



Supplement 21-09: Hurricane Ida

Effective: 09/03/21
Retired: 12/16/21

Summary of Changes

HIGHLIGHTS

Effective for Mortgage Loans not Delivered as of September 3, 2021, Properties impacted by Hurricane Ida are subject to additional requirements.

Primary Changes

For all Properties not yet Delivered, if the Property is located in Louisiana or another State impacted by Hurricane Ida, you must confirm the Property:

- is accessible;
- is in livable condition;
- has working utilities; and
- has no damage or flooding issues in
 - external areas,
 - common areas, or
 - interior units.

Additionally, for a Mortgage Loan secured by a Property impacted by Hurricane Ida:

- If the Mortgage Loan Origination Date has not yet occurred and the Property was inspected before August 29, 2021:
 - the Borrower must certify no damage occurred from Hurricane Ida; or
 - if the Borrower certifies damage occurred:
 - the engineer must re-inspect the Property and estimate the damage;
 - you must require a Completion/Repair Escrow based on the inspection; and
 - Hurricane Ida-related Completion/Repairs must be completed within 6-months after



the Mortgage Loan Origination Date.

- If the Mortgage Loan Origination Date has occurred but the Mortgage Loan has not yet Delivered:
 - the Borrower must certify no damage occurred from Hurricane Ida, and the standard Borrower and Lender representations and warranties will apply when the Mortgage Loan is Delivered; or
 - if the Borrower certifies damage occurred:
 - you must obtain remediation plans from the Borrower including scope, cost, and completion before Delivery; or
 - if repairs cannot be completed before Delivery,
 - you must comply with Part V, Chapter 4: Asset Management: Loan Document Administration, Section 414: Casualty Losses – Performing Mortgage Loans, and
 - if the repairs exceed the lesser of \$75,000 or 20% of the UPB, you must submit the transaction to Portfolio Risk Management at drawer_am@fanniemae.com before Delivery.

Questions

Please contact the following with any questions:

- the Fannie Mae Deal Team, for Properties not yet under application;
- Kelly Ormsby at (312) 368-7114, or kelly_ormsby@fanniemae.com, for Properties under application; and
- Portfolio Risk Management at drawer_am@fanniemae.com, for Properties with a Committed Mortgage Loan, but have not yet Delivered.