



From the Desk of Malloy Evans
Chief Credit Officer for Single-Family

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Executive Overview of *Selling Guide* Updates

Today's *Selling Guide* announcement:

- **Provides clarification on calculating monthly real estate tax payments.** We are clarifying that lenders are required to use a reasonable estimate of the real estate taxes based on the market value of the land and completed improvements for all purchase and new construction transactions.
- **Clarifies non-applicant debt policies.** We updated the *Selling Guide* to consolidate the non-applicant accounts policy in a single topic that applies to both Desktop Underwriter® (DU®) and manually underwritten loans.
- **Addresses bridge loan treatment in monthly debt obligations.** We have updated B3-6-05, Monthly Debt Obligations, to address when a bridge loan must be included (and when it can be excluded) from monthly debt obligations.
- **Publishes information on titling manufactured homes.** To assist lenders in originating manufactured homes in various states, we have published information on titling them as real property.
- **Removes requirements for assignments of mortgage for loans in Puerto Rico.** Assignments of mortgages generally are not recordable in Puerto Rico, so we have removed this requirement from the *Selling Guide*.
- **Simplifies capital markets processes.** To provide pooling flexibility with quicker MBS settlement, less complicated system activation, and reduced contracting procedures, we have made the following enhancements: additional MBS settlement flexibility; seller activation for Servicing Execution Tool™ (SET™) and/or Servicing Marketplace®; and updated MBS trading portal terms and conditions.
- **Adds a fidelity bond and errors and omissions reporting mailbox.** We updated the *Selling Guide* to include a mailbox for approved sellers/servicers to report fidelity bond and errors and omissions events to us.

[Announcement SEL-2019-09](#) details these and other miscellaneous updates.

Thank you for your continued partnership!

Malloy Evans