

# 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.*

## 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



## Learn more about credit score eligibility in DU

Starting Sept. 18, for loans with multiple borrowers, DU will no longer use the representative credit score; instead, DU will now use an average of each borrower's median credit score — the average median credit score. Check out this [new fact sheet](#) we created to help lenders with this change.



## Look for what's most relevant to you

- Appraisals
- Loan Delivery
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Fannie Mae's *Selling* and *Servicing Guides* and their updates, including *Guide* announcements and release notes, are the official statements of Fannie Mae's policies and procedures and control in the event of discrepancies between the information provided in this summary and the *Guides*.

#	Publication (Date)	Topic	Description / Resources
39	<a href="#">SVC-2021-06</a> (09/08/2021)	<span style="color: green;">■</span> Form 582 <span style="color: gray;">■</span>	Aligned the <i>Servicing Guide</i> with changes related to Form 582 announced in <a href="#">SEL-2021-08</a> and added duties and responsibilities for all servicers with a portfolio of 20,000 or more Fannie Mae mortgage loans.
		<span style="color: green;">■</span> Mortgage Release™ inspection requirements	Removed the requirement to conduct the final interior property inspection for a Mortgage Release.
38	<a href="#">SEL-2021-08</a> (09/01/2021)	<span style="color: brown;">■</span> Use of rent payment history in DU	Included recently announced changes to DU that allow lenders to utilize a positive rent payment history to help increase homeownership opportunities for certain first-time homebuyers.
		<span style="color: brown;">■</span> Credit score eligibility in DU	Updated the credit score used by DU in the eligibility assessment when there is more than one borrower.
		<span style="color: brown;">■</span> Qualified Mortgage policies	Incorporated qualified mortgage policies addressed in <a href="#">LL-2021-11</a> .
		<span style="color: gray;">■</span> Form 582	Revised Form 582 submission requirements.
		<span style="color: brown;">■</span> Miscellaneous updates	<ul style="list-style-type: none"> <li>• Clarified lender down payment assistance requirements</li> <li>• Updated topics as a result of the changes in the DU Version 11.0 September update</li> </ul>
		<span style="color: brown;">■</span> Co-op document requirements	Updated co-op document requirements.

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37	<a href="#">DU/DO Release Notes</a> (08/11/2021)	<ul style="list-style-type: none"> <li>DU Version 11.0</li> </ul>	<p>During the weekend of Sept. 18, we'll update DU. Changes in this release include:</p> <ul style="list-style-type: none"> <li>Adding positive rent payment history to DU's risk assessment.</li> <li>Updating credit score eligibility.</li> <li>The ability for lenders to use the DU validation service on RefiNow™ loans.</li> <li>Employment validation reinstatement.</li> <li>Messaging updates, and more.</li> </ul>
36	<a href="#">SVC-2021-05</a> (08/11/2021)	<ul style="list-style-type: none"> <li>Changes to investor reporting processes and systems</li> </ul>	Incorporated previously communicated changes (in <a href="#">LL-2021-12</a> ) regarding payment deferral gross servicing fee and guarantee fee reimbursement, and foreclosure P&I advance reimbursement into the Investor Reporting Manual.
		<ul style="list-style-type: none"> <li>IRS Reporting</li> </ul>	Extended the mandatory effective date of the IRS reporting changes that were previously announced in <a href="#">SVC-2021-03</a> .
35	<a href="#">LL-2021-03</a> <i>Updated 08/11/21</i>	<ul style="list-style-type: none"> <li>Impact of COVID-19 on originations</li> </ul>	Retired the age of documentation and market-based assets policies. Certain other temporary policies remain in place until further notice.
34	<a href="#">SEL-2021-07</a> (08/04/2021)	<ul style="list-style-type: none"> <li>Prohibited refinancing practices</li> </ul>	Clarified the policy related to prearranged refinance arrangements.
		<ul style="list-style-type: none"> <li>Credit card reward points</li> </ul>	Specified when credit card reward points can be used as eligible assets.
		<ul style="list-style-type: none"> <li>Miscellaneous updates</li> </ul>	<ul style="list-style-type: none"> <li>Removed references to Version 1 of the representations and warranties framework.</li> <li>Updated risk factors in DU.</li> <li>Clarified the policy on interested party contributions.</li> </ul>
33	<a href="#">LL-2021-13</a> (07/16/21)	<ul style="list-style-type: none"> <li>Adverse market refinance fee</li> </ul>	Announced elimination of the adverse market refinance fee effective Aug. 1, 2021.
32	<a href="#">SVC-2021-04</a> (07/14/21)	<ul style="list-style-type: none"> <li>Mortgage assistance fund program providers</li> </ul>	Updated requirements to apply more broadly to handling funds provided on behalf of a borrower from a state or local government mortgage assistance fund program.
		<ul style="list-style-type: none"> <li>Mortgage insurance claims portal</li> </ul>	Introduced a new process for filing conventional MI claims with participating mortgage insurers.

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		<ul style="list-style-type: none"> <li>■ REOgram™ notification</li> </ul>	Simplified the use of a manual data entry application, Asset Management Network (AMN), into a real-time automated application, Property 360™, for REOgram notifications.
		<ul style="list-style-type: none"> <li>■ Notarization standards</li> </ul>	Included a reference to recently added <i>Selling Guide</i> policies for notarization standards and remote ink-signed notarization.
31	<a href="#">SEL-2021-06</a> (07/07/21)	<ul style="list-style-type: none"> <li>■ Asset documentation requirements</li> </ul>	Reduced the documentation requirements for certain refinances.
		<ul style="list-style-type: none"> <li>■ Age of appraisal</li> </ul>	Clarified when an appraisal update or new appraisal is needed.
		<ul style="list-style-type: none"> <li>■ MBS trade confirmation process</li> </ul>	Clarified lenders' responsibility for notifying us of discrepancies in the terms of a trade.
30	<a href="#">LL-2021-07</a> Updated 06/30/21	<ul style="list-style-type: none"> <li>■ COVID-19 payment deferral and Fannie Mae Flex Modification for COVID-19 Impacted Borrowers</li> </ul>	Adjusted the terms for a Flex Modification with reduced eligibility criteria for COVID-19 impacted borrowers to provide an opportunity to reduce their interest rate, regardless of the mortgage loan's mark-to-market loan-to-value ratio.
29	<a href="#">LL-2021-02</a> Updated 06/30/21	<ul style="list-style-type: none"> <li>■ Impact of COVID-19 on Servicing</li> </ul>	Updated impact of COVID-19 on Servicing Lender Letter to inform servicers of the provisions regarding the suspension of foreclosure-related activities and filing motions for relief from the automatic stay in certain bankruptcy cases.
28	<a href="#">DU/DO Release Notes</a> Updated 06/24/21	<ul style="list-style-type: none"> <li>■ DU Version 11.0 update (05/26/21)</li> </ul>	Updated the July 2021 Update based on lender feedback on RefiNow™ messaging.
27	<a href="#">LL-2021-12</a> (06/16/21)	<ul style="list-style-type: none"> <li>■ Advance Notice of Changes to Investor Reporting Processes and Systems</li> </ul>	<p>Provides advance notice of changes to simplify and streamline servicer reporting and will be introduced in a phased approach beginning September 2021. Changes include:</p> <ul style="list-style-type: none"> <li>• Reimbursement of gross servicing fee and guaranty fee for mortgage loans with a payment deferral.</li> <li>• Elimination of servicer's advance payment of Unpaid Principal Balance at foreclosure.</li> <li>• Streamlining of investor reporting with LSDU self-serve capabilities.</li> <li>• 2022 cash simplification reporting changes.</li> <li>• Guaranty fee relief after four months delinquency.</li> </ul>

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26	<a href="#">LL-2021-10</a> <i>Updated 06/16/21</i>	■ Introduction of the RefiNow™ Option	<p>This Lender Letter contains details of the RefiNow option previously published on May 5, 2021, with the changes noted below:</p> <ul style="list-style-type: none"> <li>• Allow existing subordinate financing to be simultaneously refinanced as part of a RefiNow transaction, provided certain requirements are met.</li> <li>• Permit borrowers who have resolved missed payments due to a COVID-19 forbearance in accordance with the temporary eligibility requirements for purchases and refinances in <a href="#">LL-2021-03</a> to be eligible for a new RefiNow transaction.</li> <li>• Clarify the paystub requirements to align with current policy.</li> </ul>
25	<a href="#">Servicing Notice</a> <i>(06/09/21)</i>	■ Cost of Funds Replacement Index	<p>The Federal Home Loan Bank of San Francisco (FHLBank) previously announced that it would cease publication of its 11th District Monthly Weighted Average Cost of Funds Index (COFI) after the publication of the December 2021 COFI in January 2022. In anticipation of this date, we announced our selection of a replacement index to be used for the servicing of legacy COFI mortgage loans, called the Enterprise 11th District COFI Replacement Index.</p>
24	<a href="#">SVC-2021-03</a> <i>(06/09/21)</i>	■ IRS Reporting	Updated our requirements for filing IRS forms.
		■ Loss Mitigation Valuations	Streamlined method to obtain loss mitigation valuation information into a single platform.
		■ Post-forbearance disaster payment deferral	Clarified when the borrower must make their full monthly contractual payment during the month of solicitation for a disaster payment deferral.
		■ Verification of a borrower’s income and assets	Provided an alternative means of verifying borrower income and asset information through the use of third-party vendors.
		■ Miscellaneous updates	<ul style="list-style-type: none"> <li>• Notified servicers of updates to the Fannie Mae Software Subscription Agreement Master Terms and Conditions.</li> <li>• Clarified verbiage related to hazard loss disbursement.</li> </ul>
23	<a href="#">LL-2021-10</a> <i>(05/05/21)</i>	■ Introduction of the RefiNow™ Option	<p>Provided information about a new refinance option — RefiNow — that will enable more borrowers to refinance to a lower interest rate and reduce their monthly mortgage payment.</p>
22	<a href="#">DU/DO Release Notes</a>	■ DU Version 11.0	<p>During the weekend of June 5, 2021, Fannie Mae will implement an update to DU Version 11.0, which will include the implementation of the RefiNow™ refinance option.</p>

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21	<a href="#">SEL-2021-04</a> <a href="#">(05/05/21)</a>	■ MBS pool closing simplification	Eased the pool closing process for all MBS settlements.
		■ QC collateral risk assessment requirements	Enhanced the collateral risk assessment requirements for lender post-closing quality control (QC) reviews.
		■ Loan casefile archive policy	Reverted to prior archive policy for Desktop DU® casefiles.
		■ Miscellaneous update	Updated to address tax filing extensions published by the IRS.
20	<a href="#">LL-2021-04</a> <a href="#">Updated 04/21/21</a>	■ Impact of COVID-19 on appraisals	Updated Impact of COVID-19 on Appraisals Lender letter (formerly <a href="#">LL-2020-04</a> ) to extend temporary flexibilities to May 31, 2021. <i>Note: After May 31, with the exception of the HomeStyle® Renovation seasoning policy, this Lender Letter will no longer apply and lenders should follow all standard Selling Guide policies.</i>
19	<a href="#">LL-2021-09</a> <a href="#">(04/08/21)</a>	■ Qualified Mortgage Rule and Loan Eligibility	Introduced changes to loan eligibility due to the Preferred Stock Purchase Agreement and Qualified Mortgage Rule.
18	<a href="#">SEL-2021-03</a> <a href="#">(04/07/21)</a>	■ New co-op forms for PERS requests	Introduced two new documents for co-op project review requests.
		■ Software Subscription Agreement	Revised the Master Terms and Conditions to the Software Subscription Agreement.
		■ Asset validation when gift funds are present	Clarified lender responsibilities related to gift funds identified in the Desktop Underwriter validation service.
		■ Eligibility of loans secured by second home and investment properties	Incorporated new eligibility requirements announced in Lender Letter <a href="#">LL-2021-08</a> .

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		<ul style="list-style-type: none"> <li>■ Miscellaneous update</li> </ul>	Updated the email address for submission of Form 482.
17	<a href="#">LL-2021-03</a> <i>Updated 03/11/21</i>	<ul style="list-style-type: none"> <li>■ Impact of COVID-19 on originations</li> </ul>	Updated Impact of COVID-19 on Originations Lender letter (formerly <a href="#">LL-2020-03</a> , now LL-2021-03) to extend the verbal verifications of employment and power of attorney flexibilities.
16	<a href="#">LL-2021-04</a> <i>Updated 03/11/21</i>	<ul style="list-style-type: none"> <li>■ Impact of COVID-19 on appraisals</li> </ul>	Updated Impact of COVID-19 on Appraisals Lender letter (formerly <a href="#">LL-2020-04</a> ) to extend temporary flexibilities. <i>Note: Temporary flexibilities are effective for all loans in process and remain in place for loans with application dates on or before April 30, 2021.</i>
15	<a href="#">LL-2021-08</a> <i>(03/10/21)</i>	<ul style="list-style-type: none"> <li>■ Eligibility of loans secured by second home and investment properties</li> </ul>	Updated our policies to require that any loan secured by a second home or investment property be delivered as a Desktop Underwriter loan with an Approve/Eligible recommendation (with one exception).
14	<a href="#">SVC-2021-02</a> <i>(03/10/21)</i>	<ul style="list-style-type: none"> <li>■ Property valuation orders for charge-offs</li> </ul>	Updated our requirements for submitting a charge-off request to us via our servicing solutions system.
		<ul style="list-style-type: none"> <li>■ Reimbursement of recording costs for mortgage loan satisfactions</li> </ul>	Reflected a recent procedural change for servicers when requesting reimbursement of recording costs associated with a mortgage loan satisfaction.
		<ul style="list-style-type: none"> <li>■ Approval request to pay third parties out of insurance loss proceeds</li> </ul>	Clarified the approval process related to the payment to third parties from insurance loss proceeds.
		<ul style="list-style-type: none"> <li>■ Miscellaneous updates</li> </ul>	<ul style="list-style-type: none"> <li>• Replaced the Fannie Mae eNote Transfer of Control Request (Form 197)</li> <li>• Updated the Allowable Foreclosure Attorney Fees Exhibit to reflect a change to judicial foreclosure fees for Texas Section 50(a)(6) mortgage loans</li> </ul>
13	<a href="#">DU/DO Release Notes</a> <i>(2/22/21)</i>	<ul style="list-style-type: none"> <li>■ DU validation service update</li> </ul>	<p>During the weekend of April 17, 2021, Fannie Mae will update the DU® validation service. Changes in this release:</p> <ul style="list-style-type: none"> <li>• Message change when employer name in DU is not matched to employer in the Income and Employment Verification Report</li> <li>• Asset validation changes</li> <li>• DU validation service message changes</li> </ul>
12	<a href="#">DU/DO Release Notes</a>	<ul style="list-style-type: none"> <li>■ DU Version 11.0</li> </ul>	<p>Changes in this release:</p> <ul style="list-style-type: none"> <li>• DU Risk Assessment Update</li> </ul>

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	<a href="#">(02/10/21)</a>		<ul style="list-style-type: none"> <li>• Updates to Align with the <i>Selling Guide</i></li> <li>• Retirement of DU Version 10.2</li> </ul>
11	<a href="#">SEL-2021-02</a> <a href="#">(03/03/21)</a>	■ Power of Attorney	Updated eligibility and documentation requirements.
		■ Servicing Execution Tool™ retirement	Removal of servicing execution tool in anticipation of final commitment and delivery dates and transition to Servicing Marketplace.
		■ Risk factors evaluated by Desktop Underwriter®	Changes to risk factors evaluated by DU as noted in DU Version 11.0 Release Notes.
		■ Miscellaneous update	Updated the definition of planned unit development.
10	<a href="#">LL-2021-07</a> <a href="#">Updated 02/25/21</a>	■ COVID-19 payment deferral	Provides a new workout solution to help borrowers impacted by a COVID-19 hardship return their mortgage to current status after up to 12 months of missed payments.
9	<a href="#">LL-2021-02</a> <a href="#">Updated 02/25/21</a>	■ Impact of COVID-19 on Servicing	Updated Impact of COVID-19 on Servicing Lender Letter (formerly LL-2020-02, now LL-2021-02) to extend the existing suspension of certain foreclosure-related activities through Feb. 28. <a href="#">LL-2020-02</a> is still available on our site.
8	<a href="#">LL-2021-06</a> <a href="#">(02/17/21)</a>	■ Mortgage insurance updates	Updated the MassHousing Mortgage Insurance Fund's Loan Loss Reserve Agreement, Commitment/Certificate, and Mortgage Payment Protection Endorsement Forms and the List of Approved Mortgage Insurance Forms
7	<a href="#">SEL-2021-01</a> <a href="#">(02/03/21)</a>	■ Seasonal and secondary income	Simplified the verification requirements related to seasonal and secondary income.
		■ Seller/servicer-initiated post-purchase adjustment (PPA) process	Updated the PPA process to require the use of the PPA form.
		■ Miscellaneous update	Removed references to lenders authorizing release of mortgage insurance (MI) data to us.
6	<a href="#">LL-2021-05</a> <a href="#">(02/03/21)</a>	■ Retirement of CMT ARM products	Provided advance notice that we will cease purchasing Constant Maturity Treasury (CMT)-indexed Adjustable-Rate Mortgages (ARMs) later this year. While the CMT index is not going away, we will no longer acquire loans based on it.

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5	<a href="#">LL-2021-02 (01/20/21)</a>	<ul style="list-style-type: none"> <li>■ Impact of COVID-19 on servicing</li> </ul>	Updated Impact of COVID-19 on Servicing Lender Letter (formerly LL-2020-02, now LL-2021-02) to extend the existing suspension of certain foreclosure-related activities. <a href="#">LL-2020-02</a> is still available on our site.
4	<a href="#">SVC-2021-01 (01/20/21)</a>	<ul style="list-style-type: none"> <li>■ MBS mortgage loans</li> </ul>	Incorporated <a href="#">LL-2020-13</a> , which extended automatic reclassification triggers from four to 24 months for most delinquent MBS mortgage loans.
		<ul style="list-style-type: none"> <li>■ Disaster payment deferral</li> </ul>	Eliminated the requirement for reporting a delinquency status code for a disaster payment deferral if the mortgage loan is brought current.
		<ul style="list-style-type: none"> <li>■ Miscellaneous update</li> </ul>	Updated our policies on remote online notarizations for the purpose of servicing or modifying a mortgage loan.
3	<a href="#">LL-2021-03 (01/14/21)</a>	<ul style="list-style-type: none"> <li>■ Impact of COVID-19 on originations</li> </ul>	Updated Impact of COVID-19 on Originations Lender letter (formerly LL-2020-03, now LL-2021-03) to extend the verbal verifications of employment and power of attorney flexibilities. <a href="#">LL-2020-03</a> is still available on our site.
2	<a href="#">LL-2021-04 (01/14/21)</a>	<ul style="list-style-type: none"> <li>■ Impact of COVID-19 on appraisals</li> </ul>	Updated Impact of COVID-19 on Appraisals Lender letter (formerly LL-2020-04, now LL-2021-04) to extend temporary flexibilities. <a href="#">LL-2020-04</a> is still available on our site.
1	<a href="#">LL-2021-01 (01/06/21)</a>	<ul style="list-style-type: none"> <li>■ Appraisal risk management policy reminders and resources</li> </ul>	Reiterated lenders' responsibilities for appraisal review and for compliance with Appraiser Independence Requirements; provided examples of appraisal findings and defects; suggested best practices for lenders' appraisal-related underwriting and quality control processes; and pointed out resources to help lenders manage appraisal risk efficiently and effectively.

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