



*Attachment 2*  
*3/4/15*

**IDAHO FARM BUREAU<sup>®</sup> FEDERATION**

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March 2, 2015

Senate Resources and  
Environment Committee  
P.O. Box 83720  
Boise, Idaho 83720-0081

**RE: Please support H94- clarifying water delivery entities' ability to maintain  
canals and ditches under the trespass statute**

Ladies and Gentlemen of the Committee:

I am contacting you today to ask your support for H94, a bill which clarifies a water delivery entity's ability to maintain its system in a safe and reliable manner. These entities must deliver water without jeopardizing their neighbors. In order to do this, the canals and ditches comprising the system must be maintained.

If old growth trees are allowed to grow in the right of way, they may fall over into the canal or ditch, create an obstruction and cause flooding. H94 retains the water delivery entity's ability to do what is "reasonable and necessary" to maintain its rights of way, canals and ditches.

Thank you for considering our position in this significant issue. Please contact Dennis Tanikuni in our Governmental Affairs Office at 342-2688 with any questions.

Sincerely,

A handwritten signature in black ink that reads "Frank Priestley".

Frank Priestley, President  
Idaho Farm Bureau Federation



## Impact of Gas Leases on Mortgages

Prepared by Idaho Department of Lands, February 2015

The Idaho Department of Lands has received questions about how oil and gas leasing could affect mortgages, particularly when an oil and gas lease is issued after securing a mortgage on the property.

### Fannie Mae and Freddie Mac

The Federal National Mortgage Association (Fannie Mae) and the Federal Home Mortgage Corporation (Freddie Mac) do not originate mortgages, but purchase them from primary lenders. Because Fannie Mae and Freddie dominate the secondary mortgage market for residential mortgages, lenders must follow their guidelines to ensure their mortgages are eligible for sale to Fannie Mae and Freddie Mac. Such guidelines have several provisions relevant to oil and gas leases.

Section 39.4 of the Freddie Mac seller-servicer guide for title insurance requirements provides that exceptions for “outstanding oil, gas, water or mineral rights are acceptable if commonly granted by private institutional Mortgage investors in the area where the Mortgaged Premises are located,” and:

- “The exercise of such rights will not result in damage to the Mortgaged Premises or impairment of the use or marketability of the Mortgaged Premises for residential purposes and there is no right of surface or subsurface entry within 200 feet of the residential structure, or
- There is a comprehensive endorsement to the title insurance policy that affirmatively insures the lender against damage or loss due to the exercise of such rights.”

In addition to such title insurance requirements, Fannie Mae and Freddie Mac require primary lenders to use standard mortgage language potentially prohibiting the borrower from entering into an oil and gas lease without the lender’s permission:

- Section 18 of the Fannie Mae and Freddie Mac uniform mortgage agreement for Idaho allows the lender to call the mortgage if the borrower sells or transfers any portion of the property, or “any right in the property,” without the lender’s prior written permission. If the lender calls the mortgage the borrower must immediately pay in full the outstanding loan amount.
- Section 21 of the Fannie Mae and Freddie Mac uniform mortgage agreement for Idaho prohibits environmental hazardous substances, including flammable petroleum, from being stored, used, disposed of, discharged, or released on the mortgaged property. The prohibition applies both to the borrower and to anyone acting with the borrower’s permission.

According to the Fannie Mae servicing guide, a lease of oil and gas rights is a transfer of a right in property that requires prior permission of the lender. The borrower must submit an “Application for Release of Security.”

The Congressional Research Service published a report in 2011 titled “How Fannie Mae and Freddie Mac Typically Handles Requests to Create Oil, Gas, or Mineral Leases on Residential Properties” (Attachment 2). The report found that “entering into an oil, gas, or mineral lease on a property that is subject to a mortgage owned or guaranteed by Fannie Mae or Freddie Mac without prior approval generally will be considered an act of default under the mortgage.” But both Fannie Mae and Freddie Mac will consider applications for releases allowing oil and gas leases to proceed. The Servicing Guide for Fannie Mae single family loans sets forth the following criteria for issuing such releases:

- The extent to which the rights granted by the lease infringe on the property owner’s rights.
- Any hazards, nuisances, or damages that may result from the exercise of the rights granted by the lease.

After considering the above factors, the lender must determine whether the proposed lease meets the following conditions:

- Granting of oil, gas, or mineral leases is customary in the area.
  - ✓ The community’s acceptance of oil and gas development is an important factor. In areas where oil exploration is a well-established part of the economy, the risk may be considered acceptable, whereas it might be unacceptable in areas where such exploration is new or limited.
- Exercise of the lease would not have a material impact on the value of the property.
- Exercise of the lease does not prevent use of the property as a residence.
- Exercise of the lease does not expose the residents to health or safety hazards.

Fannie Mae considers all the above-listed conditions. If all conditions are met the lender can approve the lease; if one or more conditions are not met, then the lease must be submitted to Fannie Mae’s National Servicing Organization (NSO) for approval.

## **Split Estates**

Split estates, where the mineral rights are owned by an individual or entity, not the surface owner, are not explicitly addressed in the Fannie Mae and Freddie Mac seller-service guides, but would likely be considered “outstanding rights” that may affect the marketability of the property for residential purposes. Additionally, if the estate is split and the surface owner enters into an agreement with the operator regarding surface access, then such agreement may be a conveyance of a property interest requiring the lender’s permission.

## Federal Agricultural Mortgage Corporation

Fannie Mae does not buy mortgages for ranches or farms; such mortgages are purchased by the Federal Agricultural Mortgage Corporation (Farmer Mac), which, like Fannie Mae, requires lender permission before transferring any property rights by means of an oil and gas lease. Farmer Mac Seller/Service Guide § 304.3. Farmer Mac mortgages also prohibit causing or permitting the presence of hazardous substances on the property, and defines hazardous substances to include flammable petroleum products. *Id.* The Farmer Mac Seller/Service Guide does not establish set back requirements for oil or gas wells.

## FHA

The Federal Housing Administration (FHA) defines standards for existing properties to be eligible for FHA mortgage insurance. Those standards provide:

- No existing dwelling may be located closer than 300 feet from an active or planned drilling site. This applies to the site boundary, not to the actual well location.
- Homes may be within 10 feet of abandoned wells if the State certifies the well is safely and permanently abandoned. If the state does not so certify, then the dwelling must be located at least 300 feet from the abandoned well.

HUD Handbook 4910.1 *Minimum Property Standards for Housing* (1994).

The FHA will not insure loans for new construction of single family one-to-four unit dwellings within 75 feet of an operating well, unless mitigation measures are taken to reduce noise and reduce the likelihood of spills or contamination. HUD Handbook 4150.2 *Valuation Analysis for Single Family one to Four Unit Dwellings* § 2-2.D.

### Attachments:

1 – Fannie Mae Title Exceptions and Impediments

2 – Congressional Research Service report 7-5700, *How Fannie Mae and Freddie Mac Typically Handle Requests to Create Oil, Gas, or Mineral Leases on Residential Properties*

**Fannie Mae Single Family / 2015 Selling Guide / Part B, Origination Through Closing / Subpart B7, Insurance / Chapter B7-2, Title Insurance / B7-2-05, Title Exceptions and Impediments (04/09/2013)****B7-2-05, Title Exceptions and Impediments (04/09/2013)****Introduction**

This topic contains information on title exceptions, including:

- Title Exceptions
- Minor Impediments to Title for Conventional Mortgages
- Title Impediment – Mortgage Loans Secured by Properties with Unexpired Redemption Periods

**Title Exceptions**

Fannie Mae will not purchase or securitize a mortgage secured by property that has an unacceptable title impediment, particularly unpaid real estate taxes and survey exceptions.

If surveys are not commonly required in particular jurisdictions, the lender must provide an ALTA 9 Endorsement. If it is not customary in a particular area to supply either the survey or an endorsement, the title policy must not have a survey exception. However, if the lender substantiates that a first mortgage title policy was issued without a survey exception, Fannie Mae will purchase or securitize a second mortgage secured by the same property even though it has a survey exception.

Minor title impediments must not materially affect the marketability of the property. The lender must indemnify Fannie Mae if Fannie Mae should later incur a loss that can be directly attributed to the impediment(s).

Requests for waivers of exceptions to title should be submitted in writing to the lender's lead Fannie Mae regional office (see E-1-03, List of Contacts (11/10/2014)) and should provide appropriate justification for the waiver.

**Minor Impediments to Title for Conventional Mortgages**

Title for a property that secures a conventional mortgage is acceptable even though it may be subject to the following conditions, which Fannie Mae considers minor impediments:

- customary public utility subsurface easements that were in place and completely covered when the mortgage was originated, as long as they do not extend under any buildings or other improvements;
- above-surface public utility easements that extend along one or more of the property lines for distribution purposes or along the rear property line for drainage purposes, as long as they do not extend more than 12 feet from the property lines and do not interfere with any of the buildings or improvements or with the use of the property itself;
- mutual easement agreements that establish joint driveways or party walls constructed on the security property and on an adjoining property, as long as all future owners have unlimited and unrestricted use of them;
- restrictive covenants and conditions, and cost, minimum dwelling size, or set back restrictions, as long as their violation will not result in a forfeiture or reversion of title or a lien of any kind for damages, or have an adverse effect on the fair market value of the property;

- encroachments of one foot or less on adjoining property by eaves or other overhanging projections or by driveways, as long as there is at least a ten-foot clearance between the buildings on the security property and the property line affected by the encroachment;
- encroachments on adjoining properties, as long as those encroachments consist only of hedges or removable fences;
- outstanding oil, water, or mineral rights that are customarily waived by other lenders, as long as they do not materially alter the contour of the property or impair its value or usefulness for its intended purposes;
- variations between the appraisal report and the records of possession regarding the length of the property lines, as long as the variations do not interfere with the current use of the improvements and are within an acceptable range. (For front property lines, a 2% variation is acceptable; for all other property lines, 5% is acceptable.);
- rights of lawful parties in possession, as long as such rights do not include the right of first refusal to purchase the property. (No rights of parties in possession, including the term of a tenant’s lease, may have a duration of more than two years.);
- minor discrepancies in the description of the area, as long as the lender provides a survey and affirmative title insurance against all loss or damage resulting from the discrepancies;
- exceptions to Indian claims, as long as the lender is insured against all loss and damage from such claims.

**Title Impediment – Mortgage Loans Secured by Properties with Unexpired Redemption Periods**

Certain state laws provide a “redemption period” after a foreclosure or tax sale has occurred, during which time the property may be reclaimed by the prior mortgagor or other party upon payment of all amounts owed. The length of the redemption period varies by state and does not expire automatically upon sale of the property to a new owner. Although an unexpired redemption period will generally be deemed to be an unacceptable title impediment, Fannie Mae will consider it to be acceptable provided the following requirements are met:

✓	<b>Requirements for Mortgage Loans Subject to Unexpired Redemption Periods</b>
	<p>The property must be located in a state where it is common and customary to sell single-family residential property during the redemption period.</p> <p><b>Note:</b> Loans representing the purchase of Fannie Mae-owned properties which have been sold during the redemption period may be subject to separate negotiations. Lenders should contact their lead Fannie Mae regional office for additional information.</p>
	<p>The mortgagee policy of title insurance must take specific exception to the unexpired right of redemption but also affirmatively insure the mortgagee against all loss arising out of the exercise of any outstanding right of redemption, without qualification.</p>
	<p>If any party exercises a right to redeem the mortgaged property, the mortgage must be paid off directly out of the redemption proceeds with no requirement for any further action or claim for repayment.</p>

	The lender must indemnify Fannie Mae if Fannie Mae should incur a loss that can be directly attributed to the exercise by any party of a right to redeem the mortgaged property, including without limitation, a loss related to borrower default due to a dispute with the redeeming party over the terms of the redemption.
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**Note:** Fannie Mae strongly encourages lenders to provide written disclosure to borrowers of properties that are subject to unexpired redemption periods if not otherwise required by law (or disclosed by the title company).

### Related Announcements

The table below provides references to the Announcements that have been issued that are related to this topic.

Announcements	Issue Date
Announcement SEL-2013-03	April 9, 2013
Announcement SEL-2010-10	August 12, 2010
Announcement SEL-2010-07	May 27, 2010



## MEMORANDUM

September 15, 2011

**To:** Honorable Carolyn Maloney  
Attention: Kristin Richardson

**From:** David H. Carpenter, Legislative Attorney, 7-9118

**Subject:** **How Fannie Mae and Freddie Mac Typically Handle Requests to Create Oil, Gas, or Mineral Leases on Residential Properties**

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You have asked for an explanation of the typical process by which Fannie Mae (the Federal National Mortgage Association)<sup>1</sup> and Freddie Mac (Federal Home Loan Mortgage Corporation)<sup>2</sup> evaluate requests from mortgage borrowers to establish oil, gas, or mineral leases on properties for which Fannie Mae and Freddie Mac own or guarantee the mortgage secured by such properties.<sup>3</sup>

Fannie Mae and Freddie Mac are government-sponsored enterprises (GSEs) that are congressionally chartered to help maintain a secondary mortgage market. Fannie Mae and Freddie Mac do not originate mortgages. Rather, their primary line of business involves purchasing mortgages originated by other financial institutions as a way to create liquidity in the mortgage market and, thus, encourage lenders to originate more mortgages. The GSEs either hold these mortgages in their own portfolios or convert the income streams of pools of mortgages into mortgage-backed securities and guarantee the performance of these securities for investors.<sup>4</sup>

Generally, the mortgages that are held or guaranteed by the GSEs must conform to various statutory and regulatory standards. In order for institutions to sell conforming mortgages to either Fannie Mae or Freddie Mac, those institutions must meet certain eligibility requirements and sign binding contracts with the GSEs promising, among other things, they will comply with extensive seller guidelines established by the two companies.<sup>5</sup> Fannie Mae and Freddie Mac have developed uniform mortgage documents, which take into account variances in state law, that lenders use for loans they intend to sell to either of the GSEs.<sup>6</sup> When Fannie Mae and Freddie Mac purchase a mortgage, they acquire all of the rights that the

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<sup>1</sup> 12 U.S.C. §§ 1716, *et seq.*

<sup>2</sup> 12 U.S.C. §§ 1451, *et seq.*

<sup>3</sup> Per your request, this memorandum does not address situations in which Fannie Mae and Freddie Mac acquire mortgages secured by properties that are subject to antecedent oil, gas, or mineral leases.

<sup>4</sup> For more information on the general operations of Fannie Mae and Freddie Mac, see CRS Report R40800, *GSEs and the Government's Role in Housing Finance: Issues for the 112th Congress*, by N. Eric Weiss.

<sup>5</sup> Fannie Mae 2011 Single Family Selling Guide, pub. Aug. 30, 2011, available at <https://www.efanniemae.com/sf/guides/ssg/sg/pdf/se1083011.pdf>; Freddie Mac Single-Family Seller/Servicer Guide, available via the AllRegs link at <http://www.freddie.com/sell/guide/>.

<sup>6</sup> Fannie Mae/Freddie Mac Single Family Uniform Security Instruments, available at (continued...)



originating lender had under the mortgage, including the right to foreclose on the property upon an act of default as provided for in the mortgage and under state law.<sup>7</sup>

Fannie Mae and Freddie Mac also contract with financial institutions to service the mortgages the GSEs own or guarantee. These servicers work directly with mortgage borrowers on behalf of the GSEs performing tasks such as receiving and appropriately distributing monthly mortgage payments and responding to borrower questions about their mortgages. Institutions that service GSE mortgages also must meet certain eligibility requirements and sign contracts that bind them to comply with Fannie Mae and Freddie Mac's extensive servicer guidelines, as well as applicable laws and regulations.<sup>8</sup>

Although Fannie Mae and Freddie Mac engage in substantially similar activities and subject sellers and servicers they work with to very similar standards, the contracts they enter into with, and the guidance they provide to, sellers and servicers vary to some degree.

Typically, when Fannie Mae and Freddie Mac acquire mortgages, those mortgages are secured by both the surface and subsurface portions of a particular plot of land, plus all buildings and fixtures on the land at the time the mortgage was originated and any buildings or fixtures that are erected in the future.<sup>9</sup> A standard term of most mortgages, including Fannie Mae or Freddie Mac's uniform mortgage documents, prohibits a borrower from selling any portion of the mortgaged property without the prior approval of the lender.<sup>10</sup> Such a provision is intended to protect the property interests that lenders acquire when they enter into a mortgage loan. Leasing the rights to a property's subsurface minerals without the approval of the lender generally will be in violation of this mortgage term.<sup>11</sup> Because Fannie Mae and Freddie Mac

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<https://www.efanniemae.com/sf/formsdocs/documents/secinstruments/> and <http://www.freddiemac.com/uniform/unifsecurity.html#highlights>.

<sup>7</sup> See, e.g., Fannie Mae Single Family 2011 Selling Guide § A2-2.1, pub. Aug. 30, 2011, available at <https://www.efanniemae.com/sf/guides/ssg/sgpdf.jsp> ("By submitting any loan to Fannie Mae under any execution, including MBS, whole mortgage loan, or a participation pool mortgage to Fannie Mae as a whole loan, the lender represents, warrants, and agrees that all right, title, and interest in the mortgage loan is sold, transferred, set over, and otherwise conveyed by the lender to Fannie Mae as of the date Fannie Mae funds the purchase proceeds.") and Freddie Mac Single-Family Seller/Servicer Guide § 22.27, available via the AllRegs link at <http://www.freddiemac.com/sell/guide/> ("The Seller must have the full legal authority, must have taken all action required by law and by its organizational documents and must have obtained any consents required, to sell, transfer and assign a Mortgage to Freddie Mac free and clear of all claims, security interests or other encumbrances. The Note and the Security Instrument must be enforceable by the Seller. Transfer of the Note and the Security Instrument in whole or in part to any subsequent purchaser must not detract from their enforceability.").

<sup>8</sup> See, generally, Fannie Mae Single Family 2011 Servicing Guide, pub. June 10, 2011, available at <https://www.efanniemae.com/sf/guides/ssg/svcgpdf.jsp> and Freddie Mac Single-Family Seller/Servicer Guide, available via the AllRegs link at <http://www.freddiemac.com/sell/guide/>.

<sup>9</sup> See, e.g., Fannie Mae/Freddie Mac Single Family Uniform New York Mortgage, Form 3033, p. 3, available at <https://www.efanniemae.com/sf/formsdocs/documents/secinstruments/> and <http://www.freddiemac.com/uniform/unifsecurity.html#highlights>. See, also, N.Y. Pub. Auth. Law § 351 ("The term '**real property**' shall mean lands, waters, rights in lands or waters, structures, franchises and interests in land, including lands under water, riparian rights, **property rights in air space and/or subsurface space** and any and all other things and rights usually included within the said term and includes also any and all interests in such property less than full title, such as easements permanent or temporary, rights-of-way, uses, leases, licenses and all other incorporeal hereditaments and every estate, interest or right legal or equitable.") (emphasis added).

<sup>10</sup> See, e.g., Fannie Mae/Freddie Mac Single Family Uniform New York Mortgage, Form 3033, p. 14, available at <https://www.efanniemae.com/sf/formsdocs/documents/secinstruments/> and <http://www.freddiemac.com/uniform/unifsecurity.html#highlights> ("Lender may require Immediate Payment in Full of all Sums Secured by this Security Instrument if all or any part of the Property, or if any right in the Property, is sold or transferred without Lender's prior written permission.").

<sup>11</sup> It also may violate other provisions of the mortgage agreement, such as provisions that require borrowers to maintain and (continued...)

generally acquire all of the rights that were held by a lender of a mortgage they purchase,<sup>12</sup> entering into an oil, gas, or mineral lease on a property that is subject to a mortgage owned or guaranteed by Fannie Mae or Freddie Mac without prior approval generally will be considered an act of default under the mortgage. Such a violation could trigger certain Fannie Mae and Freddie Mac rights pursuant to the mortgage such as the power to demand the immediate payment of the full amount owed on the mortgage and the right to foreclose on the property if the borrower is unable to pay in full.<sup>13</sup> Additional remedies also may be available to the GSEs under state law depending on the facts and circumstances. For example, the GSEs may be able to successfully raise trespass claims or receive damages for physical damage caused to the property as a result of a drilling, excavation, or exploration activities that occur subject to an oil, gas, or mineral lease entered into without Fannie Mae or Freddie Mac's approval.<sup>14</sup> For these reasons, oil and gas companies may choose to perform title searches on properties before entering into leases. A title search will help them determine the existence of outstanding mortgages or other interests in the property that could negatively impact the property rights they are seeking to acquire, as well as the identities of parties whose approval they would need to enter into a binding and enforceable oil, gas, or mineral lease.

There may be circumstances under which Fannie Mae and Freddie Mac would be willing to relinquish the property rights that they hold in order for an oil, gas, or mineral lease to be duly executed on the same land. Both Fannie Mae and Freddie Mac's uniform mortgages only prohibit borrowers from selling any portion of the mortgaged property without their prior approval.<sup>15</sup> Thus, borrowers of mortgages owned or guaranteed by Fannie Mae and Freddie Mac may request their approval for the creation of an oil, gas, or mineral lease on a property to which they own or guarantee a mortgage.

Fannie Mae provides extensive guidance regarding the procedures that borrowers should follow to make such a request and standards that servicers should apply to determine whether or not to approve such a request on behalf of the GSE. Fannie Mae's Single Family 2011 Servicer Guide (Fannie Mae Servicer Guide) states:

The security property for a mortgage loan consists of the land, all improvement erected on the land (including any replacements or additions erected after the origination of the mortgage loan), and all easements, appurtenances, and fixtures (including, in some cases, personal property) that are part of the property or the improvements. Occasionally, certain events may occur that make it necessary or desirable to release all or a portion of the security for the mortgage loan, or the release may be requested by a borrower. A request for a release of security can involve ... a release of oil, gas, or mineral rights to the property ....<sup>16</sup>

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protect the property from damage or that prohibit borrowers from placing or allowing others to use or store hazardous substances on the property. See, e.g., Fannie Mae/Freddie Mac Single Family Uniform New York Mortgage, Form 3033, pp. 16-17, available at: <https://www.efanniemae.com/sf/formsdocs/documents/secinstruments/> and <http://www.freddie.com/uniform/unifsecurity.html#highlights>.

<sup>12</sup> See *supra* note 7.

<sup>13</sup> The amount of time that a borrower would have to pay off the mortgage, any rights available to the borrow to halt the demand, and the procedures and potential defenses to a foreclosure action vary according to state law and the specific terms of the relevant mortgage.

<sup>14</sup> See, generally, Powell on Real Prop. § 64A.01.

<sup>15</sup> See, e.g., Fannie Mae/Freddie Mac Single Family Uniform New York Mortgage, Form 3033, p. 14, available at: <https://www.efanniemae.com/sf/formsdocs/documents/secinstruments/> and <http://www.freddie.com/uniform/unifsecurity.html#highlights>.

<sup>16</sup> Fannie Mae Single Family 2011 Servicing Guide ch. 7 (intro.), pub. June 10, 2011, available at <https://www.efanniemae.com/sf/guides/ssg/svcgpdf.jsp>.

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The Fannie Mae Servicer Guide further explains that borrowers who would like to request such a release must complete a standard form<sup>17</sup> and submit it to the mortgage servicer along with a copy of the proposed oil, gas, or mineral lease agreement. The Fannie Mae Servicer Guide explicitly provides mortgage servicers with the authority to approve the requested release on behalf of the GSE if such a lease “is customary in the area and the exercise of the lease will not have a material effect on the value of the property, prevent use of the property as a residence, or expose the residents to serious health or safety hazards.” The Fannie Mae Servicer Guide elaborates on how a servicer should make this determination.<sup>18</sup> It also provides a list of Fannie Mae representatives that the servicer may contact to help with the decision to approve or deny the request and allows the servicer to forward the request on to these Fannie Mae representatives, rather than make the decision itself.<sup>19</sup> The servicer also may be required to obtain approval from third parties whose interests may be impacted by the release, such as mortgage insurers.<sup>20</sup>

Unlike Fannie Mae, Freddie Mac does not provide explicit guidance in its Single-Family Seller/Service Guide on how borrowers should request a release of security for the purposes of an oil, gas, or mineral lease or how such requests should be approved or denied. However, Freddie Mac servicers are under the general requirement to promptly respond to borrower inquiries about their mortgage, which would seem to include requests to release security interests to duly execute oil, gas, or mineral leases.<sup>21</sup> Freddie Mac’s property and financial interests are substantially similar to those of Fannie Mae, so Freddie Mac likely would apply similar, though not necessarily identical, considerations as Fannie Mae to any request to release part of its security interests for an oil, gas, or mineral lease.

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<sup>17</sup> Fannie Mae Application for Release of Security, Form 236, available at <https://www.efanniemae.com/sf/formsdocs/forms/236.jsp>.

<sup>18</sup> Fannie Mae 2011 Single Family Servicer Guide § 702, pub. June. 10, 2011, available at <https://www.efanniemae.com/sf/guides/ssg/svcgpdf.jsp>.

<sup>19</sup> Fannie Mae 2011 Single Family Servicer Guide ch. 7 (intro.) and § 702, pub. June 10, 2011, available at <https://www.efanniemae.com/sf/guides/ssg/svcgpdf.jsp>.

<sup>20</sup> Fannie Mae Single Family 2011 Servicing Guide ch. 7 (intro.), pub. June 10, 2011, available at <https://www.efanniemae.com/sf/guides/ssg/svcgpdf.jsp>.

<sup>21</sup> Freddie Mac Single-Family Seller/Servicer Guide § 2.11, available via the AllRegs link at <http://www.freddiemac.com/sell/guide/>.

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