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From: CLD ABQ
Sent: Friday, August 13, 2021 3:33 PM
To: CLD ABQ
Subject: CHL: Fannie Mae & Freddie Mac, Retire Certain COVID-19 Policies



Correspondent Lending Dept.

WINK! COMMUNICATION

August 13, 2021

Fannie Mae and Freddie Mac Retire Certain COVID-19 Policies

LOAN TYPE:

All Programs **FNMA** **FHLMC** FHA VA HUD-184 USDA Non-Agency

EFFECTIVE DATE:

Immediately

WHAT I NEED TO KNOW!

The following Fannie Mae and Freddie Mac COVID-19 restrictions have been lifted and standard selling guidance may again be applied to each Conventional loan:

- **Restriction on Age of Credit Documentation –**
 - All income and asset documentation are no longer required to be dated no more than 60 days prior to the note date.
 - **EXCEPTION for Freddie Mac Loans:** When using rental income for property purchased or placed in service in the current calendar year and the lease is used to determine the net rental income, the documentation of rental payments for the most recent two months must still be dated no more than 60 days prior to the note date.

- **Restriction on Assets (Stocks, stock options and mutual funds) –**
 - Evidence of liquidation is no longer automatically required in all instances when used for down payment and/or closing costs as well as the restriction that no more than 70% of the balance can be used for reserves.

The remaining COVID-19 restrictions continue to be in effect until further notice, including but not limited to:

- Self-Employed Borrowers –
 - Verification that the business is open and operating
 - Requirements for qualifying income
- Purchase & Refinance requirements for borrowers with existing mortgages
- Guidance related to furloughs, lay-offs and unemployment compensation.

HOW DOES THIS AFFECT ME?

Good news!

- All loans not yet closed are no longer subject to the COVID restrictions noted above and may now implement standard selling guidance.

Continue to apply the remaining COVID-19 restrictions until further notice.