

**MPF Announcement:**

2022-46

**Date:**

October 12, 2022

**Alert:**

Clarification

New Policy

**Policy Update**

Reminder

Training Information

**Audience:**

Compliance/Legal

Program Management

**Origination**

Quality Control

Servicing

Underwriting

**Product:**

MPF Government MBS

MPF Traditional

**MPF Xtra<sup>®</sup>****Effective Date:**

**Immediately** (unless otherwise noted)

**Reference**

[Fannie Mae Selling Guide Announcement SEL-2022-08](#)

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## MPF Xtra Selling Guide Updates

Fannie Mae recently published Selling Guide Announcement SEL-2022-08, which covers the below referenced topics that are applicable to loans sold under the MPF Xtra product.

- Personal Gifts are updated to include additional acceptable donors. These include a non-relative that shares a familial relationship with the borrower specifically a former relative, relative of a domestic partner, and godparent. **NOTE:** DU will be updated in a future release to add the source option of “unrelated friend” as an acceptable donor of gift funds or gift of equity. Use “Other” as the source option within DU until the update is made.
- Transfers of gift funds were clarified to add evidence of electronic transfer of funds from the donor’s account to the borrower’s account or to the closing agent is acceptable documentation to meet the requirement for verifying donor’s availability and transfer of funds for gift.

**Miscellaneous updates:**

- Updates to the list of states that allow the use of remote online notarization.
- Updates to DU messages regarding “potential red flags” to include frozen credit report and potential casefile ID reuse.
- Extension of the use of Condo Project Manager. The requirement to use Condo Project Manager effective September 2022 has been delayed to allow for additional time to address impacts by those who may not have access to the system.

To gain a full understanding of these topics, PFIs should review the entire Fannie Mae Announcement and any applicable Fannie Mae Selling Guide chapters, forms, or exhibits noted in the announcements.

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# Selling Guide Announcement (SEL-2022-08)

Sept. 7, 2022

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

- [Personal gifts](#): expanding the list of acceptable gift donors
- [Miscellaneous updates](#):
  - [Remote online notarization](#)
  - [Desktop Underwriter® red flags](#)
  - [Pooling clarification](#)

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

In addition, an update to the following is described in this Announcement:

- [Extension of the use of Condo Project Manager™](#)

## Personal Gifts

We updated the following *Selling Guide* policies related to personal gifts.

### Acceptable donors

We expanded the list of acceptable gift donors to include a non-relative that shares a familial relationship with the borrower, specifically a former relative, relative of domestic partner, and godparent. The following table lists all acceptable donors and how to enter in DU®.

Acceptable Donor	Source field in DU
Relative (as defined in the <i>Selling Guide</i> )	Relative
Domestic partner Individual engaged to marry the borrower	Unmarried partner
Former relative Godparent Relative of domestic partner	Unrelated friend

**NOTE:** *DU will be updated in a future release to recognize the source option of “Unrelated friend” as an acceptable donor of gift funds or gift of equity. Use “Other” as the source option within DU until this update is made.*

### Transfer of gift funds

We clarified that evidence of electronic transfer of funds from a donor’s account to the borrower’s account or to the closing agent represents acceptable documentation to meet the requirement for verifying donor availability of funds and transfer of gift funds.

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



## Miscellaneous update

**A2-4.1-03, Electronic Records, Signatures, and Transactions**: We updated the list of states that allow for the use of remote online notarization.

**B3-2-11, DU Underwriting Findings Report**: We updated the *Selling Guide* to align with the “potential red flag” messages in DU that are designed to help lenders detect inconsistencies in loan casefiles.

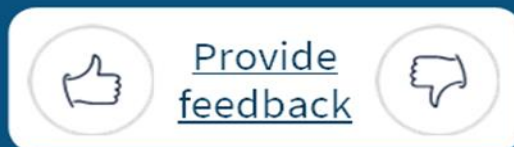
**C3-2-01, Determining Eligibility for Loans Pooled into MBS**: We clarified that the difference between standard pooling and same month pooling is not an option to be selected as a “Pool Indicator” in Loan Delivery, but rather if the lender chooses to deliver a loan in the same month it is originated, it is automatically considered same month pooling.

## Extension of the use of Condo Project Manager

In March, we announced that beginning in September 2022 we would require the use of Condo Project Manager (CPM™) to determine condo project eligibility for certain projects. While we encourage lenders to use CPM when completing a Full Review of a condo project, we are delaying the requirement to use CPM to allow additional time to address impacts to brokers and correspondents that may not have access to the application. More details about the implementation of this policy will be provided in a future announcement.

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.



## Impacted Topics

Section of the Announcement	Updated <i>Selling Guide</i> Topics (Dated Sept. 07, 2022)
Personal gifts	<ul style="list-style-type: none"> <li><a href="#">B3-4.3-04, Personal Gifts</a></li> </ul>