



WHOLESALE ANNOUNCEMENT 2023-45

September 20, 2023

Fannie Mae Updates

Effective Date

Application dates on or after November 1, 2023

Guideline Updates:

Trust Income

- Funds used from a trust for down payment, closing costs, or reserves must be subtracted from the total funds available to determine if the income meets the requirements in Continuity of Income
- Additionally, Fannie is differentiating treatment of variable and fixed trust payments as follows:
 - Variable trust payments require a minimum 24-month history of receipt and must be documented with two years of tax returns
 - Fixed trust payments require a minimum 12-month history of receipt (unless certain conditions apply). If the borrower is unable to document a 12-month history, the trust documentation must reflect
 - Fixed payments,
 - The borrower is not the grantor of the trust, and
 - At least one payment must be received prior to loan closing
- In both cases, proof of current receipt of the income is required and must be documented with a current bank statement or equivalent documentation
- When eligible employment-related assets are liquidated and placed in a trust within 12 months of the loan's application date, the lender must comply with the policies in Employment-Related Assets as Qualifying Income

Fannie Mae Product Announcement has been posted on FCM's

[Wholesale Knowledge Center](#)

Should you have any questions, please reach out to your Account Executive or Client Manager