



**To:** All Customers **From:** Credit Policy  
**Date:** 01/28/21 **Memo#:** 21016  
**Subject:** COVID Self-Employment Requirement Clarification- Conventional

Fannie Mae and Freddie Mac periodically issue updated FAQs to provide additional information pertaining to the temporary requirements in response to COVID-19. The [Temporary COVID Guidelines](#) will be updated to reflect the recently announced clarification regarding self-employment documentation requirements based on applications taken in 2021.

### TEMPORARY SELF-EMPLOYMENT REQUIREMENTS

Clarification has been added to the existing requirements that the Profit and Loss statement (P&L) must include a minimum 3-month look back period to ensure there is sufficient information to determine the extent of which a business has been impacted by COVID-19.

The YTD profit and loss statement information must cover the greater of:

- Three calendar months (which may require reporting of prior and current calendar year information), or
- All of the YTD information for the current calendar year

For Example:

Application Date	P&L must report	When unaudited, account statements include...
January 2021	January through December 2020	October, November, December 2020
February 2021	November and December 2020 and January 2021	November and December 2020 and January 2021
June 2021	January through May 2021	March, April, May 2021

Please refer to the [Temporary COVID Guidelines](#) for complete details.

### ADDITIONAL RESOURCES

Fannie Mae: [COVID-19 Frequently Asked Questions-Selling](#)

Freddie Mac: [COVID-19 Selling-Related Frequently Asked Questions](#)