

Property Maintenance and Management: Property Preservation Matrix and Reference Guide

I. Property Preservation Matrix

Throughout the foreclosure process, as indicated in the Fannie Mae Single-Family *Servicing Guide*, Part VIII, Chapter 1, Section 106, the servicer is responsible for performing all property maintenance functions to ensure that the condition and appearance of the property are maintained satisfactorily.

Servicers should refer to the Fannie Mae Property Preservation Matrix (below) for the allowable reimbursement amounts for property preservation functions. Where the cost of the contemplated preservation work exceeds the allowable amounts, the [Fannie Mae Request for Repair Form 1095](#) should be completed and submitted to: property_preservation@fanniemae.com.

As automation is implemented, all requests exceeding the allowable reimbursement amounts will be submitted via HomeTracker®). Pertinent supporting information and documentation that would assist Fannie Mae in making a sound property preservation decision should be included on the Request for Repair Form. Photos are also required.

Property Preservation Matrix (allowable amounts are per occurrence)

Property Preservation Type	Comments
Roof Repair	
Tarping or patchwork	Up to \$400 for 10x20 sq ft area
Boarding	
Windows	Small, 75 UI or less \$60 Medium, 76-100 UI \$80 Large, 101-125 UI \$100
Slider door	Up to \$160
Security door	Up to \$250
Crawl space	Up to \$60
Lock Changes and Securing	
Knoblock Knoblock and Deadbolt	Up to \$60 each
Padlock Padlock and hasp	Up to \$40 each
Slider lock	Up to \$25 each
Window lock	Up to \$25 each

Health and Safety	
Cleaning refrigerator or Cleaning stand alone freezer	Up to \$100 each
Cleaning toilet(s)	Up to \$75 each
Capping wires	Up to \$10 each
Capping gas/water	Up to \$50 each
Removing gas can(s) or Propane tank(s)	Up to \$15 each
Swimming Pool	
Swimming Pool - Initial Service and Securing	Up to \$400
Lawn Maintenance	
Initial Lawn Cut (up to 10k sq ft)	Up to \$100
Initial Lawn Cut (up to 15k sq ft)	Up to \$150
Regular Lawn Maintenance Cut (up to 10k sq ft)	Up to \$80
Regular Lawn Maintenance Cut (up to 15k sq ft)	Up to \$100
Winterization	
Snow Removal	Up to \$75 one time only if needed to secure property
Winterization/De-winterization	Up to \$200 for first unit and up to \$80 per each additional unit
Other	
Emergency funds	Up to \$500
Sump pump	Up to \$300
Water/Gas/Electric/Unclassified utility	Up to \$75 for one time shut off/transfer fee of each

II. Property Preservation and Management Reference Guide

Specific servicer requirements for pre-foreclosure property preservation are as follows:

Roof Repair

When an active leak is discovered at a property, appropriate measures should be taken to preserve the property by stopping the leak. Fannie Mae typically does not encourage replacing roofs prior to sale, but in cases where the servicer feels this is necessary, a bid should be submitted. Do not tarp flat roofs.

TARPING OR PATCHWORK

Fannie Mae requires that when roof repairs exceed allowable, a bid to tarp, except as noted above and a bid to patch must be submitted simultaneously on the same form. Include area dimensions, location of damage, active or inactive leak, amount of bid to complete work, valid photo documentation, and advise us if an insurance claim has been filed.

Boarding

Properties should not be boarded unless it is necessary to prevent vandalism, where required by local ordinance, or when windows are broken. The allowable for any security door and/or crawl space will include the cost of boarding and padlock(s). United Inches (UI) is calculated by adding length and width (e.g., a 25x60 window is 85 UI).

LOCK CHANGES AND SECURING

Servicers are required to secure rear or secondary doors on vacant and abandoned properties, including main dwelling and all outbuildings.

Slider locks and window locks should only be placed if existing locks are inoperable or not present on the main level and where accessible.

Health and Safety

REFRIGERATOR/FREEZER

The Fannie Mae allowable for cleaning includes the removal of all perishables from both the refrigerator and freezer sections and a wipe down of the appliance's interior and exterior. A separate allowable is provided for a stand alone freezer(s) to include removing all perishables and a wipe down of the appliance's interior and exterior.

TOILET/BATHROOM

The Fannie Mae allowable for cleaning should be used when fecal matter is present. This allowable also includes cleaning with a toilet brush, wiping down exterior, and winterizing, if in season.

GAS/WATER

Bare wires and uncapped or open gas/water lines are required to be capped regardless of utility status.

FUEL REMOVAL

The Fannie Mae allowable for removal of gas can(s) or propane tank(s) does not include removing equipment that contains gas or propane (e.g., lawnmower, weed eater, grill, etc.).

Swimming Pool

Servicers are required to drain, secure, and tarp or board where required by local ordinance. Allowable may be used for, but not limited to, the following: draining, securing, locking gates, and repairing gate/fence panels that surround the pool/hot tub. Securing is defined by Fannie Mae as the confirmation that all fences and gates are intact, secured, and a minimum of four feet high.

Lawn Maintenance

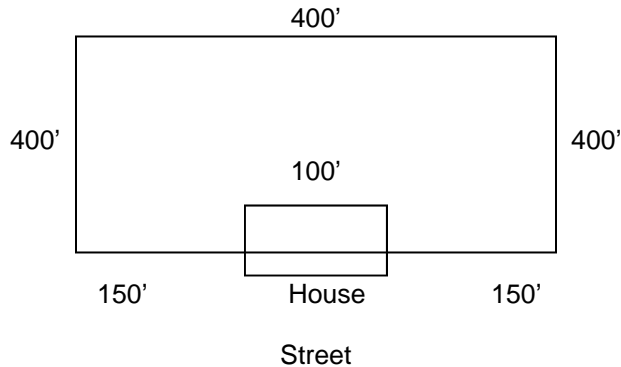
INITIAL GRASS CUTS

Initial grass cuts should be performed on lots up to 15,000 sq ft. If lot size is greater than 15,000 sq ft, initial full lot and subsequent cuts and initial perimeter and subsequent perimeter cuts should be submitted simultaneously. Grass cuts must be submitted for the entire season. Perimeter is defined as 100x150 or 15,000 sq ft.

DEBRIS IN YARD/SHRUBS

Incidental debris removal should be included as part of the allowable grass cut as well as edging, minimal leaf removal, and clearing of all grass cut clippings. The yard and its surroundings should be in model condition upon completion of the yard maintenance. Bids are required for shrub trimming when shrubs affect condition, access to the property, or where local ordinance dictates.

DIAGRAM OF PERIMETER EXAMPLE



GRASS CUT SCHEDULE

Initial grass cuts are allowed between **April 1 and October 31** in the following states/territories:

- Arkansas
- Colorado
- Connecticut
- Delaware
- Idaho
- Illinois
- Indiana
- Iowa
- Kansas
- Kentucky
- Maine
- Maryland
- Massachusetts
- Michigan
- Minnesota
- Missouri
- Montana
- Nebraska
- New Hampshire
- New Jersey
- New York
- North Carolina
- North Dakota
- Ohio
- Oklahoma
- Oregon
- Pennsylvania
- Rhode Island
- South Dakota
- Tennessee
- Utah
- Vermont
- Virginia
- Washington
- West Virginia
- Wisconsin
- Wyoming
- District of Columbia

Initial grass cuts may be completed during **any month** of the year in the following states/territories:

- Alabama
- Arizona
- California
- Florida
- Georgia
- Hawaii
- Louisiana
- Mississippi
- Nevada
- New Mexico
- South Carolina
- Texas
- The Virgin Islands
- Puerto Rico
- Guam

Initial grass cuts are allowed from **June 1 to September 30** in the state of:

- Alaska

One initial grass cut should be performed per calendar year.

GRASS RE-CUTS

Grass should typically be cut twice a month between April 1 and October 31. Approval is required if more frequent re-cuts are necessary. Once a month may be sufficient depending on the level of rainfall during the spring and summer seasons. Prior approval for re-cuts from November 1 to March 31 must be obtained unless otherwise prescribed below:

- Re-cuts can be completed all year in CA, FL, HI, NM, the Caribbean, and the Pacific Islands.
- Re-cuts should be completed from April 1 to November 30 in AL, AR, GA, LA, MS, OK, SC, and TX.
- Re-cuts should be completed from June 1 to September 30 in AK.
- Re-cuts should be completed once per month in CA, CO, NM, UT, and WY.
- Prior approval is required for all re-cuts in AZ and NV.

Refer to previous GRASS CUT SCHEDULE within this document for details.

Winterization

Generally, all properties should be winterized between October 1 and March 31.

Winterizations are allowed during any month of the year in the following states:

- Alaska
- Connecticut
- Iowa
- Illinois
- Indiana
- Massachusetts
- Maine
- Michigan
- Minnesota
- Montana
- North Dakota
- Nebraska
- New Hampshire
- New York
- Ohio
- Pennsylvania
- Rhode Island
- South Dakota
- Vermont
- Wisconsin

Properties should be winterized only once. The property may be re-winterized only if the initial winterization is deemed to be no longer effective. The Servicer must submit bids to Fannie Mae for winterization prior to the work being done. Winterizations should include shutting off the water source either at the curb or the main interior water supply if it is not possible to shut it off at the curb. Winterization also includes a complete draining of all plumbing and heating systems. For properties where water services and utilities are shared with other units, such as condominiums, the utilities should be maintained. The water service should also be maintained if needed for wet winterizations.

Additional Information

EMERGENCY REPAIRS

The most important element to defining an emergency is that an immediate response is necessary to prevent damage or lessen the loss of property. Gradual and progressive deterioration or lack of property maintenance does not qualify as an emergency.

SUMP PUMPS

If an existing sump pump is used to keep basements or crawl spaces dry, check the sump pump to make sure it is operational. If the sump pump in question is electrical, ensure that the sump pump is plugged into a

power source and the electricity to the property is turned on and if necessary, transfer the electricity into the servicer's name. If the sump pump is inoperable, the servicer may use the allowable to replace the pump.

CODE VIOLATIONS

If code violations have been posted by the city or have been received by the servicer, the servicer should submit a bid to correct the code violations (if amounts exceed Fannie Mae's allowable) and attach a copy of the violation to the e-mail that contains the bid. The servicer should note in the comments section of the Request for Repair Form (form 1095) that the violation has been submitted. As an alternative to e-mailing a copy of the violation, the violation can be faxed to the appropriate Fannie Mae contact for review.

PROPERTIES IN BANKRUPTCY

Servicers should consult with their legal department when addressing issues of vacant properties in bankruptcy.

DISCOLORATION

Identify the source of the discoloration. Fannie Mae typically does not contemplate remediation during pre-foreclosure proceedings. When submitting bids to treat discoloration, include the area affected in square feet. Include the exact method to be used in treatment and cause/source of discoloration.

DEBRIS REMOVAL

Interior and exterior items submitted as debris may be considered personal property by the mortgagor. As a result, Fannie Mae does not typically consider the removal of any items during foreclosure proceedings.

The following are examples of items typically not removed: toothpaste, medicine, household cleaning products, and paint thinner, dry or canned goods, paint cans with secured lids, oil in secure containers, alcohol, fire extinguishers, car batteries, or interior tires.

PERSONAL PROPERTY

Fannie Mae will not usually consider removal or storage of personal property prior to foreclosure with exceptions regarding code violations, liens, fines or discolored debris caused by water damage. Servicers should consult their legal department and provide acknowledgment of approval to remove personal property in the comment section of the bid.

Items located on the exterior of the home should be moved to the garage or a secured area. **Do not submit** requests to remove personal property. Examples include, but are not limited to, the following:

- Vehicles (autos, trailers, boats, recreational vehicles, motorcycles, etc.)
- Building materials
- Clothing
- Furniture
- Lawn and garden equipment