



Supplement 22-01: Mississippi Water Crisis

Effective: 09/27/22
Retired: 04/03/23

Summary of Changes

HIGHLIGHTS
<p>Effective for Mortgage Loans not Delivered as of September 27, 2022, additional requirements apply to Properties impacted by the Mississippi Water Crisis.</p>

Primary Changes

For all Properties not yet Delivered, if the Property is located in Mississippi, 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.



For Properties Impacted By The Mississippi Water Crisis	
If the...	You must ensure...
<ul style="list-style-type: none"> • Mortgage Loan Origination Date has not yet occurred; and • Property was inspected before August 30, 2022. 	<ul style="list-style-type: none"> • the Borrower certifies no damage occurred; or • if the Borrower certifies damage occurred: <ul style="list-style-type: none"> - the engineer must re-inspect the Property and estimate the damage; - you must require a Completion/Repair Escrow based on the inspection; and - Mississippi Water Crisis-related Completion/Repairs must be completed within 6-months after the Mortgage Loan Origination Date.
<ul style="list-style-type: none"> • Mortgage Loan Origination Date has occurred; and • Mortgage Loan has not yet Delivered. 	<ul style="list-style-type: none"> • the Borrower certifies no damage occurred from the Mississippi Water Crisis, and the standard Borrower and Lender representations and warranties will apply when the Mortgage Loan is Delivered; or • if the Borrower certifies damage occurred: <ul style="list-style-type: none"> - you must obtain remediation plans from the Borrower including scope, cost, and completion before Delivery; or - if repairs cannot be completed before Delivery, <ul style="list-style-type: none"> ▪ 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;
- Michael Keeney at (404) 398-6146, or michael_d_keeney@fanniemae.com, for Properties under application; and
- Portfolio Risk Management at drawer_am@fanniemae.com, for Properties with a Committed Mortgage Loan not yet Delivered.