Announcement

November 8, 2025

Subject: **Temporary Guidance: Federal Government Shutdown Impact**

To: **All**

Effective Date: **Immediate**

FlexPoint Inc. Dba Broker First Funding is providing the following temporary guidance on policies that may be impacted by the federal government shutdown that began October 1, 2025.

These temporary policies are effective immediately and will automatically expire when the federal government resumes full operations. The flexibilities outlined below apply only when the impacted requirements cannot be met due to the shutdown.

Fannie Mae / Freddie Mac (GSEs)

- All income and employment documentation requirements including the 10-day pre-close VVOE are met, except as stated in this section.
    - Year-to-date (YTD) paystubs may be dated more than 30 days before the application received date, provided that the YTD paystub is from the pay period that immediately precedes the shutdown-related payroll interruption
- An attempt to obtain the 10-day pre-close Verbal Verification of Employment (VVOE) and the 24 to 48-hour pre-wire VVOE remains required for all borrowers impacted by the shutdown.
    - If the VVOE cannot be obtained due to the shutdown, the VVOE requirement may be waived if a written statement is in the file describing the following:
        - the steps the funder took to obtain the verbal VOE, and
        - that the requirement could not be met as a direct result of the shutdown
    - Fannie Mae programs: Employment validated through DU's validation service remains eligible for representation and warranty relief for employment, provided the note date of the subject transaction is on or before the "close by" date stated in the DU employment validation message.
    - Freddie Mac programs: Employment validated through LPA's AIM (Using Employment Data) remains eligible for representation and warranty relief for employment, provided that the note date of the subject transaction is on or before the "close by" date stated on the last feedback certificate.
- FlexPoint Inc. dba Broker First Funding (BFF) believes that Employment validated through LPA's AIM (Using Employment Data) remains eligible for representation and warranty relief for employment, provided that the note date of the subject transaction is on or before the "close by" date stated on the last feedback certificate.
- For military borrowers, a military Leave and Earnings Statement dated no more than 120 days prior to the note date is permitted to meet VVOE requirements.
- For applications dated on or after November 3, 2025, provided the shutdown is still ongoing, borrowers must document reserves meeting the greater of:
    - Two months of documented reserves, or
    - The amount of reserves required per the (with additional reserves as required by the applicable GSE Selling Guide for certain transactions).

FHA and VA Loans:
FlexPoint Inc. dba Broker First Funding (BFF), we are fully committed to adhering to all Agency requirements concerning employment, income and reserves.

Jumbo, Non-QM and Closed-End Second

- Borrowers are eligible, provided income impacted by the government shutdown is not used for qualification purposes, except for active-duty military.
- All reserve requirements remain in effect.

If you have any questions regarding this announcement, please contact your manager or your assigned Account Executive.

Thank you,
BFF Credit Team