

# In Case You Missed It

A summary of *Selling Guide*, *Servicing Guide*, and other policy communications

## What you need to know

This job aid summarizes recent *Selling Guide*, *Servicing Guide*, and related policy updates, clarifications, or other supporting communications. It provides links to related resources as applicable.

*We made many of these changes and communications in direct response to lender feedback requesting that we simplify or clarify policies or processes.*

## Stay informed with COVID-19 updates

Visit the COVID-19 [Originating & Underwriting](#) and [Servicing](#) resource boxes to view the latest information about our policies related to COVID-19, including Lender Letters, FAQs, and more.

## How to read this guide



### Most recent up top

The most recent items are listed first in the chart below.



### Know your acronyms and abbreviations

**CU:** Collateral Underwriter® (CU®)

**DU/DO:** Desktop Underwriter® (DU®) and/or Desktop Originator® (DO®)

**LL:** Lender Letter (reinforces existing policy or describes temporary policies)

**SEL:** *Selling Guide* Announcement

**SVC:** *Servicing Guide* Announcement



### New LIBOR transition resources

Check out our new [LIBOR transition page](#) for information and updates that will help your transition to alternative reference rates. Resources include FAQs, playbooks, and timelines for single-family adjustable-rate mortgages (ARMs), mortgage-backed securities (MBS), and credit risk transfer (CRT).



### Look for what's most relevant to you

- Appraisals
- Loan Delivery
- Risk Management/Quality Control
- Servicing
- Technology
- Underwriting
- Other

#	Publication (Date)	Topic	Description / Resources
39	<a href="#">LL-2020-06</a> <i>Updated 06/11/20</i>	<ul style="list-style-type: none"> <li>■ Selling loans in forbearance due to COVID-19</li> </ul>	Extended eligible note dates to July 31 and delivery dates to Sept. 30.
38	<a href="#">LL-2020-04</a> <i>Updated 06/11/20</i>	<ul style="list-style-type: none"> <li>■ Impact of COVID-19 on appraisals</li> </ul>	Extended the temporary policies to applications on or before July 31.
37	<a href="#">LL-2020-03</a> <i>Updated 06/11/20</i>	<ul style="list-style-type: none"> <li>■ Impact of COVID-19 on originations</li> </ul>	Extended the temporary policies to applications on or before July 31.
36	<a href="#">SVC-2020-02</a> <i>(06/10/20)</i>	<ul style="list-style-type: none"> <li>■ Pre-modification housing expense-to-income ratio calculation for imminent default and cash contribution</li> </ul>	Updated instructions to servicers regarding escrow shortages that are part of the full monthly contractual payment.
		<ul style="list-style-type: none"> <li>■ Miscellaneous revisions</li> </ul>	Updated the Mortgage Assistance Application ( <a href="#">Form 710</a> ).
35	<a href="#">LL-2020-09</a> <i>(06/10/20)</i>	<ul style="list-style-type: none"> <li>■ Incentive fees for retention workout options</li> </ul>	Introduced a new temporary structure for incentive fees for completed repayment plans, payment deferrals/COVID-19 payment deferrals, and Fannie Mae Flex Modifications.
34	<a href="#">LL-2020-08</a> <i>(06/10/20)</i>	<ul style="list-style-type: none"> <li>■ Changes to servicer principal and interest advance requirements</li> </ul>	Formalized the previously announced policy change limiting servicers' responsibility to advance principal and interest due for certain delinquent loans to four months of missed payments. This update will become effective for August 2020 remittance activity based on July 2020 reporting activity.

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33	<a href="#">LL-2020-07</a> <i>Updated 06/10/20</i>	<ul style="list-style-type: none"> <li>COVID-19 payment deferral</li> </ul>	Communicated the \$500 incentive fee and reference the new workout option incentive fee structure introduced in Lender letter <a href="#">LL-2020-09</a> , provided a revised COVID-19 payment deferral agreement, and clarified certain policies.
32	<a href="#">LL-2020-05</a> <i>Updated 06/10/20</i>	<ul style="list-style-type: none"> <li>Payment deferral</li> </ul>	Updated to reference the new workout option incentive fee structure introduced in <a href="#">LL-2020-09</a> .
31	<a href="#">LL-2020-02</a> <i>Updated 06/10/20</i>	<ul style="list-style-type: none"> <li>Impact of COVID-19 on servicing</li> </ul>	Clarified that servicers are not required to send a payment reminder notice to borrowers during active forbearance plans.
30	<a href="#">SEL-2020-03</a> <i>(06/03/20)</i>	<ul style="list-style-type: none"> <li>Lease review requirements</li> </ul>	No longer requiring lenders, at the loan level, to obtain and review the lease agreement for the specific purpose of identifying contractual tenant rights.
		<ul style="list-style-type: none"> <li>Late charge on the note</li> </ul>	Provided additional flexibility to lenders to choose the late charge amount identified in the note.
		<ul style="list-style-type: none"> <li>Escrow waiver on limited cash-out refinance</li> </ul>	No longer requiring borrowers to establish an escrow account when including non-delinquent taxes within a limited cash-out refinance transaction.
		<ul style="list-style-type: none"> <li>Project standards policy clarifications</li> </ul>	Clarified requirements related to horizontal property regimes and environment hazards.
		<ul style="list-style-type: none"> <li>HomeStyle® Energy debt pay-off</li> </ul>	Clarified that partial pay offs are not eligible when HomeStyle Energy is being used to pay off energy-related debt.
29	<a href="#">Selling Notice</a> <i>(06/03/20)</i>	<ul style="list-style-type: none"> <li>HomeReady® income limits 2020</li> </ul>	Announced the 2020 HomeReady income limits that will be implemented on June 20, with an increase by 4.4% on average.
28	<a href="#">LL-2020-03</a> <i>Updated 05/28/20</i>	<ul style="list-style-type: none"> <li>Impact of COVID-19 on originations</li> </ul>	Outlined additional requirements for borrowers using self-employment income to qualify for loans.
27	<a href="#">LL-2020-04</a> <i>Updated 05/28/20</i>	<ul style="list-style-type: none"> <li>Impact of COVID-19 on appraisals</li> </ul>	Updated to include the following: recourse removal for HomeStyle® Renovation loans that were subject to forbearance and confirmation of the delivery timeframe for HomeStyle Renovation loans when the renovation is completed prior to loan delivery.
26	<a href="#">LL-2020-07</a> <i>Updated 05/27/20</i>	<ul style="list-style-type: none"> <li>COVID-19 payment deferral</li> </ul>	Provided operational requirements related to reporting and completing a COVID-19 payment deferral and the process for obtaining servicer reimbursement for expenses upon the successful execution of a

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			COVID-19 payment deferral.
25	<a href="#">LL-2020-05</a> <i>Updated 05/27/20</i>	■ Payment deferral	Provided operational requirements related to reporting and completing a payment deferral and the process for obtaining servicer reimbursement for expenses upon the successful execution of a payment deferral.
24	<a href="#">Servicing Notice (05/20/20)</a>	■ HomeSaver Solutions™ Network workout functionality	Update to postpone the retirement of HomeSaver Solutions Network (HSSN) due to COVID-19. A new retirement date will be announced in the future.
23	<a href="#">LL-2020-03</a> <i>Updated 05/19/20</i>	■ Impact of COVID-19 on originations	Provided eligibility guidelines for purchase and refinance transactions for borrowers impacted by COVID-19.
22	<a href="#">LL-2020-06</a> <i>Updated 05/19/20</i>	■ Selling loans in forbearance due to COVID-19	Extended eligible note dates to June 30 and delivery dates to Aug. 31 and clarified that loans in forbearance with an acceptable payment history are eligible for representation and warranty enforcement relief.
21	<a href="#">LL-2020-02</a> <i>Updated 05/14/20</i>	■ Impact of COVID-19 on servicing	Updated to address these topics: reclassification of MBS mortgage loans in the 2007 Trust Agreement, property inspections during forbearance plans, foreclosure and bankruptcy moratorium extension, and post-forbearance workout options update.
20	<a href="#">LL-2020-07</a> <i>05/13/20</i>	■ COVID-19 payment deferral	Introduced a new workout solution to help homeowners impacted by COVID-19 financial hardships return their mortgage to current status after up to 12 months of missed payments.
19	<a href="#">LL-2020-03</a> <i>Updated 05/05/20</i>	■ Impact of COVID-19 on originations	Extended the application dates for the temporary policies to June 30 and added topics on unemployment benefits as qualifying income, furloughed borrowers, temporary suspension of representation and warranty relief for employment validation through the DU validation service, and sale of loans aged six months or less.
18	<a href="#">LL-2020-04</a> <i>Updated 05/05/20</i>	■ Impact of COVID-19 on appraisals	Extended the application dates eligible for the temporary flexibilities to June 30.
17	<a href="#">LL-2020-06</a> <i>04/22/20</i>	■ Selling loans in forbearance due to COVID-19	Provides temporary liquidity options for certain loans that have been placed into forbearance after loan closing but prior to loan sale.
16	<a href="#">DU/DO Release Notes</a>	■ DU Version 10.3 update (05/16/20)	Changes in this release: <ul style="list-style-type: none"> <li>• Housing goals messages</li> </ul>

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	(04/15/20)		<ul style="list-style-type: none"> <li>• DU Underwriting Findings report</li> <li>• Real Estate Owned data in debt-to-income ratio</li> <li>• Updates to align with the <i>Selling Guide</i></li> </ul>
15	<a href="#">LL-2020-04</a> Updated 04/14/20	■ Impact of COVID-19 on appraisals	Provided additional temporary guidance, including use of virtual inspections for appraisals and renovation loans and flexibilities for condominium project reviews. Also includes updated information about flexibilities for new construction loans and Homestyle® Renovation loans, as well as other temporary appraisal requirement flexibilities.
14	<a href="#">LL-2020-02</a> Updated 04/08/20	■ Impact of COVID-19 on servicing	Updated in response to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). In addition to a reminder to comply with the law, the update addresses attempting to establish quality right party contact; forbearance plan terms; credit bureau reporting; and suspension of foreclosure activities and certain bankruptcy requirements.
13	<a href="#">DU/DO Release Notes</a> (04/06/20)	■ DU Version 10.3 update (04/18/20)	Updated the DU risk and eligibility assessments the weekend of April 11, added a DU message to identify Fannie Mae-owned loans to assist lenders in applying certain flexibilities available on the refinance of existing Fannie Mae loans.
12	<a href="#">SEL-2020-02</a> (04/01/20)	■ SOFR ARMs	Provided additional details for SOFR ARM products we will begin to accept as of Aug. 3, 2020.
		■ Property tax and escrow clarification	Revised the underwriting changes previously made on Dec. 4, 2019.
11	<a href="#">LL-2020-04</a> Updated 03/31/20	■ Impact of COVID-19 on appraisals	Provided additional temporary guidance on appraisal requirements, including flexibilities for new construction loans and Homestyle® Renovation loans.
10	<a href="#">LL-2020-03</a> Updated 03/31/20	■ Impact of COVID-19 on originations	Added temporary requirements on these loan origination policies: age of documentation, verification of self-employment, market-based assets, powers of attorney, remote online notarization, and lender quality control requirements.
9	<a href="#">LL-2020-05</a> (03/25/20)	■ Payment deferral	Introduced payment deferral, a new home retention workout option jointly developed with Freddie Mac at the direction of the Federal Housing Finance Agency.
8	<a href="#">LL-2020-02</a> Updated 03/25/20	■ Impact of COVID-19 on servicing	Updates include acceptable methods in attempting to establish quality right party contact, reason for delinquency code reporting requirements, property inspection and preservation flexibility, and the servicer submission of financials.

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7	<a href="#">LL-2020-04</a> (03/23/20)	<ul style="list-style-type: none"> <li>Impact of COVID-19 on appraisals</li> </ul>	Provided temporary guidance on appraisal requirements and completion reports, including allowing exterior-only and desktop appraisals for many transactions.
6	<a href="#">LL-2020-03</a> (03/23/20)	<ul style="list-style-type: none"> <li>Impact of COVID-19 on originations</li> </ul>	Provided reminders and temporary guidance on these loan origination policies: verbal verification of employment; continuity of income; notes, electronic records, and signatures; title insurance; and seller/servicer business continuity and submission of financial statements.
5	<a href="#">LL-2020-02</a> (03/18/20)	<ul style="list-style-type: none"> <li>Impact of COVID-19 on servicing</li> </ul>	Updated policies related to forbearance plan eligibility, post-forbearance loan modifications, suspension of credit bureau reporting, and suspension of foreclosure sales.
4	<a href="#">Selling Notice</a> (02/12/20)	<ul style="list-style-type: none"> <li>List of approved mortgage insurance forms updated</li> </ul>	As noted in <a href="#">LL-2019-08</a> dated Nov. 20, 2019, Fannie Mae worked with approved mortgage insurers to update their master primary policies and related endorsements and other forms.
3	<a href="#">SVC-2020-01</a> (02/12/20)	<ul style="list-style-type: none"> <li>Delinquency exception reporting</li> </ul>	Clarified when delinquency status exception reports will be made available to servicers.
		<ul style="list-style-type: none"> <li>Prorated attorney fees and foreclosure milestone invoicing</li> </ul>	Updated the foreclosure milestone schedule and eliminated prorated fee requirements.
2	<a href="#">LL-2020-01</a> (02/05/20)	<ul style="list-style-type: none"> <li>Adjustable-Rate Mortgage (ARM) Products</li> </ul>	Provided details on updated ARM instruments, retirement of LIBOR ARMs, and the future retirement of CMT ARMs.
1	<a href="#">SEL-2020-01</a> (02/05/20)	<ul style="list-style-type: none"> <li>Rental housing payment</li> </ul>	Clarified the DTI ratio may need to account for a borrower's rental housing payment when the subject transaction is a second home, investment property, or includes a non-occupant co-borrower and the rental payment represents the borrower's principal residence.
		<ul style="list-style-type: none"> <li>Rental income correction</li> </ul>	Updated the applicable <i>Guide</i> text to apply to refinance transactions in addition to purchases.
		<ul style="list-style-type: none"> <li>Calculating the monthly real estate tax payment</li> </ul>	Delayed the original March 1, 2020 effective date for the policy changes announced in December 2019.

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