



If roof damage is discovered after performing roof cleaning services, assess the condition and utilize the Roof Patch / Repair Allowable, if necessary.



## Section 5: Initial Securing and Initial Services

### Fascia

The Fascia Allowable includes repairing and/or replacing up to 20 linear feet (LF) of missing or damaged fascia or more if the price per linear foot is less than allowable.

The servicer must ensure the fascia repair/replacement materials used match current materials. Dimensional lumber is to be primed/painted in order to prevent further damage due to weather.

### *Photo Examples*

#### *Examples of Fascia Repair*





## Section 5: Initial Securing and Initial Services

### Soffit

The Soffit Allowable includes repairing and/or replacing up to 20 linear feet (LF) of missing or damaged soffits or more if the price per linear foot is less than allowable.

The servicer must ensure the soffit repair/replacement materials used match current materials. Materials must be primed/painted in order to prevent further damage due to weather.

### *Photo Examples*

#### *Examples of Before and After Soffit Repair*





## Section 5: Initial Securing and Initial Services

### Step Repair

The Step Repair Allowable must be used to repair damaged and/or replace missing steps where steps previously existed. The allowable can be used for repairing/replacing tread, risers, and/or stringers. When local ordinances/association standards differ from Fannie Mae requirements, the servicer must adhere to local ordinance/association standards.

#### **Expectations**

- Replace any missing or broken steps that cannot be repaired. The servicer must use appropriate step materials and ensure the materials and color used match as closely as possible to current materials. Photos should show there was evidence of an existing/previous step.
- All installed steps must meet code requirements.
- When installing/repairing steps, the servicer is required to use appropriately-rated materials.

#### **What To Do If**

If...	Then...
The steps are broken and cannot be repaired,	Replace using appropriate materials within the allowable.
No steps are present and local code/ordinance requires steps,	Install using appropriate materials within the allowable. If unable to complete within the allowable, submit a bid with a copy of the local ordinance. Refer to <a href="#">Section 2: Technology and Photos</a> within this Property Preservation Guide for bid submission guidelines.
There are no steps present and local code/ordinance does not require steps,	There is no action required unless the servicer determines a safety hazard exists without the repair. Use of the Step Repair Allowable is acceptable in these situations.
The steps are loose,	Re-secure the steps. Utilize the Step Repair Allowable if further repairs are necessary.
Existing steps do not meet local ordinance/association standards,	Utilize the Step Repair Allowable to bring into compliance.



## Section 5: Initial Securing and Initial Services

### *Photo Examples*

#### *Examples of Before and After Step Repair*





## Section 5: Initial Securing and Initial Services

### Examples of Deficient Step Repair

**DEFICIENT**



Damaged treads and risers.

**DEFICIENT**



Bricks used for a riser are missing creating a trip hazard.

**DEFICIENT**



Damaged/missing treads and risers.

**DEFICIENT**



Unacceptable use of materials.



## Section 5: Initial Securing and Initial Services

### Graffiti Removal

The Graffiti Removal Allowable must be used to cover up graffiti markings on the exterior of the property and the interior, when viewable from the street.

#### ***Expectations***

- All vulgar, obscene, or inappropriate words/comments/artwork found in the interior must be covered if viewable from the street or required by local ordinance.
- Any graffiti found on the exterior must be covered with paint that matches as close as possible to exterior paint.
- The servicer is expected to use the correct product and/or number of paint coats necessary for ensuring graffiti is properly covered.

#### ***What To Do If***

<b>If...</b>	<b>Then...</b>
The interior walls have crayon/pencil or other markings that are not vulgar, obscene, or inappropriate,	No action required.
Interior walls have height charts, contractor markings, or other non-offensive markings or drawings,	No action required.
There is graffiti on the window(s),	Use the allowable to clean the window using appropriate products.
There is exterior graffiti on masonry, concrete, hard plastic, or other semi/non-porous materials,	Use the allowable to pressure wash in order to remove the graffiti.
Local ordinance/association standards require the servicer to paint plywood boards in Fannie Mae approved plywood instances.	Use the allowable to paint the plywood boards to adhere to local ordinance/association standards.



## Section 5: Initial Securing and Initial Services

### Photo Examples

#### Examples of Graffiti Removal



Exterior Graffiti is expected to be painted over with color matching as closely as possible to exterior paint color.

#### Examples of Deficient Graffiti Removal

**DEFICIENT**



Exterior Graffiti is expected to be painted over with color matching as closely as possible to exterior paint color. Also noted Exterior Services is required.

**DEFICIENT**



Paint over the offensive graffiti when interior is viewable from the street.



## Section 5: Initial Securing and Initial Services

### Initial Services: Property Interior

---

The servicer is expected to perform all of the below Initial Interior Services within fourteen (14) calendar days from the FTV. When a property securing a Fannie Mae loan includes multiple units, each unit used as collateral for the loan must also have services performed as it becomes vacant.

#### Interior Debris Removal / Move Personal Property

Interior debris removal is limited to:

- Raw garbage
- Perishable items

Examples of interior debris that are not authorized to be removed include, but are not limited to:

- Alcohol
- Canned goods
- Gas cans
- Oil
- Paint thinner
- Pool chemicals
- Propane tanks
- Toiletries
- Antifreeze
- Cleaning agents
- Medicine/syringes
- Paint cans
- Pesticides
- Pressurized tanks
- Tires

Moving interior personal property is limited to personal property obstructing the servicer from completing initial and/or ongoing services.

The Debris Removal and the Move Personal Property Allowables include a combined maximum of 10 cubic yards for the removal of raw garbage, perishable items, debris, and/or moving of personal property. The combined maximum of 10 cubic yards is inclusive of interior and exterior debris removal and the moving of any personal property. A cubic yard is defined as 3' x 3' x 3' or 27 cubic feet and is measured by volume, not weight or content.

When 11-20 cubic yards of combined internal and external debris is found, the servicer may elect to complete the work and then submit a bid after the fact via HomeTracker for the additional cubic yards. Refer to [Section 12: Bid After the Fact](#) within this Property Preservation Guide for further details. The servicer must provide before and after photos to support total debris removed from property, not just the overage. Refer to [Section 17: Addendums](#) within this Property Preservation Guide for debris count and personal property references.

#### **When to Submit a Bid**

- When more than 20 cubic yards of combine internal and external debris removal and/or moving personal property needs to be performed, the servicer must stop debris removal/moving personal property work and submit a bid via HomeTracker.
- When the servicer decides to address debris removal/moving personal property outside of the allowable threshold and prior to Fannie Mae approval, the servicer should take into account Fannie Mae may not agree with the cubic yard count and/or cost and may deny and/or modify the request.



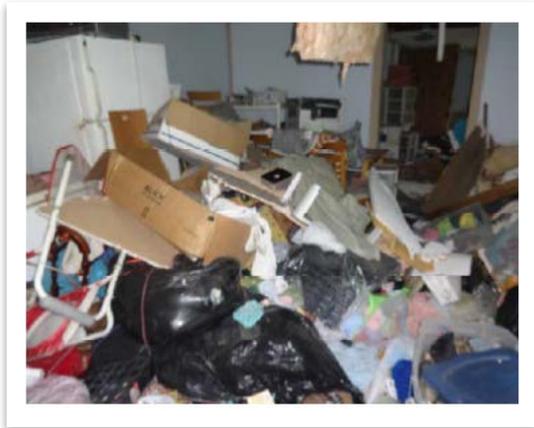
## Section 5: Initial Securing and Initial Services

### What To Do If

If...	Then...
Extraordinary circumstances arise (e.g., meth lab, hoarder site, crime scene, etc.),	Stop debris removal and notify Fannie Mae about the issue by submitting the proper bids via HomeTracker. The servicer is expected to provide details of extraordinary circumstance within the REOgram after liquidation and to the Fannie Mae REO broker.
The servicer encounters an infestation (e.g., fleas, rodents, etc.) which hinders the ability to perform services,	Utilize the Extermination Allowable to address pests such as fleas, rodents, ants, wasps, and hornets using over the counter products and continue with services.

### Photo Examples

#### Examples of Necessary Interior Debris Removal



Unable to complete initial services due to level of debris.



Raw garbage/perishables must be removed.



## Section 5: Initial Securing and Initial Services

### Cleaning Refrigerator or Stand-Alone Freezer

The servicer must clean all refrigerators and stand-alone freezers when necessary. This includes the removal of all perishable contents, wiping down and cleaning the inside and outside of the refrigerator and freezer and/or standalone freezer(s).

#### *Photo Examples*

##### *Examples of Before and After Cleaning Refrigerator*



### Cleaning Toilets

The servicer must clean the toilet when waste is present. This includes cleaning both the inside and outside of the toilets.

#### *Photo Examples*

##### *Example of Clean Toilet*



Properly cleaned and winterized toilet.



## Section 5: Initial Securing and Initial Services

### Winterization and Re-Winterization

The servicer must winterize the main dwelling and any additional units and ensure water is off and winterization remains intact while the property is delinquent and vacant. An additional unit is defined as a property with multiple designations in the address or a detached livable structure.

Winterization includes shutting the water source off at the curb and at the main interior water supply. The servicer must shut off one water source when it is not possible to shut off both. Winterization also includes a complete draining of all plumbing/heating systems, pouring of adequate amounts of antifreeze into all fixture traps (e.g., sink, toilet tanks/bowls, etc.) and completing a system check, as well as anything additional required to winterize the system properly dependent upon the system type (e.g., dry, radiant, wet/steam).

When a pressure test fails, the servicer must still complete a partial winterization which includes, but is not limited to, shutting off/closing all valves, draining the water heater (if existing) and removing all water from the plumbing lines. Where possible, the servicer must attempt to identify the source/reason for pressure test failure.

Properties must be re-winterized if a winterization is compromised.

**Note:** There is not a winterization season. Winterizations are expected to be performed year round with the exception of Hawaii, Guam, Puerto Rico, and the Virgin Islands.

### What To Do If

If...	Then...
The property has shared utilities (e.g., townhome, condos, etc.) or has a fire sprinkler system in a state that is known to freeze,	Transfer and maintain the utility(ies) that supply the heat in the servicer's name. Set the thermostat to 55 degrees. When the heat source requires repair or is missing, submit bids via HomeTracker.
The water heater has a dedicated gas valve,	Ensure the gas valve is turned off and/or capped, if necessary.

### Additional Photos Requirements

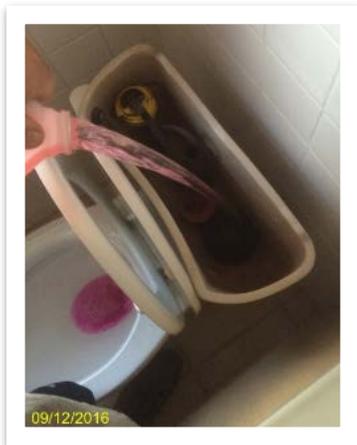
- Before, during and after photo of clean toilet with correct antifreeze solvent used.
- Photo of antifreeze solvent being poured into traps, drains, and sinks
- Photo of water heater breaker turned off, if applicable.
- Photo of air compressor attached to system to show pressure test being performed. Include before and after photos of the gauge readings.
- Photo of meter or union disconnected and capped, if allowed by local municipality.
- Photo of water tank being drained, if applicable.
- Photo noting any damages.
- Photo of winterization stickers/tags applied



## Section 5: Initial Securing and Initial Services

### Photo Examples

#### Examples of Winterization and Pressure Test



Air compressor with gauges connected to system in order to confirm system is holding pressure.



## Section 5: Initial Securing and Initial Services

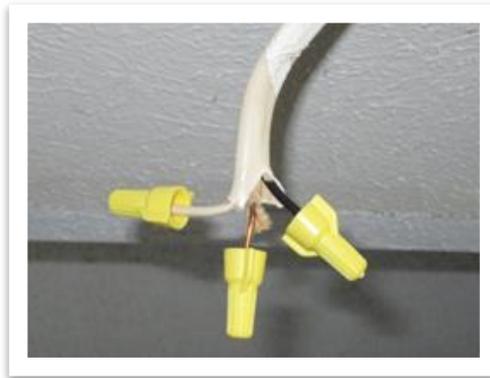
### Capping Wires

The servicer must cap any exposed, bare wires. Capping wires includes but is not limited to:

- Open electrical outlets
- Exposed light fixtures

#### *Photo Examples*

*Example of Capping Wires*



*Example of Deficient Capping Wires*

**DEFICIENT**





## Section 5: Initial Securing and Initial Services

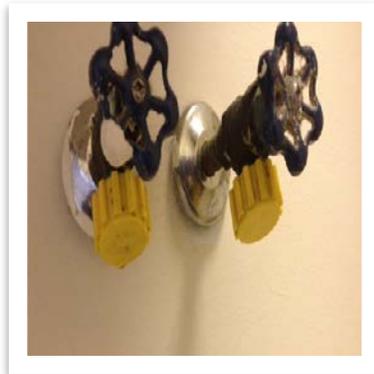
### Capping Water / Sewer Lines

The servicer is to cap water/sewer lines regardless of utility status. Capping water/sewer lines includes but is not limited to:

- Washing machine line
- Missing hose bibs
- Open hot/cold water lines (e.g., refrigerator water line, dishwasher, etc.)
- Open toilet flange

#### ***Photo Examples***

##### ***Example of Capping Water Lines***



Proper capping of water lines.



## Section 5: Initial Securing and Initial Services

### Capping Gas Lines

The servicer must cap all gas lines regardless of utility status.

#### *Photo Examples*

##### *Example of Capping Gas Lines*



Gas line shut off and capped correctly.

##### *Example of Deficient Capping Gas Lines*

**DEFICIENT**



Incorrect type of gas line cap.



## Section 5: Initial Securing and Initial Services

### Extermination

The Extermination Allowable is to be used to eliminate rodents, wasps, hornets, bees, termites, and mosquitos in standing water, as well as to seal the points of entry.

Only condo/townhome (units with shared walls) may use the allowable for roaches. Fleas may only be exterminated when the infestation prohibits access to the property. Any extraordinary extermination over the allowable requires two estimates from qualified/licensed/certified exterminators to be submitted simultaneously via HomeTracker. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidelines.

When the property has a pool, Fannie Mae expects the servicer to utilize the Extermination Allowable to use mosquito prevention products to drop into the pool prior to covering the pool.

**Note:** In most cases for extermination, over-the-counter products can be used (e.g., mouse traps, flea bombs, wasp spray, etc.). Use environmentally-friendly, cost conscious mosquito prevention products when addressing pools of water. Ideally, any extermination necessary will be completed at the time of the initial or ongoing services to the property.



## Section 5: Initial Securing and Initial Services

### Photo Examples

#### Examples of Extermination



Proper use of Extermination Allowable showing flea bomb in use.



Example of use of an over the counter product within the allowable to exterminate the insects.



Example of where an over the counter product may not exterminate the insects within the allowable. In these instances, submit an over allowable bid.



Acceptable after photo showing placement of the mosquito prevention product prior to installing a pool cover.



## Section 5: Initial Securing and Initial Services

### Repair / Replace Sump Pump

When the property is designed to have a sump pump to keep the basement or crawl space dry, the servicer must:

1. Transfer the electricity into its name.
2. Verify electricity is on.
3. Verify the electrical system is operational.
4. Verify the sump pump is working through the property's utilities and not solely from a generator.

The sump pump and electricity must be verified as operational within seven (7) calendar days of the electricity being transferred into the servicer's name.

When the sump pump is inoperable, the servicer must use the Sump Pump Allowable to repair or replace the pump, plumbing or electric lines to the sump pump. When electricity cannot be restored due to electrical damages, bids must be submitted via HomeTracker. The allowable may also be used to reroute or extend the exterior discharge hose to divert the water away from the house.

#### ***What To Do If***

<b>If...</b>	<b>Then...</b>
There is no crock for sump pump present,	No action is required. Sump pump is not utilized at the property.
The crock is broken or cracked,	Utilize the Sump Pump Allowable to repair or replace the crock.

#### ***Photo Examples***

##### ***Examples of Sump Pump Repair***





## Section 5: Initial Securing and Initial Services

### Dead Animal Removal

The Dead Animal Removal Allowable is for the removal of dead vermin/dead animal(s) and must be used for their removal and disposal. In most cases, the entire allowable is not necessary to remove one dead animal.

### Basement Moisture Control

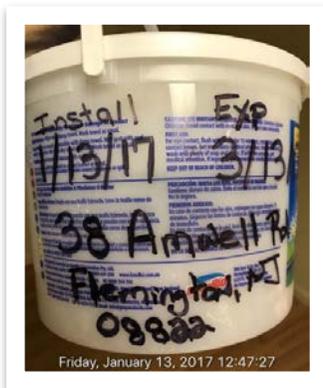
The Basement Moisture Control Allowable is provided to ensure basements stay as dry as possible and reduce or eliminate the potential for foul, musty odors, or possible discoloration. This allowable is only for properties with a basement. The moisture control product has minimal costs and is readily available.

#### ***Expectations***

- This allowable must only be used in properties with a basement.
- The servicer must place a moisture control product at initial services. Then every sixty (60) days during ongoing services, the servicer must dispose of the product and replace it with new product.
- The amount of moisture control product to use is dependent on the square footage of the basement and upon the product. Follow all product manufacturer's directions for activation.
- The servicer must write in permanent marker all of the following: install date (mm/dd/yy), the expiration date (mm/dd/yy and to be sixty (60) days out from install date), and the property address.

#### ***Photo Examples***

##### ***Example of Before and After Basement Moisture Control***



**Example of properly marked container of moisture control product.**



**Example showing placement of moisture control product in basement.**



## Section 5: Initial Securing and Initial Services

### Plumbing

In the event water cannot be shut off due to damaged or inoperable shut off valve(s), the servicer must use the Plumbing Services Allowable in order make necessary repairs to shut off water to the property (e.g., repair/replace main shutoff valves/angle stops and interior shut off valves/angle stops).

The Plumbing Services Allowable is not to be utilized on the following:

- Water faucets/hose bibs
- Shower heads
- Repairing/replacing/removing toilets
- Repairing/replacing water heaters
- Waste line/traps

### ***What To Do If***

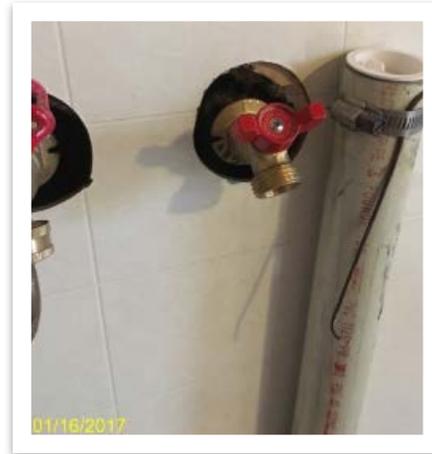
<b>If...</b>	<b>Then...</b>
Plumbing is missing and/or vandalized,	Cap all open lines and file insurance/proof of loss claim.
The property has suffered freeze damage,	Cap all open lines and file insurance/proof of loss claim.
The plumbing is found to be in disrepair,	Ensure water is off at the main and all open water lines are capped using the Cap Water Line Allowable and winterize the property. Refer to <a href="#">Winterization / Rewinterization</a> within this section for further guidance.
The plumbing does not hold pressure and damages are not visible,	Ensure water is off at the main and all open water lines are capped using the Cap Water Line Allowable and winterize the property. Refer to <a href="#">Winterization / Rewinterization</a> within this section for further guidance.



## Section 5: Initial Securing and Initial Services

### *Photo Examples*

#### *Examples of Before and After Plumbing Repair*



Shut off valve is shown repaired. Capping is now required.

## Discoloration

Discoloration is a potential hazard caused by moisture resulting from a specific source. The Address Discoloration Allowable must be used to remove or clean the interior discoloration that will result in further damage or spreading if not addressed. Action should be taken to preserve the property with minimal impact to the existing livable structure(s). The allowable is to only be utilized after the source of the discoloration has been addressed to prevent reoccurrence.

### *Expectations*

- The servicer must cure the source of the discoloration prior to utilizing the Address Discoloration Allowable.
- The servicer must adhere to applicable legal requirements and/or local ordinance/association standards when they differ from Fannie Mae requirements.
- **Porous Material:** Remove porous material (e.g. drywall, insulation, etc.), clean the framing/studs left exposed (behind the discolored surface), apply a stain blocking primer to the exposed, cleaned framing/studs when applicable, and remove any resulting debris from the property.
  - The Address Discoloration Allowable includes removal of all related debris from the property.
  - The Debris Removal Allowable may not be utilized to remove the resulting discolored debris from the property.
- **Semi-porous/Non-porous Material:** Semi-porous/non-porous material (e.g., masonry, concrete, etc.) must be cleaned (and not removed) when cleaning will eliminate the discoloration.
  - Cleaning should consist of an anti-microbial solution and scrubbing with a stiff brush or pad.



## Section 5: Initial Securing and Initial Services

- Cleaning should extend to an area at least two (2) feet beyond the visible discoloration. After applying anti-microbial solution and scrubbing with a stiff brush or pad, apply a stain blocking primer/masonry sealer/water proofer product when applicable to the surface treated. Do not apply stain blocking primer when the application of the primer will deface the surface treated (e.g., finished cabinetry, wood work, etc.).
- When discoloration cannot be addressed within the allowable, a bid must be submitted via HomeTracker.
- Photos documenting work completion must include before, during, and after photos. This includes photos of all removal, treatment using antimicrobial solution, stain blocking primer (when applicable), and haul away/removal of created debris.

### ***When to Submit a Bid***

Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidance and include the following:

- Provide dimensions of the affected area (square footage) that will cause further damage if not addressed.
- Indicate the specific interior location of the damage (e.g., the corner of the kitchen ceiling above the sink).
- Explain how the source has been/will be corrected.
- Provide full scope of work for each affected room on a single bid line.

### ***What To Do If***

If...	Then...
The surface is finished wood,	Scrub down the area with an antimicrobial solution only.
Discoloration removal/cleaning cannot be completed within the allowable,	Submit a bid via HomeTracker. Refer to <a href="#">Section 2: Technology and Photos</a> within this Property Preservation Guide for bid submission guidelines.
Interior personal items are damaged due to discoloration and unsalvageable,	Utilize the Debris Removal Allowable to remove the discolored personal items from the property in accordance with all applicable laws.



## Section 5: Initial Securing and Initial Services

### Photo Examples

#### Example of Before, During and After Discoloration



Discovery of discoloration.



Removal of drywall and insulation.



Treatment of studs with anti-microbial solution.



Treatment of studs with stain blocking primer.



## Section 5: Initial Securing and Initial Services

### *Examples When Address Discoloration Allowable is NOT to be Used*



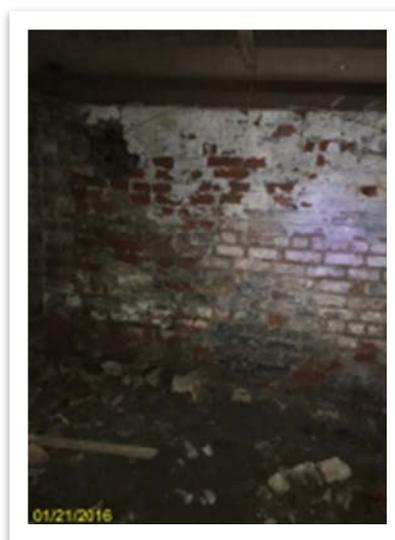
Chemical residue left under a sink.



Peeling paint.



Dirty walls, smoker stains, and scuff marks.



Unfinished basement wall unless further damage will result if left untreated.



## Section 5: Initial Securing and Initial Services

### Emergency Pump Water

When the property is flooded, appropriate measures must be taken to preserve the property. The servicer must utilize the Emergency Pump Water Allowable to remove any standing water. The servicer must also identify the source of the water intrusion and remedy the source and any resulting damages by using any available allowable(s), when applicable. The servicer must submit a bid to address the source within fifteen (15) calendar days of pumping the water when the source could not be addressed within an allowable. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidelines.

#### What To Do If

If...	Then...
Water intrusion is caused by broken/vandalized plumbing,	Turn water off at the curb and main interior shut off. Remove water using Emergency Pump Water Allowable and cap all open lines within the allowable. File an insurance/proof of loss claim if necessary.
Water intrusion is caused by flood/act of nature,	Remove water using Emergency Pump Water Allowable. Install basement moisture control product using the allowable, if applicable. File an insurance/proof of loss claim if necessary.
Water intrusion is caused by roof leak,	Remove water using Emergency Pump Water Allowable. Utilize the Roof Repair Allowable to patch or repair the roof. If the damage exceeds the allowable or the roof is not repairable, refer to <i>Roof Damages</i> in <a href="#">Section 8: Damaged Properties</a> within this Property Preservation Guide. Refer to <a href="#">Section 2: Technology and Photos</a> within this Property Preservation Guide for bid submission guidelines.
Interior items are damaged due to flooding and are unsalvageable,	Utilize the Debris Removal Allowable to remove the unsalvageable items in accordance with all applicable laws.



## Section 5: Initial Securing and Initial Services

### *Photo Examples*

#### *Examples of Before and After Emergency Pump Water*





## Section 5: Initial Securing and Initial Services

### Identifying Property Conditions

During initial and ongoing services, the servicer is required to identify and address any maintenance and/or repairs that if not addressed will potentially cause additional damage and/or code or HOA violations.

Refer to specific services within this section of the Property Preservation Guide for further details. If the work cannot be completed within the allowable or an allowable does not exist, bids must be submitted via HomeTracker. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidelines.

### Issues Found During Initial and Ongoing Services

#### What To Do If

If...	Then...
A sinkhole is found,	Stop work and submit bids via HomeTracker for a sinkhole inspection or submit bids to address the sinkhole if a sinkhole inspection has already been completed by the homeowner, city, etc.
Foundation is crumbling,	Complete all services as specified and submit bids via HomeTracker by a qualified/licensed/certified contractor for a structural inspection with photos documenting the foundation issues.
The exterior breaker panel is missing or exposed,	Submit a bid via HomeTracker to install a universal breaker panel door (or custom door if breaker panel is of unusual size) to cover breaker box. Plywood or clear board covers are unacceptable.
The property is condemned,	Submit a bid via HomeTracker to address the condemnation and include legible copies of all code violations.
The property is severely fire damaged,	Submit bids via HomeTracker to address the damage. Refer to <i>Boarding</i> in <a href="#">Section 5: Initial Securing and Initial Services</a> ; and <i>Demolition</i> in <a href="#">Section 8: Damaged Properties</a> within this Property Preservation Guide for further guidance.
The property is fire damaged, yet repairable,	Submit bids to repair any damage which may result in further deterioration of the property if not addressed.
The property has an interior or exterior oil tank,	Submit a bid for an oil tank inspection.



## Section 5: Initial Securing and Initial Services

### Photo Examples

#### Examples of Issues

**DEFICIENT**



Replace missing exterior electric panels with proper covers.

**DEFICIENT**



Replace missing exterior electric panels with proper cover. Plywood or clear board is not acceptable.



Proper use of boarding and security door on these severely fire damaged properties. The Clear Boarding and Exterior Door Allowables must not be used in these instances.



# Section 6: Ongoing Services



## Section 6: Ongoing Services

### Ongoing Services

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After initial securing and services are performed, the servicer must complete ongoing services year-round, as needed, until the loan has been liquidated or delinquency resolved. Ongoing services typically occur between ten (10) and twenty (20) calendar days apart. The servicer should refer to their inspection reports and any available historical/forecasting information (weather, etc.) to assist in determining the proper frequency and the necessary maintenance/safety hazards/damages to address. The servicer may consider increasing inspections in seasons when less maintenance is necessary to ensure the property remains secure and services are not required. The servicer must refer to [Section 5: Initial Securing and Initial Services](#) within this Property Preservation Guide for further guidance on each service.

When maintenance is needed and/or damages are found that may result in further damage to the property if not addressed, the servicer must attempt to maintain and/or repair those damages using the allowable(s). When the cost to maintain and/or repair such damage exceeds the allowable(s), or an allowable does not exist, the servicer must submit over allowable bid(s) to maintain and/or repair the damage within fifteen (15) calendar days of the date of discovery. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidance. All ongoing service completion dates must be reported in the Incurred section of HomeTracker when an over allowable request is submitted.

The servicer must adhere to applicable legal requirements and/or local ordinance/association standards when they differ from Fannie Mae requirements.

#### What To Do If

If...	Then...
The property has a violation posted,	Cure the violation utilizing any applicable allowable. If the cost to cure the violation is over the allowable or an allowable does not exist, submit bid(s) via HomeTracker. Refer to <a href="#">Section 2: Technology and Photos</a> within this Property Preservation Guide for bid submission guidance.
The key is missing out of the lockbox,	Replace the key. The servicer must not utilize the Rekey Allowable to rekey the knob lock. The key must be replaced using the existing key code.
More than three (3) yard services or snow removal services are required in a month,	Submit an over allowable bid via HomeTracker. Refer to <a href="#">Section 2: Technology and Photos</a> within this Property Preservation Guide for bid submission guidance.
Two (2) or more of the same services (i.e., snow removal) are needed less than ten (10) days apart from each other,	Complete each service as required.



# Section 7: Utilities



## Section 7: Utilities

### Utility Transfers and Shut Off

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When utilities (electricity/gas/water/other) are shared with another unit or electricity is required to operate a sump pump, the servicer must transfer the utility(ies) into its name within fifteen (15) calendar days of initial securing. The Utility Transfers and Shut Off Allowable includes verification utilities are disconnected/transferred/connected and wait time to meet with utility company, if necessary.

Water is required to be shut off curbside and at the main interior water supply. If it is not possible to shut off the water at the curb due to damages, shut water off at the main interior water supply and utilize the Plumbing Services Allowable to repair shut off curbside. Refer to *Winterization / Rewinterization* in [Section 5: Initial Securing and Initial Services](#) within this Property Preservation Guide for further guidance.

The servicer must have a procedure in place to handle difficulties with utility transfers to ensure utilities are activated when required.

### Utility Services

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When the servicer transfers utilities (according to the *Utility Transfer* of this section), Fannie Mae requires the servicer to pay utility bills timely and in accordance with the utility service guidelines. The servicer may only utilize allowable dollars to pay for any municipal utility service and for any electric service where the servicer requires electricity due to a shared service, shared wall or sump pump. Fannie Mae will not reimburse the servicer for fees resulting from the servicer's untimely action or inaction.

#### Utility Services Initial

When the servicer transfers utilities (according to the *Utility Transfer* of this section), the servicer may initially encounter application fees and/or unpaid fees left by the borrower or previous occupant. The servicer is required to negotiate any excessive fees with the utility company down to the lowest amount possible. The servicer must pay the initial payment or submit an over allowable bid if outside the allowable threshold.

##### ***When to Submit a Bid***

Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidance and include the following:

- The utility invoice showing the breakdown of fees/services.
- Any documentation of previous utility service communication.

#### Utility Services Monthly

After the servicer transfers utilities (according to the *Utility Transfer* of this section), the servicer must pay utility bills timely (typically monthly) or submit an over allowable bid if outside the allowable threshold.

##### ***When to Submit a Bid***

Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidance and include the following:

- The utility invoice showing the breakdown of fees/services.
- Any documentation of previous utility service communication.



## Section 7: Utilities

### ***What To Do If***

<b>If...</b>	<b>Then...</b>
Utility service(s) is shared with other units in a condominium,	Transfer and maintain the utility(ies) for the unit in the servicer's name.
The property has shared utilities (e.g., townhome, condos, etc.) or has a fire sprinkler system in a state that is known to freeze,	Transfer and maintain the utility(ies) that supply the heat in the servicer's name. Set the thermostat to 55 degrees. When the heat source requires repair or is missing, submit bids via HomeTracker.



# Section 8: Damaged Properties



## Section 8: Damaged Properties

### Damaged Properties Overview

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When damages are found upon initial services and/or ongoing services that may result in further damage to the property if not addressed, the servicer must attempt to repair those damages using the allowable(s). When the cost to repair damage exceeds the allowable(s) or an allowable does not exist, the servicer must submit over allowable bid(s) to repair the damage within fifteen (15) calendar days of the initial services completion or the date of discovery, whichever comes later, as a HomeTracker bid request. The servicer must provide all mandatory data/attachments required for the bid submission and any additional relevant information. Fannie Mae reserves the right to request additional bids and/or information at any time. The servicer will have seven (7) calendar days from the Fannie Mae bid response date to submit requested subsequent bids and/or additional information for reconsideration.

An insurance/proof of loss claim must be filed on insurable damages prior to repairs being made. The servicer must refer to the insurance requirements found in Servicing Guide [B-2-01: Property Insurance Requirements Applicable to All Property Types](#) for further guidance.

### Roof Damages

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The servicer must complete interior monthly inspections on a delinquent and vacant property. When a roof leak or an ineffectively tarped roof is discovered upon initial and/or ongoing services, appropriate measures must be taken to preserve the property by stopping the leak. The servicer must attempt to repair the roof using the Patch/Repair Roof Allowable(s). When the cost to repair exceeds the allowable(s), the servicer must submit over allowable bid(s) to repair the roof if possible and replace the roof when it is beyond repair.

When the servicer determines that a roof is beyond repair and replacement is necessary, the servicer must provide the following:

- One bid to tarp the roof.
- Two bids to replace the entire roof from two separate qualified/licensed/certified roofing contractors on their company letterhead with the line by line estimate and include:
  - Full scope of work
  - Square feet
  - Cost
- Supporting documentation must include a satellite roof measure report. This report should be bid on a separate roof replacement bid line in HomeTracker. Quicksquares™ and PremiumReport by EagleView® are approved for use and reimbursement by Fannie Mae. All other satellite roof measure reports must be approved by Fannie Mae prior to use. Contact [property\\_preservation@fanniemae.com](mailto:property_preservation@fanniemae.com) to obtain information on ordering PremiumReport by EagleView®.

When Fannie Mae approves tarping of the roof, the servicer must additionally inspect the interior and exterior of the property more frequently to validate the continued effectiveness of the tarp. When the tarp becomes ineffective, the servicer must submit bids to tarp/patch/repair per the guidelines.



## Section 8: Damaged Properties

### ***When to Submit a Bid***

Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidance and include the following:

- Provide the dimensions of the affected area (square footage).
- Provide specific interior location of the damage (e.g., the corner of the kitchen ceiling above the sink).
- Include full photo documentation including interior and exterior photos where leak is present.
- Provide photos taken from the roof, as well as from the ground.
- Provide date damage was first identified.



## Section 8: Damaged Properties

### Freeze Damages and Broken/Missing Pipes

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When the property has freeze damage and/or broken/missing pipes which are: unable to be capped; will cause further damage to the property if not corrected; or is necessary in order to make another repair to prevent damage to the property if not addressed, the servicer must ensure the following:

- Water is shut off at the curb and at the main interior.
- All open water lines are capped as applicable.
- Ensure property is winterized. Refer to [Winterization / Re-winterization](#) within [Section 5: Initial Securing and Initial Services](#) in this Property Preservation Guide for further guidance.
- File an insurance/proof of loss claim when damage is insurable.
- Complete any necessary work within allowable.
- Submit over allowable bids necessary to prevent further damage.

#### ***When to Submit a Bid***

Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidance and include the following:

- Provide each date the property was winterized.
- Indicate whether the property was fully or partially winterized.
- Indicate whether the system held pressure during each winterization.
- Provide date the water was turned off at the main interior shut off and at the curb.
- Include supporting photos for each winterization.

#### ***What To Do If***

If...	Then...
The pipes are missing and will not result in further damage,	Cap all open lines within the allowable. File an insurance/proof of loss claim, if necessary. Do not submit bids to replace missing pipes.
There is ice present inside the property such as a toilet, basement, plumbing fixtures, etc.,	Shut off water at the curb and at the main interior. Submit a bid for a controlled thaw. File an insurance/proof of loss claim, if necessary. Complete all other work within allowables, as applicable.



## Section 8: Damaged Properties

### Demolition/Condemnation

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When a servicer receives notification regarding a potential demolition, condemnation, or uninhabitable property, certain steps must be taken to ensure that Fannie Mae's interests are protected. Refer to [Section 10: Code Violations and/or Citations](#) in this Property Preservation Guide for further guidance on violations. The servicer must ensure the property is properly secured and the exterior of the property is maintained (grass cut, tree/shrub trimming, debris removal, etc.) by utilizing any available allowables.

The servicer must provide all mandatory data and attachments required for the bid submission and any additional relevant information. Fannie Mae reserves the right to request additional bids and/or information at any time. The servicer will have seven (7) calendar days from the Fannie Mae bid response date to submit requested subsequent bids and/or additional information for reconsideration

#### ***When to Submit a Bid***

The servicer must provide the below information to Fannie Mae within fifteen (15) calendar days of the notification of the demolition or condemnation. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidance and include the following:

- Provide two demolition bids and two repair bids simultaneously.
- Ensure contractors are qualified/licensed/certified in demolition (typically not a maintenance contractor).
- Ensure each bid submitted includes the full demolition scope on company letterhead with line by line estimate.
- Provide the date the servicer first received each violation(s), demolition, or condemnation notice.
- Provide details of any fines/fees/liens that have been assessed or are accumulating and at what frequency (for example, \$10,000 lien for the roof damage and fines accruing at \$500 per day beginning January 1, 2017).
- Include city code enforcement name, phone number, email address, and any other relevant contact information.
- Provide legible copies of all demolition notices and violations, as well as the last three inspections and related photos.
- Include any legal actions taken by servicer/servicer attorney.
- Provide hearing information including:
  - Date of the hearing.
  - The outcome of the hearing (e.g., Demolish Order has been approved. City is proceeding with the demo. The hearing has been rescheduled.)
  - Date the city obtained the permits for the demolition.
  - Date the demolition is scheduled to begin.
- Provide all insurance information, including but not limited to:
  - Date claim was filed.
  - Status of the claim (e.g., adjuster has been to the property, waiting on adjuster's report; claim is approved, waiting on explanation of benefits (EOB) and adjuster's estimate.)
  - Indicate if the claim is settled (either approved or denied), upload claim documents including letter of approval or denial, EOB and adjuster's estimate, if applicable.



## Section 8: Damaged Properties

- Indicate if the claim has been paid and the insurance/proof of loss check has been cashed, confirm insurance/proof of loss funds are in escrow. If funds are not in escrow, advise to the location of the funds and provide loss draft reports.
- Indicate if the claim has been paid and the insurance/proof of loss check has not been cashed, provide copy of the check and advise status of check.
- Indicate if the claim has been denied, upload claim documents validating denial reason and any disputes if appropriate or follow ups as necessary.

From time to time, the servicer may receive notice of a legal action impacting Fannie Mae's interest (e.g., a receivership, condemnation action, a probate proceeding, a partition action, a quiet title action, a code violation notice, a tax sale, or a subordinate loan foreclosure). The servicer is responsible for handling these types of legal actions, including retaining any legal counsel necessary to represent Fannie Mae's interests. In addition, the servicer must notify Fannie Mae's Single Family Legal department immediately of any non-routine litigation and certain matters requiring escalation as required in accordance with the Servicing Guide by submitting a *Non-Routine Litigation Form* ([Form 20](#)). Refer to Servicing Guide [D1-6-02: Handling Notices of Liens, Legal Action, Other Actions Impacting Fannie Mae's Interest](#).



## Section 8: Damaged Properties

### Flood Damage

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When the property is flooded or has previously been flooded, appropriate measures must be taken to preserve the property. The servicer must utilize any available allowable(s) to pump water, address the source of the flood and any resulting damages, when applicable. The servicer must submit a bid to address the source and/or repair damage within fifteen (15) calendar days of pumping the water when the source and/or damage could not be addressed within the allowable.

#### ***When to Submit a Bid***

Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidance and provide all insurance information, including but not limited to:

- Provide date claim was filed.
- Provide status of the claim (e.g., adjuster has been to the property, waiting on adjuster's report; claim is approved, waiting on EOB and adjuster's estimate.)
- Indicate if the claim is settled (either approved or denied), upload claim documents including letter of approval or denial, EOB and adjuster's estimate, if applicable.
- Indicate if the claim has been paid and the insurance/proof of loss check has been cashed, confirm insurance/proof of loss funds are in escrow. If funds are not in escrow, advise the location of the funds and provide loss draft reports.
- Indicate if the claim has been paid and the insurance/proof of loss check has not been cashed, provide copy of the check and advise status of check.
- Indicate if the claim has been denied, upload claim documents validating denial reason and any disputes if appropriate or follow ups as necessary.

### Vacant Lot

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When a servicer finds a vacant lot at initial and/or subsequent inspections or through another notification, the servicer is to utilize any necessary allowable(s) to maintain the lot and notify Fannie Mae's Property Preservation team via email at [property\\_preservation@fanniemae.com](mailto:property_preservation@fanniemae.com).

#### ***When to Submit a Bid***

If the cost to maintain the vacant lot exceeds the allowable(s), bids for the over allowable maintenance must be submitted via HomeTracker. When submitting bids, refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide and provide the following information:

- All details on the demolition.
- All details on any litigation.
- All details on any violations and any fines/fees/liens.
- Any insurance/proof of loss claim funds available and whether deposited or released.



# Section 9: Specialty Inspections



## Section 9: Specialty Inspections

### Specialty Inspection Overview

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From time to time, the servicer may need to perform a specialty inspection. Specialty inspections may include the following: well, septic, electrical, plumbing, etc. These inspections are typically only necessary when that particular system is not working and the servicer needs to get that particular system up and running in order to preserve the property. These types of inspections require a bid for a qualified/licensed/certified contractor via HomeTracker. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidelines.

*Example:* Property has sump pump at the property. Sump pump works when hooked up to the generator but does not work without the generator and the servicer cannot transfer utilities until an electrical inspection has been conducted. The servicer must submit a bid for an electrical systems check via HomeTracker.



# Section 10: Code Violations / Citations



## Section 10: Code Violations / Citations

### Code Violations / Citations

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The servicer is expected to communicate regularly with Code Enforcement authorities, as well as any HOA on all issues pertaining to Fannie Mae properties. Within fifteen (15) calendar days of discovery of violation(s) at the property, the servicer must check with HOA and local municipalities to obtain information regarding any outstanding issues/violations/fines/fees on any maintenance, utility, permit(s), property registration, or other property related issues. If the violation is unclear or while the servicer is waiting for clarification from the city or HOA, the servicer must still continue with all necessary preservation within the allowable thresholds.

If a violation exists, the servicer must determine if work is completed.

If work is not completed AND work can be completed within allowable threshold(s), the servicer must complete work within fifteen (15) calendar days of notification of violation. If work cannot be completed within allowable threshold(s), the servicer must submit an over allowable bid request within fifteen (15) calendar days of notification of violation.

#### ***When to Submit a Bid***

The servicer must include the following with the bid submission:

- The scope of work required by the municipality/association to cure the violation(s).
- The date on which the servicer first received the violation(s).
- Any fines/fees/liens that have been assessed or are accumulating and at what frequency (e.g., \$10,000 lien for the roof, fines are accruing at \$500 per day beginning January 1, 2017).
- Legible copy of the violation(s).

Follow Fannie Mae guidance per bid response. Once the violation is cured, negotiate any associated fines/fees/etc. as appropriate.

- Pay the violation and follow reimbursement guidelines as outlined in [Section 16: Reimbursement Requests](#) in this Property Preservation Guide if fees are less than or equal to the allowable threshold.
- Submit an over allowable bid for fines/fees/etc. if fees are greater than the allowable threshold.

#### ***When to Submit a Bid***

Include the following with the over allowable bid submission:

- Work completion documentation.
- The date on which the servicer first received the violation(s).
- Any fines/fees/liens that have been assessed or are accumulating and at what frequency (e.g., \$10,000 lien for the roof, fines are accruing at \$500 per day beginning January 1, 2017).
- Legible copy of the violation(s).
- Supporting documentation/information relating to fines/fees/liens negotiations including any attempts to contact the city or HOA.

Should the servicer's failure to take appropriate action result in violation/fines/fees, the servicer must cure the violation at its expense and pay all related fees and/or fines prior to liquidation and within fifteen (15) calendar days of notification of the violation. The servicer must include the first time vacant (FTV) date when submitting a claim for expense reimbursement for a code violation.



# **Section 11: Loans in Bankruptcy and/or Loss Mitigation**



## Section 11: Loans in Bankruptcy and/or Loss Mitigation

### Overview

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The servicer must inspect, protect, and preserve property while the loan is delinquent and the property is vacant. This is also required on loans in Bankruptcy and/or Loss Mitigation. Fannie Mae understands there may be additional requirements in order to perform these services under these circumstances.

### Bankruptcy

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The servicer must consult with its legal department or bankruptcy attorney when addressing preservation issues for vacant properties in bankruptcy. The servicer must contact the debtor's counsel and request permission to proceed with property preservation efforts at the first time vacancy date and when preservation work is noted by any subsequent vacant inspection. Once appropriate authorization is received, refer to [Section 5: Initial Securing and Initial Services](#) and [Section 6: Ongoing Services](#) in this Property Preservation Guide for further guidance.

#### ***When to Submit a Bid***

When submitting bids on properties that are in (or have been) in bankruptcy, the servicer must provide the following information when submitting a bid via HomeTracker:

- Date bankruptcy was filed.
- Date bankruptcy ended, if applicable.
- Each date the property was reported vacant during bankruptcy.
- Each date the debtor's counsel was contacted to request approval to preserve and protect the property and if that request was approved or denied.

**Note:** When necessary, a Motion for Relief may be filed simultaneously when requesting permission from debtor's counsel to proceed with preservation.



## Section 11: Loans in Bankruptcy and/or Loss Mitigation

### Loss Mitigation

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The servicer must maintain vacant properties regardless of loss mitigation status and regardless of Quality Right Party Contact (QRPC). If a legally responsible party for the mortgage loan confirms that the property is being maintained, the servicer may choose not to complete maintenance during loss mitigation activities. The real estate agent/broker listing a property is not considered a legally responsible party. The servicer is responsible for ensuring the property is preserved and maintained even if the servicer allows the legally responsible party and/or the real estate agent/broker listing a property to preserve and maintain on the servicer's behalf.

#### ***When to Submit a Bid***

For properties that are in or have been in loss mitigation, the servicer must provide the following information when submitting a bid via HomeTracker:

- Each date the property was reported vacant during loss mitigation.
- Each date the borrower or a legally responsible party confirmed the property was being maintained for each vacant inspection during loss mitigation.



# Section 12: Bid After The Fact



## Section 12: Bid After The Fact

### Bid After The Fact (BATF)

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Fannie Mae's selection of allowable services addresses the majority of maintenance and repair items needed to properly maintain a property. However, there may be instances where the allowable dollars have been exhausted or are not available, but the work must be immediately completed due to an urgent condition.

Fannie Mae defines urgent condition as property damage repairs/maintenance required to preserve safety, limit liability, or protect the asset from immediate danger and further damage. The BATF process should only be used when immediate work is necessary to remediate the urgent condition or as specified in this Property Preservation Guide.

Examples of a BATF for over allowable maintenance as specified in this Property Preservation Guide include, but are not limited to:

- Yard services where grass is less than three (3) feet high on the majority of the lot.
- Exterior Debris Removal/Move Personal Property between 11-20 cubic yards.
- Snow removal.

Examples of a BATF for urgent conditions include, but are not limited to:

- Water extraction from property.
- Exterior safety issues such as fallen porch/patio overhang.
- Imminent falling of a tree which may result in damage to a property.

When the servicer decides to address urgent conditions outside of the allowable threshold and prior to Fannie Mae approval, the servicer should take into account Fannie Mae may not agree with the scope and/or cost and may deny and/or modify the request.

When roof damage will cost more than the Roof Allowable threshold, Fannie Mae will not reimburse for tarping and expects the servicer to follow roof repair or replacement guidelines. The servicer should not submit a BATF for roof tarping.

A HomeTracker bid submission with proper justification is required for any BATF and must be submitted within fifteen (15) calendar days of the completion of work. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidelines.



# Section 13: Completion of Work



## Section 13: Completion of Work

### Timeframes

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All maintenance and repairs within the allowables must be completed within initial and ongoing services timeframes. When bids have been approved by Fannie Mae, the servicer has fifteen (15) calendar days from the time of the approval to complete the work. The servicer then has ten (10) calendar days from work completion date to report the work completion to Fannie Mae via HomeTracker.

When a servicing error is identified and the servicer is instructed to repair damages at the servicer's expense, the servicer has fifteen (15) calendar days from notification of the servicing error to complete the work. The servicer then has ten (10) calendar days from work completion date to report the work completion to Fannie Mae via HomeTracker.

Fannie Mae samples a selection of the servicer's portfolio by conducting quality control inspections in order to assess property condition and the servicer's compliance with property preservation requirements. All inspection reports are available for review within HomeTracker. If an identified condition requires immediate attention, the servicer is notified via HomeTracker. The servicer has fifteen (15) calendar days to either address these conditions utilizing available allowable(s) or by submitting a bid via HomeTracker. Refer to [Section 2: Technology and Photos](#) within this Property Preservation Guide for bid submission guidelines.

### Completed Work Documentation

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All work completed within the allowables must have before, during, and after date stamped photos and any supporting documentation made available to Fannie Mae upon request. Refer to [Section 2: Technology and Photos](#), as well as [Section 5: Initial Securing and Initial Services](#) and [Section 6: Ongoing Services](#) in this Property Preservation Guide for further photo documentation guidance.

When Fannie Mae requires the servicer to provide work completion results, the following information must be provided via HomeTracker when reporting completion of repairs:

- Dates work was started and completed.
- Scope of work completed with a line by line description of repairs.
- Complete view (side by side, date stamped, color photos of the entire area where damages occurred) of before, during, and after photos. During photos must include removal (haul away) photos of all materials removed, if applicable.
- Included photos must be *clearly* labeled identifying before, during, and after.
- For any code violation, a document stating violation was cleared must be uploaded into HomeTracker (email from code enforcement officer will be acceptable). In the event written documentation is unavailable, the servicer may document verbal communication.



## Section 13: Completion of Work

### Work Completion Failures

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When Fannie Mae reviews servicer work completion and determines work is either unsatisfactory, incomplete, or the photos do not support work completion, the servicer must remedy deficiencies noted and provide results via HomeTracker within seven (7) calendar days of Fannie Mae's response/notice of unsatisfactory work.

Fannie Mae reserves the right to pursue remedies per the Fannie Mae Servicing Guide when the servicer has not met the required timeframes or the work is deficient. Any property may be subject to audit. The servicer and/or the servicer's vendor must provide any documents and/or additional information as requested by Fannie Mae within seven (7) calendar days.



# Section 14: Hazard Claims



## Section 14: Hazard Claims

### Hazard Claims Overview

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Upon notification of damage (e.g., inspections, code officers, neighbors, etc.), the servicer must determine if the damage is insurable. The servicer must ensure insurance/proof of loss claims are filed timely with the appropriate carrier on insurable damages prior to repairing said damage.

The servicer must continue to preserve and protect the property while awaiting the decision from the insurance carrier (either the borrower's or the servicer's carrier). On any insurable damage that will cause further damage, the servicer must utilize appropriate allowable(s) and/or submit over allowable requests.

Once funds have been received, the servicer must refer to Servicing Guide [B-5-01: Insured Loss Events](#) to apply funds appropriately.



# **Section 15: Change in Occupancy / Post Liquidation / Paid in Full / Mortgage Release / Third-Party Sales**



## Section 15: Change in Occupancy / Post Liquidation / Paid in Full / Mortgage Release / Third-Party Sales

### Change in Occupancy

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Property inspections must continue as long as the loan remains 45+ days delinquent, regardless of occupancy status. An exception to this rule is when the servicer achieves Quality Right Party Contact (QRPC) and the property is borrower occupied. When a servicer determines a property occupied after maintenance has begun, the servicer must cease property preservation activities until servicer determines a property is vacant again.

See Servicing Guide [D2-2-10: Requirements for Performing Property Inspections](#) for further guidance on delinquent loan property inspection requirements.

### Post Liquidation, Paid in Full, or Mortgage Release

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The servicer must cease inspection and property preservation activities following a foreclosure sale, completed Mortgage Release (deed-in-lieu of foreclosure), or when the loan is paid in full unless otherwise instructed by Fannie Mae, even if title transfer to Fannie Mae has not completed (such as during an applicable redemption period or when the court has not yet confirmed or ratified the sale).

See Servicing Guide [E-4.3-01: Managing the Property Post-Foreclosure Sale](#) and [E-4.3-02: Inspecting Properties Post-Foreclosure Sale](#) for further guidance.

### Third-Party Sales

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When a property liquidates via Third-Party Sale (TPS), the servicer must continue performing necessary activities (i.e., inspections, property preservation, etc.) to protect Fannie Mae's interest in the property until the latter of either the date the foreclosure sale is completed (including receipt of funds), or the date the court confirms or ratifies the sale, when applicable.

See Servicing Guide [E-3.5-02: Handling Third-Party Sales](#) for further guidance.



# Section 16: Reimbursement Requests



## Section 16: Reimbursement Requests

### Reimbursement Requests

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The servicer should reference Servicing Guide [F-1-06: Expense Reimbursement](#) for expense reimbursement process and defined expense reimbursement limits (allowables) for all property protection and preservation services. When allowables have been exhausted or in situations where the servicer does not have an allowable threshold, bids must be submitted via HomeTracker for Fannie Mae review. Once HomeTracker approval is received and services are rendered, the servicer may submit for expense reimbursement following the guidelines outlined in Servicing Guide [E-5-01: Requesting Reimbursement for Expenses](#).

Fannie Mae will not reimburse the servicer for expenses resulting from its failure to take appropriate or timely action.



# Section 17: Addendums



**Section 17: Addendums**

**Timeline and Completion Schedules**

<b>Service</b>	<b>Calendar Days</b>	<b>Measure</b>
Initial Securing	14	First Time Vacant Date (FTV)
Initial Services	14	First Time Vacant Date (FTV)
Over Allowable Bids	15	Date of Discovery
Winterizations	14	First Time Vacant Date (FTV)
Re-winterizations	7	Date of Discovery
Transfer of Utilities into Servicer Name	15	Initial Securing (When Sump Pump is Present or Required; When Utilities are Shared with Another Occupied Unit)
Verification of Operation Sump Pump	7	Electricity Being Transferred into Servicer's Name
Ongoing Services	10-20	Prior Service Date
Secondary Bids/Subsequent Bids/Supporting Information	7	Fannie Mae Bid Response Date and/or Fannie Mae Information Request Date
Code Violation	15	Servicer Notification of Violation
Demo/Condemnation Notice	15	Servicer Notification of Demo/Condemnation
Over Allowable Completion of Work	15	Fannie Mae Bid Response
Report Completion of Work	10	Work Completion Date
Report Correction of Failed Work Completion	7	Failed Work Completion Date



## Section 17: Addendums

### Debris and Personal Property Cubic Yard Matrix

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Quantity	Item	Cubic Yard
5	Automobile tires	1
1	Book case (5 shelves)	2
1	Couch (3 seat)	2
1	Dresser or chest of drawers	2
1	Dryer	1
6	Full lawn size trash bags	1
4	Lawn or dining chairs	1
1	Mattress or box spring (queen)	2
1	Office desk	2
125	Paint cans (one gallon)	1
1	Recliner	1
1	Refrigerator	2
2	Trash cans	1
1	Washing machine	1

**Note:** Bids to address unusual items or extremely heavy items that cannot be converted to cubic yards should be submitted through HomeTracker prior to removing.



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