



MEMORANDUM

Date: January 5, 2023
To: All Preservation Vendors
From: MSI Vendor Management
Importance: Critical
Subject: MSI Investor Requirements

To our valued Field Partners,

I have spoken with many of our valuable field partners over the past six months and common themes have been consistent across those conversations – need more money for the work you do in the field and too many unnecessary trips to properties. We agree and our clients agree with you.

After significant research and analysis of orders, our client scorecards, and investor responses to your bids, it is clear that MSI and our field partners are not using the investor allowables during the first visit to the property – thus MSI and your organization are not invoicing for all the work that is permitted.

Effective Monday 1/16/2023 MSI will provide initial secure instructions stating to use all investor allowables up to the maximum cap and we will not accept bids for allowable work unless photos support. Initial secures will be rejected and invoices for work not paid until all investor allowables are used or photos support the condition is not present.

This policy change benefits MSI through better client scorecard performance and benefits our partners in the field by maximizing your invoice for the trip to the property.

Some allowables not used consistently include, but not limited to:

- Reglazing and boarding broken openings
- Installing window locks on 1st floor windows with missing locks
- Installing second lock on sliding glass doors
- Installing pool covers on both above ground and in ground pools
- In ground swimming pool chemical shock and filter clean/check
- Capping incoming water lines after water meter disconnection
- Capping all exposed wires (whether electric is on/off)
- Capping exposed gas lines
- Capping exterior dryer vents
- Capping chimneys
- Tarping or patching openings in roof
- Gutter cleaning
- Leaving moisture desiccants in property if any visible mold is present
- Cleaning toilets to winterize the plumbing system

- Trimming trees and shrubs that are within 12 inches of touching the property or impeding walkways and/or doors
- Snow removal if accumulation over 3 inches
- Cut grass within grass cut season
- Replacing broken sump pumps

Your crews and trucks should include all the materials necessary to complete the items listed above.

Work order instructions will also provide guidance on debris, health hazards and personal property. In most cases, the work order instructions will state not to remove these items without specific approval.

In many cases, our clients also provide additional \$ to complete emergency work. Read the instructions and ensure your crews understand to call from site for approval to address any emergency issue.

In some cases, specific client rules may prohibit use of specific investor allowables. **Always adhere to client overrides on the work order instructions.** When in doubt, contact your vendor management representative for clarification.

Links to investor guidelines and allowables:

- FHA/HUD - [16-02ML.PDF \(hud.gov\)](#)
- Fannie Mae - [F-1-05: Expense Reimbursement \(12/21/2022\) \(fanniemae.com\)](#)
- Freddie Mac - [Guide Exhibit 57 \(freddiemac.com\)](#)
- Veterans Affairs - [Appendix H Property Preservation Requirements and Fees \(M26-4\).docx \(live.com\)](#)

If there are any questions regarding this policy, please contact EVP Kellie Chambers at kellie.chambers@msionline.com or MSI Vendor Management at MSIVendorTeam@msionline.com.

Thank you for your continued partnership.

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