

Renting Out Your Current Home: The New Rules

Fannie Mae changed how rent on the home you are leaving counts. Effective November 1, 2026, earlier at many lenders.



WHAT CHANGED

A signed lease no longer proves rent on a departing residence. The lender must document market rent with an appraisal rent schedule (Form 1007) or three comparable rentals from Zillow, Redfin, or the MLS. Only 75% of that rent counts, and it can only cancel the old payment, never add to your income. New landlords (under 12 months experience) need six months of the old payment in reserves.

EXAMPLE: \$2,500 PAYMENT ON THE HOME YOU ARE LEAVING

SCENARIO	AMOUNT	WHAT IT MEANS
Market rent supports	\$3,000	75% = \$2,250. Short by \$250, which is added to your debts.
Market rent supports	\$3,400	75% = \$2,550. Old payment fully offset. Extra \$50 does not count as income.
Signed lease at	\$3,600	Irrelevant under the new rule. Only the comps matter.
Reserves if new landlord	\$15,000	Six months of \$2,500, on top of down payment and closing costs.

FREDDIE MAC DID NOT MAKE THIS CHANGE

Freddie still accepts a lease on a departing residence, so a file that fails the new Fannie math may still work run the other way. Ask for both paths before you accept a no.

BEFORE YOU SHOP

- ✓ Pull three real rental comps in your subdivision
- ✓ Divide your payment by 0.75: that is the rent you need
- ✓ Count six months of the old payment as reserves
- ✓ Apply before your lender's October cutoff if you rely on a lease
- ✓ Landlord 12+ months? Document it, the reserve rule is waived



Let's run your real numbers.

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