



WHOLESALE ANNOUNCEMENT 2024-52

July 18, 2024

Fannie Mae
Updates

Effective Date

Effective for loans submitted or resubmitted on or after August 17, 2024

Update/Summary

Asset validation up to total balance of liquid accounts

- Currently DU will attempt to validate assets only up to the Total Funds to be Verified Amount. With this update, DU will validate the greater of:
 - The sum of the liquid in the asset verification report less any large deposits (where applicable); or
 - The Total Funds to be Verified amount
- DU will issue a new message providing the Total Funds to Be Verified amount and the amount of funds that have been validated. When liquid assets are not greater than Total Funds to be Verified, DU will continue to evaluate non-liquid accounts

Considering proceeds from the pending sale of real estate (net equity) when validating assets observed in the asset verification report

- Currently, DU does not consider net equity reported on the loan application when validating assets. DU will validate assets when the sum of the eligible accounts in the asset verification report plus the net equity funds is greater than or equal to the Total Funds to be Verified amount. DU will issue a new message providing the amount of assets validated using the asset verification report, and the amount of funds from the pending property sale that have not been validated.
- The Selling Guide requirements related to documentation of net equity, any large deposits identified by DU, and any gift funds must be followed

Evaluating assets when reported assets are not sufficient to cover closing costs

- Currently, DU will not attempt to validate assets when assets provided on the loan application are not sufficient to cover the Funds Required to Close amount. When assets listed on the loan application are less than the Funds Required to Close amount, but the assets observed in the asset verification report are greater than or equal to the Total Funds to be Verified amount, a new message will be issued indicating that assets could be validated if assets listed on the loan application are updated to be greater than or equal to the Funds Required to Close amount.

Messaging about assets observed in the asset verification report

- When DU evaluates an asset verification report, a new message will be issued listing all eligible accounts that appear on the asset verification report, including the current balance and owner(s) listed for each account

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