



Selling Guide Announcement (SEL-2026-02)

March 4, 2026

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

- [Income assessment policy updates and clarifications](#): updating Chapter B3-3, Income Assessment of the *Selling Guide* to enhance clarity and consistency in income policies
- [Texas Section 50\(a\)\(6\) appraisal requirements](#): clarifying appraisal review requirements permitted for Texas Section 50(a)(6) loans

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

Income assessment policy updates and clarifications

We updated Chapter B3-3, Income Assessment of the *Selling Guide* to make it more consistent and easier to navigate.

Chapter B3-3, Income Assessment has been restructured into a clearer, more modular format that includes:

- General income principles and income-type-specific requirements
- Separate topics for each income type (such as base income, retirement income, and variable income)
- Standard tables for each income type that consolidate documentation, history, continuity, and calculation requirements
- Consistent terminology and level of detail across income sources to reduce interpretation challenges

These updates introduce new policies, policy changes and clarifications to improve clarity and consistency. Given the extent of these revisions, an attachment to this Announcement provides a detailed summary of the updates. Additionally, a list of related new policies, policy changes, and clarifications arranged by *Selling Guide* topic is available on our [website](#).

Effective: Lenders may apply these changes immediately but must do so for loans with application dates on or after June 1, 2026. Desktop Underwriter® (DU®) will be updated in a future release to reflect these new requirements. Because the *Selling Guide* has been updated, prior versions remain available in the Selling and Servicing Policy [archives](#).



Texas Section 50(a)(6) appraisal requirements

This policy clarification allows lenders to use a desk review or field review to address deficiencies identified in new appraisals obtained in connection with Texas Section 50(a)(6) loans. When applicable, the desk review or field review must be

- obtained prior to the date of the note and mortgage; and
- attached with the appraisal to the written acknowledgment of “fair market value”.

Selling Guide [UAD 3.6 Policy Supplement](#) has been updated to reflect this clarification.

Effective: Lenders may take advantage of this clarification immediately.

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](#).



Attachment

The following table describes the changes made to Chapter B3-3, Income Assessment.

Headers	Summary
New Policy	
Alimony, Child Support, Equalization Payments, and Separate Maintenance	Adding requirements for Equalization Payments
Annuity, Pension or Retirement Income	Permitting personal and insurance annuity as allowable income types and outlining documentation and history of receipt requirements
Continuance of Income	Requiring income continuance to be based on the note date
Employment by a Family /Interested Party	Documenting and qualifying income when the borrower is employed by a family member or interested party
Employment Gaps	Adding guidance for borrowers with employment gaps in the most recent 12 months
Fixed Base Income	Enhancing clarity and consistency in the treatment of this income, including the definition of fixed base income, and providing guidance for income history
Housing (Parsonage) and Automobile Allowances	Outlining documentation requirements and reducing the required history of receipt for auto allowance from two years to one year
Pay Raises	Adding guidance for qualifying borrowers with a recent pay increase from the same employer
Public Assistance	Permitting Adoption Assistance as an acceptable public assistance income type, with verification that at least one payment has been received by the first due date
Seasonal Income	Providing guidance for calculating qualifying income
Section 8 Housing Choice Voucher Homeownership Program Payments	Requiring verification that at least one payment has been received by the first due date
Unemployment Benefit Income	Requiring income to be calculated by averaging the applicable months based on income trends
VA Benefits Income	Requiring verification that at least one payment has been received by the first due date and adding income continuance requirements
Variable Base Income	Clarifying requirements by defining variable base income, providing an alternative calculation method, and addressing when an employment job gap may be excluded



Headers	Summary
Updated Policy	
Bonus, Commission, Overtime, and Tip Income	Creating a single consolidated section addressing qualifying income and exclusion of job gaps due to documented non-recurring events
Employment Offers or Contracts	Requiring a verbal VOE for both options and clarifying guidance on the executed offer or contract
Foster Care Income	Revising documentation requirements and establishing that income must be calculated by averaging the applicable months based on income trends
Long-Term Disability	Establishing a requirement for the lender to verify receipt of at least one payment by the first due date
Military Income	Incorporating National Guard and Reserve members as eligible borrowers for military income, and providing additional guidance on the treatment of allowances
Secondary Employment	Eliminating the reference to secondary employment and introducing a standalone section clarifying requirements when a borrower is simultaneously employed in more than one job
Temporary Leave Income	Providing guidance on income continuance requirements during a period of temporary leave



Impacted Topics

Section of the Announcement	Updated <i>Selling Guide</i> Topics (Dated March 04, 2026) <i>Note: Only new topic titles for income assessment changes are highlighted; all other projects are highlighted as usual.</i>
Income assessment policy updates and clarifications	<p>Section B3-3.1, General Income Requirements (<i>Title Change</i>)</p> <ul style="list-style-type: none">▪ B3-3.1-01, General Income Information▪ B3-3.1-02, Tax Return and Transcript Documentation Requirements▪ B3-3.1-03, Income Calculator▪ B3-3.1-04, Verbal Verification of Employment <p>Section B3-3.2, Requirements for Employment-Related Income (<i>New</i>)</p> <ul style="list-style-type: none">▪ B3-3.2-01, Standards for Employment and Income Documentation▪ B3-3.2-02, Standards for Employment-Related Income <p>Section B3-3.3, Sources of Employment-Related Income (<i>New</i>)</p> <ul style="list-style-type: none">▪ B3-3.3-01, Base Income▪ B3-3.3-02, Bonus, Commission, Overtime and Tip Income▪ B3-3.3-03, Employment Offers or Contracts▪ B3-3.3-04, Housing (Parsonage) and Automobile Allowances▪ B3-3.3-05, Military Income▪ B3-3.3-06, Mortgage Differential Payments Income▪ B3-3.3-07, Restricted Stock Units and Restricted Stock Employment Income▪ B3-3.3-08, Seasonal Income▪ B3-3.3-09, Temporary Leave Income <p>Section B3-3.4, Other Sources of Income (<i>New</i>)</p> <ul style="list-style-type: none">▪ B3-3.4-01, General Requirements for Other Sources of Income▪ B3-3.4-02, Alimony, Child Support, Equalization Payments or Separate Maintenance▪ B3-3.4-03, Annuity, Pension, or Retirement Income▪ B3-3.4-04, Boarder Income▪ B3-3.4-05, Capital Gains Income▪ B3-3.4-06, Employment Related Assets as Qualifying Income▪ B3-3.4-07, Foster-Care Income



	<ul style="list-style-type: none">▪ B3-3.4-08, Interest and Dividend Income▪ B3-3.4-09, Long-term Disability Income▪ B3-3.4-10, Mortgage Credit Certificates▪ B3-3.4-11, Notes Receivable Income▪ B3-3.4-12, Public Assistance Income▪ B3-3.4-13, Royalty Payment Income▪ B3-3.4-14, Section 8 Housing Choice Voucher Homeownership Program Payments▪ B3-3.4-15, Social Security Income▪ B3-3.4-16, Trust Income▪ B3-3.4-17, Unemployment Benefits Income▪ B3-3.4-18, VA Benefits Income▪ B3-3.4-19, Schedule K-1 Income <25% Ownership <p>*Section B3-3.5, Self-Employment Income</p> <p>*Section B3-3.6, Self-Employment Documentation Requirements for an Individual</p> <p>*Section B3-3.7, Self-Employment Documentation Requirements for a Business</p> <p>Section B3-3.8, Rental Income (New)</p> <ul style="list-style-type: none">▪ B3-3.8-01, Rental Income Introduction (Formerly B3-3.1-08; no content change)
Texas Section 50(a)(6) appraisal requirements	<ul style="list-style-type: none">▪ B5-4.1-03, Texas Section 50(a)(6) Loan Underwriting, Collateral, and Closing Considerations

*No content changes. Section numbers updated only.