

ALTA News Room

Fannie Mae Issues New Addendum for REO Properties

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For many years, Fannie Mae used nearly the same addendum for REO sales as banks. The addendum stated the buyer must use the seller's title agents and cost of transfer taxes and stamps would be the buyer's responsibility.

Fannie Mae issued a new addendum that allows a buyer to select his or her own title agent.

The addendum now states "The closing shall be held at a place so designated and approved by the Purchaser."

This is a turnaround from previous versions wherein it stated that the purchaser must use the seller's title agent.

Additionally, the contract no longer states that regardless of local custom, Fannie Mae will not pay any portion of the transfer taxes and stamps.