



# WHOLESALE ANNOUNCEMENT 2026-22

March 4, 2026

## Fannie Mae Federal Government Shutdown

### Effective Date

Effective Immediately

### Update:

#### **Selling Policies – Employment directly affected by the shutdown**

For borrowers employed by the federal government or other individuals whose employment is directly impacted by the shutdown, a loan is not rendered ineligible for purchase or securitization by Fannie Mae solely based upon the shutdown. The following guidance relates to Fannie Mae's standard employment policies for such individuals.

**Verification of employment:** Lenders should continue to attempt to obtain the verbal VOE before delivery of the loan as required in B3-3.1-07, Verbal Verification of Employment. Fannie Mae believes VOEs for the majority of government employees and other workers impacted by the shutdown will continue to be readily available from automated systems or third-party service providers.

- If the lender is unable to obtain the verbal VOE due to the shutdown, Fannie Mae will waive the verbal VOE requirement if the lender documents the loan file with a written statement describing:
  - the steps the lender took to obtain the verbal VOE, and
  - that the requirement could not be met as a direct result of the shutdown.
- The lender warrants that the borrower is employed at the time the loan is delivered to Fannie Mae, unless employment has been validated by the Desktop Underwriter validation service.
- **Validation of employment by the DU validation service will result in loans remaining eligible for representation and warranty relief provided the lender complies with the "close by" date in the DU message and the requirements in B3-2-02, DU Validation Service.** Otherwise, the standard guidance provided above related to obtaining a VOE will apply.
- For borrowers in the military whose employment is not validated by the DU validation service, the Selling Guide currently allows for a Leave and Earnings Statement dated within 120 calendar days prior to the note date in lieu of a verbal VOE.
- If a borrower is furloughed, the loan remains eligible for sale, provided the lender has been able to obtain all required income documentation prior to delivery of the loan. Income documentation must continue to meet our Selling Guide requirements for age of credit documents in B1-1-03, Allowable Age of Credit Documents and Federal Income Tax Returns.

**NOTE:** *The requirements for temporary leave income in B3-3.1-09, Other Sources of Income, do not apply to borrowers who have been furloughed.*

**Paystubs:** Fannie Mae is waiving the requirement that the paystub be dated no earlier than 30 days prior to the initial loan application date as required by B3-3.1-02, Standards for Employment Documentation. Lenders must continue to comply with all other requirements in that topic, including obtaining the most currently available paystub that reflects year-to-date earnings.



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**Financial reserves:** If the shutdown extends for a longer period, Fannie Mae will implement the following minimum reserve requirement to compensate for the risk associated with the interruption of the borrower's income. If the government shutdown is still in effect for loans with application dates on or after March 16, 2026, the borrower must have the greater of:

- two months of documented reserves, or
- for loan casefiles underwritten through DU, the amount of reserves required by DU (with overlays as required by the Selling Guide for certain transactions); or for manually underwritten loans, the amount of reserves required for the transactions per the Eligibility Matrix and the Selling Guide.

### Servicing Policies

The shutdown may impact a borrower's ability to make scheduled mortgage loan payments. To assist borrowers who are unable to make their monthly contractual payment as a result of the shutdown, Fannie Mae is reminding servicers that they are authorized to evaluate the borrower for a forbearance plan in accordance with Servicing Guide D2-3.2-01, Forbearance Plan.

A borrower who is currently performing on a repayment plan or a Fannie Mae Flex Modification Trial Period Plan and is impacted by the shutdown may seek consideration for a forbearance plan. If the borrower does convert from a repayment plan or a Trial Period Plan to a forbearance plan, the borrower may subsequently be eligible for a workout option upon successful completion of the forbearance plan

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