

Announcement SEL-2011-09
August 30, 2011

Selling Guide Updates

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

- Changes to ARM Products Available for Whole Loan Committing
- Addition of Links to Desktop Underwriter® (DU®) Quick Steps
- Miscellaneous *Selling Guide* Update

Each of the updates is described below. The affected topics (and specific paragraphs) are noted for each policy change. Lenders should review each topic to gain a full understanding of the policy changes. The updated topics are dated August 30, 2011.

Changes to ARM Products Available for Whole Loan Committing

Over the years, Fannie Mae expanded the number of adjustable-rate mortgage (ARM) products available for whole loan committing in eCommitting™ and eCommitONE™ to parallel those available for MBS issuance. Many of the ARM products have had little or no whole loan delivery volume. In order to align whole loan ARM product offerings with current MBS market conditions, Fannie Mae is streamlining the number of ARM products available for whole loan committing. Effective December 1, 2011, Fannie Mae will offer only the following whole loan ARM products:

Whole Loan ARM Products 30-year Term	
Available in eCommitting and eCommitONE	Available in eCommitting only
LIBOR Index Nonconvertible ARM types - 1/1, 3/1, 5/1, 7/1, 10/1 Plans: 2721, 2723, 2725, 2737, 2727, 2729	FHA ARMs CMT Index ARM types - 1/1, 3/1, 5/1, 7/1, 10/1 Plans: 515, 3549, 3550, 3640, 3551, 3552
Interest-only LIBOR Index ARM types - 3/1, 5/1, 7/1, 10/1 Plans: 3514, 3505, 3516, 3518, 3225	MyCommunityMortgage® LIBOR Index Nonconvertible, ARM type – 5/1 Plan: 2725

The *Selling Guide* has also been updated to incorporate edits to several ARM-related topics to reduce unnecessary repetition. Furthermore, additional references to the *Standard ARM Plan Matrix* have been added where appropriate. (None of those edits represent policy changes.)

Refer to the *Standard ARM Plan Matrix* on eFannieMae.com for a detailed description of all ARM products, including those that will continue to be available for whole loan commitments in eCommitting and eCommitONE.

Note: The *Eligibility Matrix* documents a number of eligibility requirements that pertain to loan eligibility; however, it does not include specific ARM plan eligibility. Lenders are expected to review the *Selling Guide* to determine the ARM plan(s) that are eligible for any specific transaction. As a reminder to lenders, a statement to this effect has been added to each chart in the *Eligibility Matrix* on eFannieMae.com.

Updated *Selling Guide* Topics

- [B2-1.3-03](#), Adjustable-Rate Mortgages
- [B2-1.3-07](#), Temporary Interest Rate Buydowns (Provisions for Temporary Interest Rate Buydown Plans, Buydown Agreements, Eligible Transaction Types)
- [B5-6-02](#), MyCommunityMortgage Loan and Borrower (Eligible Loan/Amortization Types)
- [C3-5-01](#), Creating Stated-Structure ARM MBS

Effective Dates

Lenders may obtain pricing and continue to commit all current ARM products in eCommitting and eCommitONE until November 30, 2011. Loans delivered against commitments for the retired products must be purchased by Fannie Mae no later than January 31, 2012.

Addition of Links to Desktop Underwriter® (DU®) Quick Steps

There are a number of useful job aids available on eFannieMae.com that provide guidance in DU data entry. Two scenarios that trigger the most frequent data entry questions are addressed in the following *DU Quick Steps*:

- *Data entry instructions for construction-to-permanent transactions, and*
- *Entering housing expenses for second homes/investment properties*

The *Selling Guide* has been updated to incorporate links to the main DU Training page on eFannieMae.com.

Updated *Selling Guide* Topics

- [B2-3-01](#), Occupancy Type Requirements (Second Home Properties, Investment Properties)
- [B3-2-01](#), General Information on DU (Loan Application Sections)
- [B5-3.1-01](#), Conversion of Construction-to-Permanent (Conversion of Construction-to-Permanent Financing Overview)

Miscellaneous *Selling Guide* Update

The following additional update has been made in the *Selling Guide*:

- [B2-2-03](#), Multiple Financed Properties for the Same Borrower: This topic has been updated to link to the correct DU Refi Plus™ and Refi Plus™ underwriting considerations topic.

Lenders who have questions about this Announcement should contact their Customer Account Team.

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