



Selling Guide Announcement SEL-2017-08

September 26, 2017

Selling Guide Updates

The *Selling Guide* has been updated to include changes to the following:

- Uniform Closing Dataset
- Property Inspection Waivers for Purchase Transactions
- Extension of DU Refi Plus™ and Refi Plus™

Each of the updates is described below. The affected topics for each policy change are listed on the Attachment. The *Selling Guide* provides full details of the policy changes. The updated topics are dated September 26, 2017.

Uniform Closing Dataset

The Uniform Closing Dataset (UCD) is a common industry dataset that allows information in the Closing Disclosure to be transmitted electronically to us. We developed the UCD at the direction of the Federal Housing Finance Agency as part of the Uniform Mortgage Data Program® (UMDP®), an ongoing multifaceted program focused on the adoption of data standards to enhance loan quality and accuracy through the loan manufacturing process.

We have updated the *Selling Guide* to include the requirement for submission of the UCD file. Prior to delivery of the loan to Fannie Mae, lenders are required to electronically submit the UCD XML file containing the borrower data and the PDF copy of the borrower Closing Disclosure. This requirement applies to all conventional loans with note dates on or after September 25, 2017. It applies, regardless of whether the TILA/Regulation Z Rule requires the Closing Disclosure, including for non-owner-occupied property loans.

NOTE: As previously communicated in the [June 2017 UCD Implementation Update](#), we are providing a six-month transition period before enforcing the requirement to embed the borrower Closing Disclosure PDF in the UCD XML file. Over the next several months, we will also work with lenders who are experiencing challenges in submitting the UCD XML file prior to delivery. See the [Uniform Closing Dataset Implementation Update](#) for additional information.

See the [UCD page](#) on our website for additional information about UCD.

Property Inspection Waivers for Purchase Transactions

In December 2016, we began offering property inspection waivers (PIWs) for refinance transactions to all lenders due to the dominant refinance market at that time. Since then, the market has shifted from a refinance to a purchase market. In response to this shift, we now also offer PIWs on certain purchase transactions, which will help increase efficiency and lower costs in the origination of more loans. Exercising a PIW offer gives a lender Day 1 Certainty™ with relief from enforcement of representations and warranties on the value, condition, and marketability of the property.

In addition, we updated the transactions that are ineligible for a PIW to include gifts of equity and the use of rental income from a subject investment property to qualify the borrower. When these apply to the loan, the lender may not exercise a PIW and must obtain an appraisal.



Effective Date

Desktop Underwriter® (DU®) started offering PIWs on purchase transactions on August 19, 2017. See DU/DO Release Notes DU Version 10.0 and 10.1 updated August 18, 2017 for additional information.

Extension of DU Refi Plus™ and Refi Plus™

The *Selling Guide* has been updated to reflect the extension of DU Refi Plus and Refi Plus as previously communicated in Lender Letter [LL-2017-05](#), High Loan-to-Value Refinance Option.

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

Carlos T. Perez
Senior Vice President and
Chief Credit Officer for Single-Family



Attachment

Section of the Announcement	Updated <i>Selling Guide</i> Topics
Uniform Closing Dataset	<ul style="list-style-type: none"><li data-bbox="594 485 1377 516">▪ C1-2-02, Loan Data and Documentation Delivery Requirements
Property Inspection Waivers for Purchase Transactions	<ul style="list-style-type: none"><li data-bbox="594 564 1097 596">▪ B4-1.4.10, Property Inspections Waivers
Extension of DU Refi Plus and Refi Plus	<ul style="list-style-type: none"><li data-bbox="594 646 1182 678">▪ B5-5.2-01, DU Refi Plus and Refi Plus Eligibility<li data-bbox="594 695 1414 726">▪ B5-5.2-02, DU Refi Plus and Refi Plus Underwriting Considerations<li data-bbox="594 743 1321 816">▪ B5-5.2-04, DU Refi Plus and Refi Plus Closing, Pricing, and Delivery