



The Fannie Mae Short Sale Assistance Desk

June 2011

Overview

Last month, MLSListings announced our partnership with Fannie Mae and the California Association of Realtors (C.A.R.) as the first MLS in California to offer exclusive subscriber access to the *Fannie Mae Short Sale Assistance Desk*, a new tool to help speed up short sale transactions by expediting the resolution of common issues through a dedicated site available only to subscribers of participating MLSs.

Short sales provide a unique opportunity for homeownership for many buyers who would not be able to afford a comparable home in a stronger market. Short sales also help a seller avoid foreclosure, which can impact not only the seller's credit, but the value of the surrounding neighborhood. Increasing the number of closed short sales is one important way to help California families avoid foreclosure and support moving our economy closer to recovery.

The Problem

No two mortgage agreements are the same, and it can be difficult to standardize short sale process and procedures – resulting in longer-than-usual approval delays, some as many as nine months or more. These delays increase the risk that a buyer will walk away from the sale, and for many buyers, the anticipation of a delay causes them to avoid short sale listings altogether. Part of the reason short sales take so long is that distressed properties are hard to value in this rapidly changing market. Public data is too old to provide a current view.

Current MLS data will help Fannie Mae quickly resolve common short sale transaction issues, and expedite approvals on short sale requests before buyers walk away. By integrating MLS data with Fannie Mae's approval process, MLSListings provides its subscribers a unique advantage in helping clients streamline the short sale process.

What is the Short Sale Assistance Desk?

The Short Sale Assistance Desk is an escalation procedure accessible through the MLS system which may help facilitate and streamline the short sale process in closing short sales. It's intended to assist real estate professionals in handling post-offer issues that may relate to servicer responsiveness, the existence of a second lien, or issues involving mortgage insurance.

It's meant to serve as a backstop to empower real estate professionals in those cases where the normal process has slowed down or stalled, and where Fannie Mae's intervention may serve as a catalyst for progress towards a resolution.

Additionally, through providing data to Fannie Mae, we expect the partnership will provide an improvement in the accuracy of Fannie Mae's property valuations, and an associated gain in the efficiency of the short sale approval process.

Submission Guidelines

The real estate professional must first make a reasonable effort to resolve the issue by working through the servicer.

The real estate professional may submit the case in the event the server has not responded:

- An initial response within 20 days
- A final property valuation within 30 days
- A final decision or specific direction to facilitate a decision within 60 days from the original offer submission date
- Or, if the real estate professional has received an approval from the servicer for the transaction, but either the mortgage insurer or second lien holder has imposed a closing condition that is not possible for the borrower to meet.

The real estate professional must address all "actionable" requests from the servicer before submitting the issue.

Where additional documentation is requested, servicer response time will be calculated from the date the Realtor submitted the final documentation.

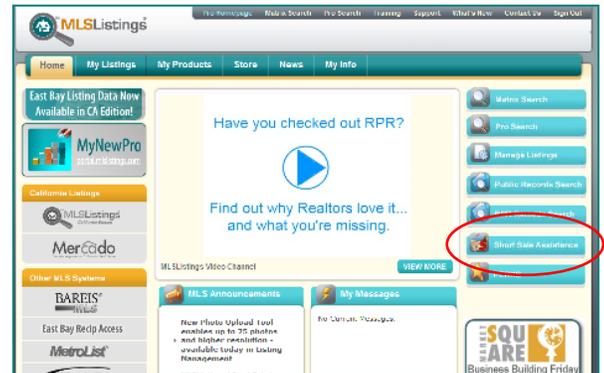
How Does the Assistance Desk Process Work?

Subscribers can access the Short Sale Assistance Desk by clicking the 'Short Sale Transactions' button from the homepage at pro.mlslistings.com, then logging in to the Fannie Mae page with their DRE or NRDS number. During the submission process, users will need to first check whether the loan is indeed a Fannie Mae-backed loan, then download and submit the required buyer authorization form along with entering the details of the transaction in question.

Once submitted, the Agent will receive an initial response from Fannie Mae within one week confirming that the case has been reviewed. The response will verify whether or not the case meets the submission requirements, and if it will be further escalated.

It is expected to take one week to escalate a case, but may take several weeks, particularly for mortgage insurance or second lien related cases.

If a case extends beyond two weeks, Fannie Mae will provide status updates as available. Users can also check the status of a claim from the same Short Sale Transactions button on the homepage at pro.mlslistings.com.



Additional Resources

For updates and more information on the Fannie Mae Short Sale Assistance Desk, including FAQs and other details, visit our Member Benefits section of our online information Portal, portal.mlslistings.com. If you have further questions please call (408) 874-0200.