



Selling Guide Announcement (SEL-2021-03)

Apr. 07, 2021

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

- [New co-op forms for PERS requests](#): introduces two new documents for co-op project review requests
- [Software Subscription Agreement update](#): revises the Master Terms and Conditions to the Software Subscription Agreement
- [Asset validation when gift funds are present](#): clarifies lender responsibilities related to gift funds identified in the [Desktop Underwriter®](#) validation service
- [Eligibility of loans secured by second home and investment properties](#): incorporates new eligibility requirements announced in Lender Letter LL-2021-08
- [Miscellaneous update](#): updates the email address for submission of Form 482

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

New co-op forms for PERS requests

The Project Eligibility Review Service (PERS) is a review method available to lenders to submit new, newly converted, and established projects to us to determine eligibility. The lender completes a project submission package that includes multiple forms that provide us with the necessary information to determine the acceptability of condo, co-op, and/or PUD projects. Currently, the PERS document checklist does not include documents specific to co-op projects. With this update, we are introducing a *Project Eligibility Review Service Documents Checklist – Co-op Projects* ([Form 1078](#)) and *Limited or Shared Equity Co-op Worksheet* ([Form 1079](#)). Using the new checklists will give lenders more certainty about the documents required by us for a thorough PERS review and minimize follow-up requests.

Effective: Lenders may begin using these forms immediately.

Software Subscription Agreement update

We have updated the Guide to include the revised Master Terms and Conditions to the Software Subscription Agreement that is on our [website](#). Substantive changes include the following:

- added a specific prohibition against Licensee's use of Licensed Materials to access or use non-public information outside of the United States;
- expanded an existing prohibition (previously only applicable to APIs and integration interfaces) against the collection of data from a Licensed Application using retrieval applications or devices;
- included a provision allowing us to remove material transmitted by a Licensee that is determined to be in violation of the Agreement or applicable law, or that may lead to a Performance Incident or Data Breach; and
- revised the termination provision.

Note: We previously communicated these revised Master Terms and Conditions to our customers via a Bulletin. All changes became effective on Mar. 17, 2021.



Asset validation when gift funds are present

Currently, when a Verification of Assets report has been obtained by DU®, and gift funds are entered in DU, the DU validation service will not attempt to validate assets. In these cases, DU will issue a message indicating that the loan is not eligible for asset validation because the loan includes a gift.

In an upcoming release, the DU validation service will be updated to allow for the validation of assets when a gift is present. When assets are validated and a gift is present, lenders are responsible for documenting the gift, and the source of a gift, in accordance with the *Selling Guide* even when a large deposit message is not issued by DU. The Guide has been updated accordingly.

Effective: This change to the DU validation service will be effective for new DU casefiles created on or after Apr. 18, 2021. See the [Release Notes](#) for additional information.

Eligibility of loans secured by second home and investment properties

We have updated our Guide and the [Eligibility Matrix](#) to incorporate changes announced for the eligibility of loans secured by second homes and investment properties. These changes were previously communicated in [LL-2021-08](#).

Miscellaneous

E-1-03, List of Contacts: The email address for submission of the *Seller's Designation of Wire Transfer Instructions* (Form 482) has changed effective Apr.1, 2021.

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 Apr. 07, 2021)
New co-op forms for PERS requests	▪ B4-2.1-01, General Information on Project Standards ▪ B4-2.2-06, Project Eligibility Review Service (PERS)
Software Subscription Agreement update	▪ E-2-03, Software Subscription Agreement Master Terms and Conditions
Asset validation when gift funds are present	▪ B3-2-02, DU Validation Service
Eligibility of loans secured by second home and investment properties	▪ B2-1.1-01, Occupancy Types ▪ B5-7-02, High LTV Refinance Underwriting, Documentation, and Collateral Requirements for the New Loan