

Selling Guide Announcement SEL-2012-03

May 1, 2012

Changes to Pricing Terms

Fannie Mae is updating the terms that pertain to Fannie Mae's ability to change the pricing applicable to lenders' deliveries of mortgage loans under the standard *Selling Guide* provisions as well as under any existing Master Agreements and related MBS contracts. Accordingly, Fannie Mae may change the base guaranty fee, loan-level price adjustments (LLPAs), and/or guaranty fee adjustments for MBS Express® or rapid payment method remittance cycles ("Pricing") applicable to mortgages delivered under MBS contracts or as whole loans as follows:

- Fannie Mae reserves the right to change the Pricing one or more times during the term of any Master Agreement or related MBS contract at any time.
- In each case, prior to the date on which the new Pricing will become effective ("Pricing Effective Date"), Fannie Mae will provide the lender with written notice of the proposed Pricing to be implemented.
- If the lender and Fannie Mae are unable to come to acceptable terms on the new Pricing prior to the Pricing Effective Date, either party may cancel the affected MBS contract(s) or the related Master Agreement by delivering written notice to the other party on or before the scheduled Pricing Effective Date.

Effective Date

The effective dates for these provisions are as follows:

Effective Date	Criteria
Immediately	Master Agreements and related MBS contracts entered into on or after May 1, 2012
At the time of amendment	At Fannie Mae's discretion, for existing Master Agreements and/or related MBS contract(s) that are amended on or after May 1, 2012
October 1, 2012	All other Master Agreements and related MBS contracts

This Announcement serves as written notice to lenders of the update to the terms relating to Pricing changes that may be required by the terms of the *Selling Guide*, a lender's Master Agreement, or other contract with Fannie Mae. From and after the applicable effective date, the terms hereof supersede any conflicting terms contained in such documents, specifically including but not limited to any provision that permits Fannie Mae to change any Pricing terms with prior notice, which in most cases is 90 days or less.

Any Pricing change may be effected, after communication to the lender, without the requirement of a written amendment to the affected lender's Master Agreement, MBS contract, or other contract as applicable. In such case, the lender's delivery of mortgage loans after the Pricing Effective Date shall constitute the lender's acceptance of the new Pricing terms and shall be binding on the lender, without further action by the lender or Fannie Mae.



The *Selling Guide* will be updated to reflect these changes in a future update.

Lenders who have questions about this Announcement should contact their Account Team.

John Forlines
Vice President
Chief Credit Officer for Single-Family Product