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Date: November 8, 2006
To: All Fannie Mae Single-Family Mortgage Sellers
Subject: LL05-06 Uniform Instruments in Spanish

As part of the outreach effort to increase homeownership among the Hispanic population, Fannie Mae recently released, with Freddie Mac, 83 non-executable Spanish translations of the Fannie Mae/Freddie Mac Uniform Instruments to help lenders and others in the residential mortgage industry better serve Spanish-language dominant consumers. Fannie Mae also has released 25 Fannie Mae-only instruments in Spanish in non-executable form.

The translations are meant to complement the English-language documents that mortgage borrowers sign. These non-executable forms are intended to provide borrowers who are Spanish-language dominant with information that will help them to more completely understand the terms of the documents they will sign when they obtain a mortgage loan to purchase a home. We encourage lenders to distribute the Spanish documents early in the loan application process, so that borrowers will have the opportunity to become familiar with the mortgage terms that are included in the English forms they will execute at closing. The executable documents will continue to be in English.

Fannie Mae has not established that Spanish documents can be used in all jurisdictions, and even where they can be used, Spanish translations may not have the same legal effect as the standard English documents. Consequently, the Spanish forms are not intended for use as legal documents on which mortgage loans should be originated. For this reason, the Fannie Mae/Freddie Mac Spanish versions of the Uniform Instruments do not contain signature lines, and include a disclaimer to the effect that they are for information only.

These Spanish documents are not uniform instruments as required in Part IV of the Selling Guide. At this time, the executable documents will continue to be English, but Fannie Mae is working with Freddie Mac to develop uniform instruments that are executable Spanish language or interlineated documents, which we expect to be available to lenders in 2007.

Like all Fannie Mae uniform instruments, the Spanish documents are subject to copyright by Fannie Mae (and also by Freddie Mac, in the case of Fannie Mae/Freddie Mac documents), and are available on efanniemae.com. Lenders may use these documents pursuant to the license posted on efanniemae.com. If the documents are altered, the tag line must be changed either to delete references to Fannie Mae or to add a line indicating that a change has been made and by whom.

Lenders should contact their Customer Account Manager or Servicing Specialist if they have questions about this Lender Letter.

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