



# Selling Guide Announcement (SEL-2026-03)

April 01, 2026

The *Selling Guide* has been updated to include changes to the following:

- [Lender quality control efficiencies](#): streamlining reverification standards, reinstating flexibility in prefunding sampling, and simplifying QC management reporting
- [Desktop Underwriter® \(DU®\) archival policy](#): aligning DU archival policy with standard construction periods
- [Delivering MBS pool data and documents](#): allowing lenders additional time for delivery to Fannie Mae
- [Miscellaneous update](#):
  - Employer-level income validation in DU validation service

View the list of [impacted topics](#).

## Lender quality control efficiencies

In response to lender feedback, we have updated *Selling Guide* Subpart D1 to streamline lender quality control (QC) reverification requirements by:

- removing asset reverification when the information is not confirmable,
- eliminating duplicative reverifications for automated data obtained through approved vendors,
- limiting tax transcript requirements to loans qualified with tax returns, and
- removing reverification for discretionary reviews.

We reinstated flexibility in prefunding QC by eliminating the fixed 10% minimum sampling requirement, allowing lenders to design sampling methodologies that reflect their own risk profiles. In addition, we simplified QC management reporting to focus on key risk insights and removed certain operational reporting (including self-reporting and reverification reporting) from the *Selling Guide*.

Given the extent of these revisions and clarifications, an attachment to this Announcement provides a detailed summary of the updates.

**Effective:** Lenders are encouraged to implement these changes immediately but must do so for all QC reviews conducted on or after July 1, 2026.

## Desktop Underwriter archival policy

We have updated DU archival policy for single closing construction-to-permanent transactions from 540 days to 660 days from the date on which the loan casefile was created.

**Effective:** The updated timeframe will be applied for DU loan casefiles submitted or resubmitted after the weekend of April 25, 2026. For loan casefiles created prior to the weekend of April 25, 2026, if the lender would like the archival date to be reset to 660 days, the loan casefile would need to be re-underwritten after the weekend of April 25<sup>th</sup>.



## Delivering MBS pool data and documents

---

We have made an operational enhancement to allow lenders additional flexibility when delivering MBS to Fannie Mae. Going forward, all Fannie Major deliveries must be error-free and certified by 5:00 pm ET on the third to last business day before the end of the month. This will allow one additional business day for submissions. In addition, we aligned the submission day for single-issuer CUSIPs with that of Fannie Majors.

**Effective:** Lenders may take advantage of this operational change immediately.

## Miscellaneous update

---

Fannie Mae is updating the DU validation service to support employer-level income validation, improving alignment with lender workflows.

DU will assess income at the employer level and by income type, rather than requiring full validation of an income type across all employers. Lenders will receive enforcement relief from representations and warranties for any income DU is able to successfully validate.

**Effective:** This change will be effective for new loan casefiles created on or after June 27, 2026.

Lenders may contact their Fannie Mae Account Team if they have questions about this Announcement.  
Have guide questions? Get answers to all your policy questions, straight from the source. [Ask Poli.](#)



## Attachment

The following table provides an overview of the updates made to Subpart D1, Lender QC Process.

<b>D1-1-01, Lender Quality Control Programs, Plans, and Processes</b>	
<b>Header</b>	<b>Description of Change</b>
<b>QC Plan Contents</b>	Removed the requirement of written reporting procedures for those reports which are no longer required.
	Revised corrective action reporting. Lenders are now required to provide a summary of actions taken rather than a full management report.
	Clarified the definition of a prefunding QC file review and removed the term “prepurchase”. The prefunding QC file review is now defined within the QC Plan requirements.
<b>QC File Review Overview</b>	Removed duplicate language related to ineligible loans and self-reporting, as these topics are already addressed in D1-1-01, Lender Quality Control Programs, Plans, and Processes and D1-3-02, Lender Post-Closing Quality Control Review of Approval Conditions, Underwriting Decisions, Data, and Documentation.
<b>Selection of Loans for QC Review</b>	Clarified prefunding QC reviews may include random or discretionary loan selections.
	Removed duplicate language for topics already addressed in D1-2-01, Lender Prefunding Quality Control Review Process and D1-3-01, Lender Post-Closing Quality Control Review Process.
<b>QC Review of Third-Party Originations</b>	Clarified lenders with 100 or fewer third-party originations per year are not required to use stratified sampling or separate reporting.
<b>Reporting and Corrective Action</b>	Removed the requirement to include “root cause(s)” and “responsible parties” in written action plans.
<b>Self-Reporting to Fannie Mae</b>	Clarified the report naming to describe which report is referenced.
	Removed a redundant example of required self-reporting.
	Clarified lenders must maintain records of all loans self-reported to Fannie Mae and provide them upon request.

<b>D1-1-02, Lender Quality Control Staffing and Outsourcing of the Quality Control Process</b>	
<b>Header</b>	<b>Description of Change</b>
<b>QC Functional Area Reporting Structure and Staffing</b>	Added introductory language clarifying requirements when the independence of the lender’s functions is not evident.
<b>Outsourcing of the QC File Review Process</b>	Added introductory language emphasizing Quality Control is a critical component of an effective risk management framework.
<b>QC Vendor Management</b>	Added introductory language clarifying expectations when the lender uses a third-party vendor for all or some of the QC file review process.
	Removed duplicative requirements describing the focus of management reports as described in <i>Reporting Requirements for All Quality Control Reporting</i> in D1-1-03, Lender Quality Control Reporting



<b>D1-1-03, Lender Quality Control Reporting</b>	
<b>Header</b>	<b>Description of Change</b>
<b>Reporting Requirements for All Quality Control Reporting</b>	Streamlined specific reporting requirements to provide lenders with greater flexibility in management reporting.
	Removed the requirement to use subcategories.
	Removed the phrase “within 30 days of completion” to avoid confusion with the <i>Timing of QC Review Process</i> described in D1-3-01, Lender Post-Closing Quality Control Review Process.
<b>Prefunding Reporting Requirements</b>	Streamlined reporting requirements to provide lenders with greater flexibility in management reporting.
	Removed requirements related to rationale for component reviews, defect trending for all severity levels by category and subcategory, the initial defect rate, the calculation used to determine the sample size, and resolution of specific defects.
	Clarified reports must be shared with management within 30 days of completion.
<b>Post-closing Reporting Requirements</b>	Streamlined reporting requirements to provide lenders with greater flexibility in management reporting.
	Removed requirements related to rationale for discretionary and component reviews, defect trending for all severity levels by category and subcategory, the defect rate for the highest severity level resulting from each sample, resolution of specific defects, and reverification success rates by reverification type.
	Relocated the requirement to benchmark the highest severity defect rate against the lender’s target at least quarterly, as described in <i>Quality Standards and Measures</i> in D1-1-01, Lender Quality Control Programs, Plans, and Processes.

<b>D1-2-01, Lender Prefunding Quality Control Review Process</b>	
<b>Header</b>	<b>Description of Change</b>
<b>Overview</b>	Removed outdated language regarding early control tools used to identify issues during the prefunding QC process.
<b>Loan Selection Process</b>	Removed requirements related to targeting areas with higher potential for errors, misrepresentation, or fraud, and the requirement for a minimum sample size.
	Clarified lenders may include randomly selected loans.
	Clarified Fannie Mae may require adjustments or impose minimum sampling requirements if the lender’s approach does not provide adequate representation or effectively identify risk.
	Clarified flexibilities for lender discretion.
	Removed illustrative examples of target areas.
<b>Review Types</b>	Clarified the mortgage insurance (MI) requirement for Full-File Reviews, requiring lenders to have a process to ensure loans requiring MI have adequate coverage.
	Removed examples related to Component Reviews.



<b>D1-3-01, Lender Post-Closing Quality Control Review Process</b>	
<b>Header</b>	<b>Description of Change</b>
<b>Random Selections</b>	Moved the requirement for stratified random samples for retail and third-party originations so it appears before the descriptions of the random 10% sample and the statistical random sample.
	Reformatted the random sample type requirements into a table to improve readability.
	Removed recommendation to use a three-month statement when developing the statistical sampling methodology.
	Removed duplicative requirements to document and justify the sampling methodology, as requirements for statistical methodology have been added.
<b>Discretionary Selections</b>	Relocated the requirement to sample loans with a high risk of fraud from A3-4-03, Preventing, Detecting, and Reporting Mortgage Fraud to D1-3-01, Lender Post-Closing Quality Control Review Process.
	Removed illustrative examples of areas to target.

<b>D1-3-02, Lender Post-Closing Quality Control Review of Approval Conditions, Underwriting Decisions, Data, and Documentation</b>	
<b>Header</b>	<b>Description of Change</b>
<b>Review of Underwriting Decision and Approval Conditions</b>	Clarified the lender must evaluate adequate mortgage insurance coverage as required, if applicable.
<b>Review of Potential Red Flag and Alert Messages</b>	Clarified the lender must ensure identified discrepancies are appropriately addressed.

<b>D1-3-03, Lender Post-Closing Quality Control Reverifications</b>	
<b>Header</b>	<b>Description of Change</b>
<b>Overview</b>	Revised the requirement to clarify reverifications are only required for random QC reviews and updated the language for clarity.
<b>Requirements for Reverifications</b>	Removed the requirement to perform reverifications for discretionary selections.
	Removed duplicate language related to the retention reverification records, as the requirement to retain records for at least three years is addressed in <i>Record Retention and Response to Fannie Mae Requests</i> in D1-1-01, Lender Quality Control Programs, Plans, and Processes.
<b>Income and Employment</b>	Removed the requirement to reverify automated income verification obtained directly from an approved Fannie Mae vendor.
	Removed references to “replica documentation” for automated verification, as it is no longer applicable.
	Clarified income and employment reverification must align with the documentation requirements for the loan and provided an example.
	Clarified the reverification of income and employment applies to the income and employment used to underwrite the loan.



<b>D1-3-03, Lender Post-Closing Quality Control Reverifications</b>	
<b>Header</b>	<b>Description of Change</b>
<b>Income Using IRS Transcripts</b>	Revised the policy to require tax transcripts be obtained from the IRS only when tax returns were used to verify income during underwriting, such as for self-employment income.
	Removed language related to unsuccessful tax transcript requests, as this operational guidance is addressed in <a href="#">Beyond the Guide</a> .
	Removed the table describing alternative reverification options for Social Security and military income, as this operational guidance is addressed in <a href="#">Beyond the Guide</a> .
<b>Assets</b>	Revised the policy to not require asset reverification when assets are verified by an approved Fannie Mae vendor.
	Changed the policy to not require asset reverification from an institution that systemically refuses to verify, if lender meets existing policy expectations of maintaining a log documenting the institution's process and periodically reviews the log.
<b>Credit</b>	Removed duplicate language addressed in <i>Review of Potential Red Flag Messages</i> , in D1-3-02, Lender Post-Closing Quality Control Review of Approval Conditions, Underwriting Decisions, Data, and Documentation.
<b>Property Eligibility and Property Value</b>	Removed the requirement to prescribe corrective actions for property-related defects, as these activities fall outside the reverification process and are addressed in <i>Quality Standards and Measures</i> in D1-1-01, Lender Quality Control Programs, Plans, and Processes.



## Impacted Topics

Section of the Announcement	Updated <i>Selling Guide</i> Topics (Dated April 1, 2026)
<b>Lender quality control efficiencies</b>	<ul style="list-style-type: none"><li>▪ <a href="#">D1-1-01, Lender Quality Control Programs, Plans, and Processes</a></li><li>▪ <a href="#">D1-1-02, Lender Quality Control Staffing and Outsourcing of the Quality Control Process</a></li><li>▪ <a href="#">D1-1-03, Lender Quality Control Reporting</a></li><li>▪ <a href="#">D1-2-01, Lender Prefunding Quality Control Review Process</a></li><li>▪ <a href="#">D1-3-01, Lender Post-Closing Quality Control Review Process</a></li><li>▪ <a href="#">D1-3-02, Lender Post-Closing Quality Control Review of Approval Conditions, Underwriting Decisions, Data, and Documentation</a></li><li>▪ <a href="#">D1-3-03, Lender Post-Closing Quality Control Reverifications</a></li></ul>
<b>DU archival policy</b>	<ul style="list-style-type: none"><li>▪ <a href="#">B3-2-01, General Information on DU</a></li></ul>
<b>Delivering MBS pool data and documents</b>	<ul style="list-style-type: none"><li>▪ <a href="#">C3-7-04, Delivering MBS Pool Data and Documents</a></li></ul>
<b>Miscellaneous update</b>	<ul style="list-style-type: none"><li>▪ <a href="#">A2-2-04, Limited Waiver and Enforcement Relief of Representations and Warranties</a></li></ul>