

Fannie Mae Confirms Short Sales Commissions Policy and Establishes Appeals Process

In discussions between NAR and Fannie Mae, Fannie Mae has reconfirmed its short sale commission policy and established a process for REALTORS[®] to follow if issues arise. On February 24, 2009, Fannie Mae sent Announcement 09-03 to its servicers instructing them not to negotiate commissions on short sales below the amount negotiated by the listing agent, unless the commission exceeds 6 percent. The Announcement reminded servicers that third party approvals (i.e., private mortgage insurers) may be required and can affect commissions. In response to concerns raised by NAR that some servicers of Fannie Mae loans are unaware of this policy or believe it is not binding, Fannie Mae has established a process for NAR members when short sale commission issues arise.

Step 1: Determine whether the loan is owned or guaranteed by Fannie Mae. Only the holder of the loan is allowed to do this, so do so in the presence of your client or after obtaining their written permission.

Use this website: www.fanniemae.com/loanlookup, or

If you don't have convenient internet access, call: 1-800-7FANNIE (8am to 9pm Eastern Time)

Step 2: If the servicer is unaware of or disagrees with the policy, provide a copy of Announcement 09-03 to the servicer and negotiate an appropriate commission based on the listing agreement (up to 6 percent).

Step 3: Contact Fannie Mae if the dispute is not resolved directly with the servicer. Be prepared to provide the property address, name of owner, and Fannie Mae loan number (if available):

Call: 1-800-7FANNIE (8am to 9pm Eastern Time), or

Email: Resource_center@FannieMae.com.

Fannie Mae Announcement 09-03 (2/24/09)

<https://www.efanniemae.com/sf/guides/ssg/annltrs/pdf/2009/0903.pdf>