

F-1-05: Expense Reimbursement (03/08/2023) for FNMA Insured Loans

This procedure contains the amount that Fannie Mae will pay for its share of expenses when specific reimbursement expense limits are defined. Also see the [Allowable Foreclosure Attorney Fees Exhibit](#) and the [Allowable Bankruptcy Attorney Fees Exhibit](#) for additional information regarding fees associated with either of these legal proceedings. In addition, also see the [Property Preservation Matrix and Reference Guide](#) for additional information concerning preservation work.

Defined Expense Reimbursement Limits

Property Inspections

Description	Maximum Reimbursement Amount
Interior Property Inspection	\$45/inspection
Exterior Property Inspection	\$30/inspection
Insured Loss Repair Inspection	\$60/inspection

Workout Expenses

Mortgage Release document preparation cost	up to \$500 each, upon completion
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Escrow Expenses

Taxes	Actual amount(s) that the servicer advanced to cover real estate tax payments when the escrow account has insufficient funds to pay the expense in a timely manner (see Advancing Funds to Cover Expenses in B-1-01, Administering an Escrow Account and Paying Expenses and Reimbursement for Escrow Advances in this topic for further details).
Tax Penalties and Late Charges	Late charges and penalties are not payable on escrowed mortgage loans. The first set of late charges and penalties for each tax type, for non-escrowed mortgage loans.
HOA Dues	From the foreclosure sale date up to the REO sale date (disposition). Reimbursement of dues incurred prior to the foreclosure date will be decided per each state's statutes.

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Property and Flood Insurance	<p>Actual amount(s) that the servicer advanced to cover property and/or flood insurance premiums when the escrow account has insufficient funds to pay the expense in a timely manner, less any applicable unearned premium refund amount the servicer received when a policy is canceled. Fannie Mae will reimburse the servicer for such advances for a period of up to 14 days after</p> <ul style="list-style-type: none"> •the date of the foreclosure sale or acceptance of an executed Mortgage Release, •the closing date for a short sale, or •for a third-party sale the later of the date the sale is completed (including funds received), or when applicable, the date the court confirms or ratifies the sale. <p>See Reimbursement for Escrow Advances in this topic for further information. See also E-4.4-02, Remitting Property Insurance Settlement Proceeds or Unearned Premium Refunds and E-4.4-04, Remitting Flood Insurance Settlement Proceeds or Unearned Premium Refunds</p>
Technology Fees and Electronic Invoicing	
Description	Maximum Reimbursement Amount
Technology Fees	\$25/mortgage loan for life of the default
Electronic Invoicing	\$10/life of mortgage loan; \$5 for submission of electronic invoice relating to a foreclosure and an additional \$5 if a bankruptcy is filed on the same mortgage loan
Property Preservation	
Description	Maximum Reimbursement Amount
A. Securing	
Knob lock or Knob lock with deadbolt	\$60 each
Padlock or Hasp and Padlock	\$40 each
Slider lock/Window lock	\$25 each
Boarding	\$0.90/united inches (UI)
Clearboarding	<p>Small (≤ 72 UI) = \$185</p> <p>Large ($> 72$ UI) = \$285</p>
Repair/Replace Windows	<p>Standard ($\leq 36'' \times 36''$) = \$150</p> <p>Large ($> 36'' \times 36''$) = \$200</p> <p>Life of loan cap = \$600</p>
Security Door	\$250/door

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Repair/Replace Exterior Door	\$350 for the life of the mortgage loan
Repair/Replace Exterior Door Jamb	\$300 for the life of the mortgage loan
Cover Exterior Dryer Vent	\$25 each — 1 per unit for the life of the mortgage loan
Repair Garage Door	\$100/door for the life of the mortgage loan
Pool Covers	\$1,200 for the life of the mortgage loan
Repair/Replace Fence	\$300 for the life of the mortgage loan
Repair/Replace Gate	\$300 for the life of the mortgage loan
Repair/Replace Lanai	\$300 for the life of the mortgage loan
B. Yard Service	
Initial Grass Cut and Desert Landscaping (Less than 12” height)	For the life of the mortgage loan: Less than 10,000 sq ft — \$125 each 10,001 — 15,000 sq ft — \$175 each 15,001 — 25,000 sq ft — \$200 each 25,001 — 35,000 sq ft — \$225 each 35,001 — 43,560 sq ft — \$250 each
Grass Re-cut and Desert Landscaping	Per instance: Less than 10,000 sq ft — \$80 each 10,001 — 15,000 sq ft — \$100 each 15,001 — 25,000 sq ft — \$125 each 25,001 — 35,000 sq ft — \$150 each 35,001 — 43,560 sq ft — \$175 each
Trim Trees/Shrubs/Vines	\$500/calendar year
C. Winterization	
Dry Winterization	\$150 for the first unit for the life of the mortgage loan
Wet/Steam Winterization	\$220 for the first unit for the life of the mortgage loan
Radiant Winterization	\$260 for the first unit for the life of the mortgage loan
Additional unit of any type of winterization	\$100 each for the life of the mortgage loan
Re-Winterize	\$50 each/calendar year
D. Health and Safety	
Cleaning Refrigerator and Stand Alone Freezer	\$100 each
Moisture Control	\$30 per product, \$360/calendar year
Address Discoloration	\$400 for the life of the mortgage loan
Cleaning Toilet	\$75 each, \$375 maximum for the life of the loan
Capping Wires	\$1 each
Capping Gas/Water/Sewer Lines	\$25 each

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Extermination	\$100/calendar year
Repair/Replace Deck	\$300 for the life of the mortgage loan
Install/Repair/Replace Exterior Handrails	\$300 for the life of the mortgage loan
Repair/Replace Steps	\$150 for the life of the mortgage loan
E. Raw Garbage, Perishable Debris, and Personal Property	
*Combined maximum of 10 cubic yards for the life of the mortgage loan	
Raw Garbage and Perishable Debris — Interior/Exterior	*\$50/cubic yard
Move Personal Property — Interior/Exterior	*\$20/cubic yard
Dead Vermin/Animal Removal	\$75 for the life of the mortgage loan
Roof Cleaning	\$100/calendar year
F. Additional Allowable Items	
Aerial Imagery Report	\$65 for the life of the mortgage loan
Address Posting	\$50 for the life of the mortgage loan
Chimney Cap	\$250/cap — 2 per unit for the life of the mortgage loan
Clean/Reattach Gutters	\$100/calendar year
Repair/Replace Gutters	\$300/calendar year
Snow Removal	\$100 each clearing, \$500/calendar year
Repair/Replace Sump Pump	\$300 for the life of the mortgage loan
Utility Transfers and Shut Off	\$100 for one time shut off/transfer fee of each
Utility Service	\$2,000 per initial utility service, \$200 per service per month for the life of the mortgage loan
Police/Fire Report	\$50 for the life of the mortgage loan
Emergency Pump Water	\$500 for the life of the mortgage loan
Graffiti Removal	\$200 for the life of the mortgage loan
Repair/Replace Fascia	\$160 for the life of the mortgage loan
Repair/Replace Soffits	\$200 for the life of the mortgage loan
Plumbing Services	\$150 for the life of the mortgage loan
Vacancy Notice Posting	\$35 for the life of the mortgage loan
G. Damaged Properties	
Patch/Repair Roof	\$800 for the life of the mortgage loan
Tarp Roof	\$600 for the life of the mortgage loan
H. Code Violations	
Code Violations/Citations	\$1,000 per fine/fee/lien \$3,000 for the life of mortgage loan
I. Registration	
Property Registration	Actual cost to register per local requirement