

# Selling Guide Announcement (SEL-2021-04)

May 5, 2021

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

- [MBS pool closing simplification](#): eases the pool closing process for all MBS settlements
- [QC collateral risk assessment requirements](#): enhancing the collateral risk assessment requirements for lender post-closing quality control (QC) reviews
- [Loan casefile archive policy](#): reverts to prior archive policy for Desktop Underwriter® (DU®) casefiles
- [Miscellaneous update](#): updates to address tax filing published by the IRS.

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

## MBS pool closing certification

In 2019, the Flash MBS process became standard for all pool deliveries. This provided MBS customers additional flexibility when selecting the MBS settlement date and allowed customers to pool sooner if they choose to. We are now further simplifying the pool closing process for all settlements. All pools will be processed with the same Fannie Mae pool close and disclosure deadlines.

In addition, we have added language in our Guide related to the SIFMA TBA trade 48-hour window requirement. Lenders are responsible for meeting the SIFMA timeline.

## QC collateral risk assessment requirements

With this update, we are enhancing the collateral risk assessment requirement for lender Quality Control (QC) reviews. Currently, a lender must obtain an appraisal field review to evaluate the appraisal for 10% of the loans selected for QC review in the random sample. A desk review must be completed for the remaining 90% of the sample.

We are updating this policy to better align QC processes with available collateral data and industry-leading collateral tools. The combination of standardized data and Collateral Underwriter® allows for a more robust QC process, which reduces or eliminates the need for a field review in most circumstances. Therefore, the new policy replaces the current appraisal QC requirements with a new collateral risk assessment for all loans selected for a QC review in the random sample. If the lender is unable to complete an adequate assessment or appropriately determine the quality of the origination appraisal, it may order either a desk review or field review from a licensed appraiser.

To assist lenders in performing the required post-closing appraisal review, we are providing a new, optional Post-Closing QC Collateral Risk Assessment Analysis review framework and checklist. Lenders must ensure that all property eligibility requirements in the *Selling Guide* are met; use of the optional checklist alone does not indicate complete compliance with the Guide.

**Effective:** Lenders may take advantage of these policy changes immediately.



## Loan casefile archive policy

We are reverting our archive policy for DU loan casefiles back to the policy we had in 2017. To limit and better manage the amount of data we store (including non-public information), we are removing extremely old loan casefiles. Going forward, DU loan casefiles will be archived and no longer retained in DU from the earlier of

- 270 days from the date on which the loan casefile was last updated, or
- 540 days from the date on which the loan casefile was created.

These time frames are intended to ensure that the total volume of loans in the system is at a manageable level, reducing the time required by DU to search for and retrieve loan casefiles.

**Effective:** We will begin to implement this new policy in early July. It may take up to 90 days to remove all older casefiles, but we expect the new archive policy to be fully in effect by Oct. 2021.

## Miscellaneous update

**B1-1-03, Allowable Age of Credit Documents and Federal Income Tax Returns:** updated a footnote to address tax filing extensions published by the IRS.

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](#).

## Impacted Topics

Section of the Announcement	Updated <i>Selling Guide</i> Topics (Dated May 05, 2021)
MBS pool closing certification	<ul style="list-style-type: none"> <li>▪ <a href="#">C3-7-04, Delivering MBS Pool Data and Documents</a></li> <li>▪ <a href="#">C3-7-06, Settling the Trade</a></li> <li>▪ <a href="#">C3-7-07, Sale of Fannie Mae Securities to Third Parties</a></li> </ul>
QC collateral risk assessment requirements	<ul style="list-style-type: none"> <li>▪ <a href="#">D1-3-04, Lender Post-Closing Quality Control Review of Appraisers and Appraisals</a></li> </ul>
Loan casefile archive policy	<ul style="list-style-type: none"> <li>▪ <a href="#">B3-2-01, General Information on DU</a></li> </ul>