

Announcement SEL-2010-02**March 2, 2010*****Selling Guide Updates***

The *Selling Guide* has been updated to incorporate several miscellaneous clarifications or omissions from prior announcements or the 2007 version of the *Selling Guide*. Following is a brief description of the changes and the topics that have been updated:

- References to “Designated Document Facility” were replaced by “Designated Document Custodian” or “DDC” per Announcement 08-37, *New Designated Document Custodian for Certification and Custody of Portfolio Mortgages*.
 - [A3-3-06](#), Fannie Mae’s Designated Document Custodian
 - [E-1-02](#), Acronyms and Abbreviations
 - [E-3-04](#), Glossary
- Restored 2007 *Selling Guide* text regarding errors and omissions policy requirements.
 - [A3-5-03](#), Errors and Omissions Policy Requirements
- References to balloon mortgages with balloon terms other than seven years were removed. (Fannie Mae no longer negotiates balloon terms other than seven years.)
 - [B2-1.3-05](#), Balloon Mortgages
 - [B2-3-03](#), Co-op Properties
 - [B4-2.3-04](#), Loan Eligibility for Co-op Share Loans
 - [C3-4-02](#), Commingling Fixed-Rate Mortgages in MBS
- Restored text from *Guide to Underwriting with DU[®]* that Desktop Underwriter[®] (DU[®]) allows for a two percentage point trigger in the total expense ratio before lenders are required to resubmit the loan casefile.
 - [B3-2-10](#), Accuracy of DU Data, DU Tolerances, and Errors in the Credit Report
- Moved topic to the end of section B3-5.3.
 - [B3-5.3-10](#), DU Credit Report Analysis
- Restored 2007 *Selling Guide* text regarding mortgagee clause.
 - [B7-3-09](#), Mortgagee Clause for Hazard and Flood Insurance
- Restored 2007 *Selling Guide* text regarding Fannie Mae’s requirement of most recent “signed” federal income tax returns.
 - [B2-2-03](#), Multiple Mortgages for the Same Borrower
 - [B3-3.2-01](#), Salary and Commission Income
 - [B3-3.3-01](#), Underwriting Factors and Documentation for Self-Employed Borrower
 - [B3-3.3-02](#), Business Structures
 - [B3-3.4-02](#), Income and Employment Documentation and Verbal Verification Requirements for DU

None of these items introduce new policies or changes that have not been previously communicated to lenders. The affected topics are linked to the updated *Selling Guide* and are dated March 2, 2010. Lenders should review each topic to gain a full understanding of the changes.

Lenders should contact their Customer Account Team if they have questions or comments about the March 2010 *Selling Guide* update or this Announcement.

Marianne E. Sullivan
Senior Vice President
Single Family Chief Risk Officer