



## Lender Letter (LL-2021-05)

Feb. 03, 2021

### To: All Fannie Mae Single-Family Sellers Retirement of CMT Adjustable-Rate Mortgage Products

Fannie Mae will no longer acquire ARM loans that use an index based on constant maturity treasury securities (CMT) and will retire all related CMT ARM plans. Application and final purchase dates are noted below.

In Lender Letter [LL-2020-01](#), Important Updates to Adjustable-Rate Mortgage (ARM) Products, we provided advance notice that we would cease purchasing CMT-indexed ARMs later this year. While the CMT index is not going away, we will no longer acquire loans based on this index. As a reminder, we previously announced several new ARM plans tied to the Secured Overnight Financing Rate (SOFR) and began accepting delivery of loans last year. Refer to the [Standard ARM Plan Matrix](#) for a complete list of all standard ARM plans that are eligible for delivery to us. We will update this document and the *Selling Guide* as we approach the Sep. 2021 delivery deadlines noted below.

**Effective:** To be eligible for delivery to Fannie Mae, all CMT ARMs must have application dates on or before Jun. 30, 2021. In addition, all CMT ARMs must be purchased as whole loans on or before Sep. 30, 2021 or delivered into MBS pools with issue dates on or before Sep. 1, 2021.

This applies to all CMT ARM plans including plan numbers 57, 649 – 652, 659 – 661, 710, 720 – 721, 750 – 751, 861, 1423, 1437, 1677, and 3846.

#### Impact on Loan Servicing

Servicers who currently service ARM loans based on the CMT index should continue to do so in accordance with existing requirements.

Lenders who have questions about this Lender Letter should contact their Fannie Mae Account Team.