



## Supplement 24-07: Hurricane Helene

Effective: 10/02/24

### Summary of Changes

HIGHLIGHTS
<b>Effective for Mortgage Loans not Delivered as of October 2, 2024</b> , additional requirements apply to Properties impacted by Hurricane Helene.

#### Primary Changes

For all Properties not yet Delivered, if the Property is impacted by Hurricane Helene, 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 Hurricane Helene

If the...	You must ensure...
<ul style="list-style-type: none"><li>• Mortgage Loan Origination Date has not yet occurred; and</li><li>• Property was inspected before September 26, 2024</li></ul>	<ul style="list-style-type: none"><li>• the Borrower certifies no damage occurred; or</li><li>• if the Borrower certifies damage occurred:<ul style="list-style-type: none"><li>- the engineer<ul style="list-style-type: none"><li>▪ re-inspects the Property, and</li><li>▪ estimates damage;</li></ul></li><li>- there is a required Completion/Repair Escrow based on the inspection; and</li><li>- Hurricane Helene-related Completion/Repairs are completed within 6-months after the Mortgage Loan Origination Date.</li></ul></li></ul>
<p>Mortgage Loan</p> <ul style="list-style-type: none"><li>• Origination Date has occurred, and</li><li>• has not yet Delivered.</li></ul>	<ul style="list-style-type: none"><li>• the Borrower certifies no damage occurred from Hurricane Helene, and the standard Borrower and Lender representations and warranties will apply when the Mortgage Loan is Delivered; or</li><li>• if the Borrower certifies damage occurred:<ul style="list-style-type: none"><li>- you obtain remediation plans from the Borrower including scope, cost, and completion before Delivery; or</li><li>- if repairs cannot be completed before Delivery:<ul style="list-style-type: none"><li>▪ you comply with Part V, Chapter 4: Asset Management: Loan Document Administration, Section 414: Casualty Losses – Performing Mortgage Loans; and</li><li>▪ the repairs exceed the lesser of \$75,000 or 20% of the UPB, you submit the transaction to Portfolio Risk Management at <a href="mailto:drawer_am@fanniemae.com">drawer_am@fanniemae.com</a> before Delivery.</li></ul></li></ul></li></ul>

### Questions

Please contact the following with any questions:

- the Fannie Mae Deal Team, for Properties not yet under application;
- [mf\\_cu\\_southeast\\_region@fanniemae.com](mailto:mf_cu_southeast_region@fanniemae.com), for Properties under application; and
- Portfolio Risk Management at [drawer\\_am@fanniemae.com](mailto:drawer_am@fanniemae.com), for Properties with a Committed Mortgage Loan not yet Delivered.