



Selling Guide Announcement (SEL-2025-07)

Sept. 3, 2025

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

- [Retirement of “appraisal waiver”](#): removing the term “appraisal waiver” from use alongside “value acceptance” in the *Selling Guide*
- [Rescission of reconsideration of value components](#): revises two requirements of the framework for a borrower-initiated reconsideration of value
- [Expansion of MH Advantage®](#): expanding eligibility requirements for manufactured homes
- [Establishing borrower ownership interest – life estates](#): clarifying borrower ownership interest in life estates

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

Retirement of “Appraisal Waiver”

To more accurately reflect the evolving role of our valuation solutions, the term “appraisal waiver” will no longer be used in conjunction with “value acceptance” in the *Selling Guide*. The legacy terminology no longer aligns with the product’s current function within the valuation spectrum. Furthermore, the continued use of dual terms creates confusion, undermines product promotion, and delays industry alignment around a unified term. As a result, the following updates were implemented:

- instances where “appraisal waiver” appeared independently were revised to “value acceptance.”
- where the term “value acceptance (appraisal waiver)” was used, the parenthetical reference was removed.

These changes promote a more consistent and accurate message across the industry and reinforce our commitment to modernizing the valuation process.

Effective: These changes will be implemented immediately.

Rescission of reconsideration of value components

We revised reconsideration of value (ROV) policy as follows:

- We removed the requirement to provide an initial ROV disclosure at the time of loan application. The disclosure must be provided to the borrower along with delivery of the appraisal report.
- We simplified documentation requirements to require only documentation related to the outcome (not initiation) of the ROV to be retained in the loan file.

[Selling Guide Supplement UAD 3.6](#) has also been updated to reflect these changes.

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



Expansion of MH Advantage

This policy update includes expanded eligibility to include single-width MH Advantage® homes. It also includes the recognition of Freddie Mac CHOICEHome® as an MH Advantage manufacturing and design equivalent as evidenced by the CHOICEHome® label. The lender remains responsible for ensuring all MH Advantage site improvement requirements in the *Selling Guide* are met.

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

CHOICEHome® is a registered trademark of the Federal National Home Mortgage Corporation.

Establishing borrower ownership interest – life estates

We updated our requirements to clarify fee simple ownership of a security property held in a life estate under property law as an eligible form of property ownership. Additionally, we clarified characteristics of similar arrangements, such as “lady bird deeds” and “transfer on death deeds”, that do not qualify as life estates.

When the security property is held in a life estate,

- the life tenant must be a borrower,
- one or more of the remaindermen may also be co-borrowers, and
- both the life tenant and all remaindermen must sign the security instrument to convey their respective interests in the property.

Effective: These changes will be implemented immediately.

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 Sept. 03, 2025)
Retirement of “appraisal waiver”	<ul style="list-style-type: none">▪ A2-2-06, Representations and Warranties on Property Value▪ B2-3-05, Properties Affected by a Disaster▪ B4-1.4-10, Value Acceptance▪ B5-4.1-03, Texas Section 50(a)(6) Loan Underwriting, Collateral, and Closing Considerations▪ B5-7-02, High LTV Refinance Underwriting, Documentation, and Collateral Requirements for the New Loan▪ E-3-01, Acronyms and Glossary of Defined Terms: A▪ E-3-22, Acronyms and Glossary of Defined Terms: V
Rescission of reconsideration of value components	<ul style="list-style-type: none">▪ B4-1.3-12, Appraisal Quality Matters
Expansion of MH Advantage	<ul style="list-style-type: none">▪ B2-3-02, Special Property Eligibility and Underwriting Considerations: Factory-Built Housing▪ B4-1.2-01, Appraisal Report Forms and Exhibits▪ B4-1.4-01, Factory-Built Housing: Manufactured Housing▪ B5-2-04, Manufactured Housing Pricing, Mortgage Insurance, and Loan Delivery Requirements▪ E-3-06, Acronyms and Glossary of Defined Terms: F
Borrower eligibility – life estate	<ul style="list-style-type: none">▪ B2-2-01, General Borrower Eligibility Requirements▪ B2-3-01, General Property Eligibility