



# Selling Guide Announcement (SEL-2021-09)

Oct. 6, 2021

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

- [Homeownership education and counseling providers](#): Allow qualified third-party providers to administer homeownership education and counseling and no longer require the sole use of Framework®.
- [Miscellaneous updates](#):
  - Factory-built housing code
  - Removal of constant maturity treasury indexed ARMs
  - Software Subscription Agreement Master Terms and Conditions

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

## Homeownership education and counseling providers

With this update we are allowing additional homeownership education and counseling providers. Beginning in 2015, we required the use of the Framework Homeownership, LLC online education program to satisfy our homeownership education requirement when applicable. We will now permit any qualified third-party provider, independent of the lender, to administer homeownership education. The third-party provider's content must be aligned with the National Industry Standards (NIS) for Homeownership Education and Counseling or with the U.S. Department of Housing and Urban Development (HUD) Housing Counseling Program, or provided by a HUD-approved counseling agency.

**Effective:** To give lenders and the industry time to prepare for this change and to give borrowers the benefit of the no-cost Framework option, this policy will be effective Jan. 1, 2022. Lenders must continue to use the Framework online education program for courses completed on or before Dec. 31, 2021 (unless an allowable exception applies). Beginning with courses completed on or after Jan. 1, 2022, lenders may use other third-party providers (in addition to Framework) that meet the requirements described above.

**NOTE:** *The homeownership education messages in Desktop Underwriter® (DU®) will be updated in a future release. We will also update the FNM Implementation Notes in the Uniform Loan Delivery Data Specification related to housing counseling to provide guidance on the completion of these data points (Sort IDs 576-579).*

## Miscellaneous updates

**B2-3-02, Special Property Eligibility and Underwriting Considerations: Factory-Built Housing and B4-1.4-02, Factory-Built Housing: Modular, Prefabricated, Panelized, or Sectional Housing:** Several years ago, the International Residential Code (IRC) replaced the Uniform Building Code (UBC). We have updated references accordingly.



**Removal of constant maturity treasury-indexed ARMs:** We previously communicated in [LL-2021-05, Retirement of CMT Adjustable-Rate Mortgage Products](#), that we would no longer acquire ARM loans that use an index based on constant maturity treasury securities (CMT) and would retire all related CMT ARM plans. As a follow up, we have updated the *Selling Guide* and the [Standard ARM Plan Matrix](#) to remove all references to CMT ARMs. The final delivery date provided for CMT ARM loans has passed. In addition, we removed some outdated content that was also in the Matrix and some policy from the Guide related to hybrid ARM pooling as this option is not currently available.



**Software Subscription Agreement Master Terms and Conditions:** We have removed the Software Subscription Agreement Master Terms and Conditions (in E-2-03) and replaced references to it with a new *Consolidated Technology Licensing Guide* that is published on our website. The new Guide contains these Terms and Conditions, along with all active technology schedules that constitute the Software Subscription Agreement.

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](#).

**Let your voice be heard!** We want your feedback on our policy communications to help us improve the clarity of new and updated policy and understand any implications to borrowers. Click below to take a short survey regarding this Announcement.


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## Impacted Topics

Section of the Announcement	Updated <i>Selling Guide</i> Topics (Dated Oct. 06, 2021)
<b>Homeownership Education</b>	<ul style="list-style-type: none"> <li>▪ <a href="#">B2-2-06, Homeownership Education and Housing Counseling</a></li> </ul>
<b>Removal of CMT-indexed ARMs</b>	<ul style="list-style-type: none"> <li>▪ <a href="#">A2-2-03, Document Warranties</a></li> <li>▪ <a href="#">B2-1.4-02, Adjustable-Rate Mortgages (ARMs)</a></li> <li>▪ <a href="#">C3-1-01, General Information About Fannie Mae’s MBS Program</a></li> <li>▪ <a href="#">C3-2-01, Determining Eligibility for Loans Pooled into MBS</a></li> <li>▪ C3-5-05, Uniform Hybrid ARM MBS [Deleted]</li> <li>▪ <a href="#">E3-3-03, Acronyms and Glossary of Defined Terms: C</a></li> </ul>
<b>Software Subscription Agreement Master Terms and Conditions</b>	<ul style="list-style-type: none"> <li>▪ <a href="#">A2-1-03, Indemnification for Losses</a></li> <li>▪ <a href="#">A3-1-01, Fannie Mae’s Technology Products</a></li> <li>▪ <a href="#">C3-7-01, Establishing and MBS Trading Account</a></li> </ul>