

Freddie Mac Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide, Volume 2 / Exhibits / Exhibit 59: City of Chicago, Illinois Vacant Property Ordinance Expense Codes (02/15/12)

Exhibit 59: City of Chicago, Illinois Vacant Property Ordinance Expense Codes (02/15/12)

On or after March 1, 2012, the Servicer must submit a request for pre-approval through the Reimbursement System prior to incurring any of the expenses on Exhibit 59.

EXPENSE CODE	ITEM	DESCRIPTION
095005	Ordinance* Property Registration	Expenses incurred by registering the Mortgaged Premises with the City's vacant property registration system including the registration fee and processing or administrative fees charged by the City, if any.
095007	Ordinance Property Inspection	<p>Inspections of the type and frequency required by Chapters 64 and 65 must be submitted under the existing expense code found in Exhibit 57, 1- to 4- Unit Property Approved Expense Amounts, and Exhibit 74, Expense and Income Codes for Expense Reimbursement Claims.</p> <p>Inspections of a type or frequency that are in excess of the Guide must be submitted using this new code. For example, the Guide requires the first inspection to occur between the 45th and 60th day of delinquency and then monthly thereafter under certain circumstances.</p> <p>If the City were to require two inspections in one month, expenses for the additional monthly inspection must be submitted using this new code.</p>
095008	Ordinance Legal Fee (For use with Non-Designated Counsel)	<p>Legal fees and expenses incurred by the Servicer using non-Designated Counsel for defense against enforcement actions by the City resulting from the Ordinance.</p> <p>For example, if the City refused to accept a registration fee because it was made under protest and initiated a legal action against the Servicer as a result, the Servicer must submit the legal fees using this expense code. Freddie Mac will review these fees and expenses on a case-by-case basis to determine whether it will reimburse the Servicer.</p>
095010	Ordinance Yard Maintenance Expense	<p>Allowable expenses for reasonable yard maintenance such as mowing grass, pruning shrubs and removing dead plants, branches and trees between April 1st and September 30th must be submitted under the existing expense codes found in Exhibits 57 and 74.</p> <p>Expenses for these activities incurred between October 1st and March 31st and for more extensive exterior yard maintenance activities, if required by the Ordinance, should be submitted</p>

		under this expense code.
095011	Ordinance Window/Door Security and Boarding Expense	Locking and securing doors and windows, re-keying doors and boarding doors and windows that are broken, should be submitted using the existing expense codes found in Exhibits 57 and 74. Boarding windows and doors that are in good condition must be submitted under this code if the Ordinance or the specific jurisdiction requires those windows and doors to be boarded.
095012	Ordinance Security Panel Monthly Expense	Expenses for the monthly rental of steel security panels installed on the Mortgaged Premises. Servicers must submit a request for pre-approval (RPA) for the expense each month the panels are rented.
095013	Ordinance Security Panel Installation Expense	Expenses incurred for the installation of steel security panels on the Mortgaged Premises.
095014	Ordinance Fence Replacement and Gate Repairs / Replacement Expense	Expenses for repair of fences must be submitted under the expense codes listed in Exhibits 57 and 74. Expenses for the complete or partial replacement of fences or the repair or replacement of gates should be submitted under this code.
095015	Ordinance Exterior Step and Stair Repair Expense	Expenses for the repair or replacement of exterior steps or stairs of the Mortgaged Premises.
095016	Ordinance Inspection Trip Charge	Expenses incurred in order to give a City Inspector access to the Mortgaged Premises so that the City Inspector can conduct an independent inspection.
095017	Ordinance Sign Expense	Expense incurred in posting a sign identifying the vacant property number and name of an authorized agent as required by the Ordinance.
095018	Ordinance Authorized Agent Expense	Expenses incurred in hiring an authorized agent to manage the Mortgaged Premises, if any.
095019	Ordinance Expenses for Repairs/Maintenance Required by City Inspector	Expenses for repairs, maintenance or other activities that are required by a City Inspector, but are not provided by the Guide and do not fall under another Ordinance expense code in this exhibit. For example, if a City Inspector required Mortgaged Premises that had already been winterized to be re-winterized, the expense should be submitted using this code.
*Currently, the use of these codes is limited to expenses arising from Sections 13-12-125, 126, 127 and 135 of the Municipal Code of the City of Chicago, Illinois ("Ordinance").		
Servicers must use these Vacant Property Ordinance Expense Codes to submit expenses in the Reimbursement System for activities that are required by the Ordinance but not required by the Guide. Servicers must submit the inspection, maintenance, repair and legal expenses described above that would not have been incurred but for the Ordinance using these codes.		

Inspection, maintenance, repair and legal expenses that are incurred for activities that are already required by the Guide and expenses incurred must be submitted using the expense codes found in Exhibits 57 and 74.