

In Case You Missed It 2025

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

What you need to know

This document summarizes recent *Selling Guide*, *Servicing Guide*, and related policy updates, clarifications, or other supporting communications. It provides links to related resources as applicable. **Looking for last year's policy updates? Review the [final 2024 ICYMI](#).**

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 document



Most recent up top

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



Quick reference

These Lender Letters, published before 2025, are still in effect:

- [LL-2024-01](#): HomeReady Product Enhancement
- [LL-2023-07](#): COVID-19 Payment Deferral and Fannie Mae Flex Modification for COVID-19 Impacted Borrowers
- [LL-2023-03](#): Impact of COVID-19 on Servicing
- [LL-2021-10](#): Expanding Refinance Eligibility with RefiNow™



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



Look for what's most relevant to you

- Appraisals
- Loan Delivery
- Risk Management/Quality Control
- Servicing Servicing-specific publications are also highlighted with a gray background.
- Technology
- Underwriting
- Other

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*.

9	Servicing Notice (05/14/2025)	■ Advance Notice of Retirement of HomeSaver Solutions Network Workout Functionality	<p>Fannie Mae is retiring the loan workout reporting and related functionality in HomeSaver Solutions™ Network (HSSN). HSSN Loss Mitigation workout reporting functionality will transition to Fannie Mae’s Servicing Management Default Underwriter™ (SMDU™) platform. All workout reporting activities will be managed by SMDU Case Management. Servicers currently utilizing HSSN must fully transition this activity to SMDU Case Management no later than Dec. 1, 2025.</p>
8	Selling Notice (05/14/2025)	■ Area Median Incomes 2025	<p>Area median incomes (AMIs) for 2025 will be implemented in Desktop Underwriter® (DU®) and HomeReady® application programming interfaces (APIs), Loan Delivery, and the Area Median Income Lookup Tool effective May 18. The AMIs will continue to be applied in DU based on the casefile create date while the Application Received Date provided in Loan Delivery will be used to determine which AMI limit to use when evaluating eligibility for the loan-level price adjustment (LLPA) waiver.</p>
7	SEL-2025-03 (05/07/2025)	■ Interested part contributions and lender incentives	<p>Updated interested party contributions definitions, identifying items excluded from maximum financing concessions, clarifying treatment of realtor rebates, clarifying arrangements subject to the lender incentive policy, increasing incentive limit to \$2,500, and requiring lender incentives from an interested party to be treated as a sales concession</p>
		■ Maximum buyup amount	<p>Establishes that the maximum guaranty fee buyup amount can be found in the lender’s MBS commitment</p>
		■ Prorated real estate tax credit	<p>Clarifying treatment of a prorated tax credit in underwriting</p>
6	LL-2025-01 (04/09/2025)	■ Updates to the Foreclosure Time Frames and Compensatory Fee Allowable Delays Exhibit	<p>At the direction of the Federal Housing Finance Agency (FHFA) and in alignment with Freddie Mac we are updating the time frames within which routine foreclosure proceedings must be completed in twenty-two jurisdictions. In addition, we are adding COVID-19 Foreclosure Moratorium and Forbearance as allowable delays, while removing Unemployment Forbearance.</p>

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5	SVC-2025-02 (04/09/2025)	<ul style="list-style-type: none"> Calculating the remaining mortgage loan term in connection with a Fannie Mae Flex Modification 	<ul style="list-style-type: none"> Clarifies how to calculate the remaining mortgage loan term when determining the Fannie Mae Flex Modification terms if the borrower has made additional principal payments
		<ul style="list-style-type: none"> Miscellaneous update 	<ul style="list-style-type: none"> Contact for Rural Development (RD) claim inquires* <p>*Policy changes not applicable to reverse mortgage loans</p>
4	SEL-2025-02 (04/02/2025)	<ul style="list-style-type: none"> Condo Project Manager™ and Desktop Underwriter® integration 	Combines CPM and DU technology
		<ul style="list-style-type: none"> New York Mortgage Insurance requirements on co-ops 	Clarifies how to calculate the loan-to-value ratio when determining the mortgage insurance for transactions on co-op properties in New York State
		<ul style="list-style-type: none"> Income Calculator Schedule E rental income 	Clarifies the use of Income Calculator and calculations for rental income reported on Schedule E
		<ul style="list-style-type: none"> Miscellaneous update 	<ul style="list-style-type: none"> Desktop Underwriter Version 12.0 and <i>Selling Guide</i> alignment
3	DU/DO Release Notes (03/19/2025)	<ul style="list-style-type: none"> DU version 12.0 	<p>During the weekend of May 17, 2025, Fannie Mae will implement an update to Desktop Underwriter® (DU®) Version 12.0, which will include the changes described below. The changes in this release will apply to DU V. 12.0 loan casefiles submitted or resubmitted to DU on or after the weekend of May 17, 2025, except for the Condo Project Manager™ changes.</p> <p>The changes in this release include the following updates:</p> <ul style="list-style-type: none"> Condo Project Manager Value Acceptance Refinance of Fannie Mae Loans Area Median Income Limit Message Updates to Align with the <i>Selling Guide</i>

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2	<u>SVC-2025-01</u> (02/12/2025)	■ Information security, business continuity and incident response	Introduces new and updated cybersecurity requirements for servicers and seller/servicers
		■ Shared equity clarifications	Simplifies program registrations and documentation requirements for community land trusts
1	<u>SEL-2025-01</u> (02/05/2025)	■ Information security, business continuity and incident response	Introduces new and updated cybersecurity requirements for lenders
		■ Desktop Underwriter Version 12.0 policy updates	Updates the Selling Guide requirements specific to policy changes with the release of DU Version 12.0
		■ Early payoff reimbursement for MBS swap transactions	Provides calculation details for early payoff reimbursement
		■ Hybrid appraisal expansion	Expands the use of property data collection and hybrid appraisals
		■ Shared equity clarifications	Simplifies program registrations and documentation requirements for community land trusts
		■ DU validation service – military income	Adds military incomes as an income type eligible for validation using an asset verification report
		■ Miscellaneous updates	<ul style="list-style-type: none"> Risk factors evaluated by DU

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