

BULLETIN #2015-10

TO: Distribution	DATE:	April 1, 2015
RE: Fannie Mae Delay of Self-Employed Borrower Guidelines	EFFECTIVE DATE:	Immediately

FANNIE MAE NOTICE: DELAY OF SELF-EMPLOYED INCOME POLICIES

Summary: Fannie Mae announced in SEL-2014-16 a number of changes and clarifications to the policy that pertains to underwriting self-employed borrowers. In addition, the Cash Flow Analysis (Form 1084) was also updated to reflect the policy updates and align with IRS tax forms and terminology.

In light of many questions, **Fannie Mae is delaying the mandatory implementation of the self-employed income policies** while the treatment of business income reported on Schedule K-1 is re-evaluated.

Sellers may continue to use the Fannie Mae Form 1084 dated 10/01 (or equivalent) to analyze qualifying income for DU loans. For K-1 income proof of history of income distribution to the borrower is not required as Fannie Mae is re-evaluating the treatment of business income reported on Schedule K-1.

Effective Date: Fannie Mae plans to announce changes or clarifications to the policy and the mandatory effective date in the future. Until such a time, CMG Correspondent loans must continue to meet current agency standards in regards to calculation of self-employed qualifying income.

References:

- [Fannie Mae Notice](#)
- [SEL 2014-16](#)

***Please contact your Correspondent Regional Manager or
your Correspondent Liaison with any questions.***

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