

Reviewing Income: Exercises

September 2023

Enact Mortgage Insurance Corporation and Enact Mortgage Insurance Corporation of North Carolina
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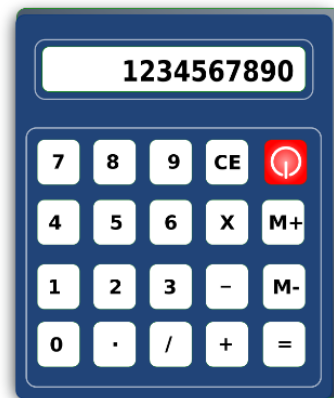
Recommended Prerequisites

- Understanding Desktop Underwriter- The Basics
- Understanding Loan Product Advisor- The Basics
- Calculating Income Part I: Income Documentation and Review
- Review and Calculate Miscellaneous Employment Income
- Review and Calculate Miscellaneous Non-Employment Income

Income Calculation

Annual	Salary/ 12 months
Weekly- Every Week	Weekly Base x 52 / 12 months
Bi-Weekly- Every Two Weeks	Bi-Weekly Base x 26/ 12 months
Bi-Monthly- Twice a Month	Bi-Monthly Base x 2
Hourly- Per Hours Worked	Hourly Rate x # of Hours Per Week x 52/ 12 months
Pier Diem, Commissions, OT...	Average over 24 month Period

Always show your work!



Gross Monthly Income	
Base	\$ _____ /month
Overtime	\$ _____ /month
Bonus	\$ _____ /month
Commission	\$ _____ /month
Military Entitlements	\$ _____ /month
Other	\$ _____ /month
TOTAL	\$ _____ /month

Underwriter Math



Loan Officer Math

$$2 + 2 = 5$$

Calculators

Enact[®]

GET A QUOTE

UNDERWRITING

SOLUTIONS

RESOURCES

Income Calculation Tools by Enact MI

We get it, mental math is hard. That's why Enact provides a collection of downloadable calculators and reference guides to help you analyze a self-employed borrower's average monthly income and expenses.

Please note that these tools offer suggested guidance, they don't replace instructions or applicable guidelines from the GSEs.

Due to various internet browser
Please not



Income Calculation Worksheet

Use this form to calculate income. UPDATED

Enact[®] Income Calculation Worksheet

Borrower Name: _____ Loan Number: _____
Employer: _____ Date: 7/26/2021

Pay Type

Hourly

Per Hour	0	# of hours	X52/12	\$ -	Income
YTD Earnings:	0	# months			Income
W2 for Tax Year:	0	# months			Income
W2 for Tax Year:	0	# months			Income

Per Hour
 YTD Avg
 YTD + 1 Yr W2 Avg
 YTD + 2 Yr W2 Avg

\$ - Use lowest income or check the income you wish to use \$ -

Salary Type of Salary

<https://enactmi.com/self-employed-borrower-calculators>

Enact[™]

Income Calculation Exercises

Keep in Mind:

**Sometimes there are
several ways to calculate
income!**

Verifying Employment History

Two year history is required on the 1003 for all applicants

- Spell out the full, complete business name and address.
- Correctly identify type of employment:
 - Does the borrower receive a W-2 or 1099?
 - If the borrower owns 25% or more of the business, they are self-employed.
 - Note- A borrower may be self-employed and get a W-2 from that business.
- Years on job and employed in line of work will be compared to job title and credit report.
- Title/Type of Business should convey enough information to:
 - Convey what duties the borrower performs.

1b. Current Employment/Self Employment and Income		<input type="checkbox"/> Does not apply
Employer or Business Name _____ Phone (____)____ - _____		Gross Monthly Income Base \$ _____/month Overtime \$ _____/month Bonus \$ _____/month Commission \$ _____/month Military Entitlements \$ _____/month Other \$ _____/month TOTAL \$ _____/month
Address _____		
City _____ State _____ Zip _____		
Position or Title _____	Check if this statement applies: <input type="checkbox"/> I am employed by a family member, property seller, real estate agent, or other party to the transaction.	
Start Date ____/____/____ (mm/yyyy)		
How long in this line of work? ____ Years ____ Months		
<input type="checkbox"/> Check if you are the Business Owner or Self-Employed	<input type="radio"/> I have an ownership share of less than 25%. <input type="radio"/> I have an ownership share of 25% or more.	Monthly Income (or Loss) \$ _____

Verifying the Qualifying Income

A minimum history of two years of employment is recommended. However, in certain circumstances income that has been received for a shorter period of time may be acceptable. Each file is reviewed individually.

Base Pay (Salary and Hourly)

Obtain the following documents:

- A Completed Verification of Employment, (VOE) a/k/a Form 1005 or
- The Borrower's Recent Paystub & W-2 Forms (covering the most recent two-year period). A written VOE may be required to document the income types included on the W-2.
 - The paystub must be dated no earlier than 30 days prior to the initial loan application and it must include all y-t-d earnings.
 - They must be computer generated or typed by the employer.
- A Verbal Verification of Employment (VVOE)- Fannie Mae
 - PCV- Freddie Mac
- Fannie Mae & Freddie Mac require lenders to have each borrower complete and sign a separate IRS Form 4506-C or alternative at or before closing if any income is being used in the transaction.

Meet Borrower Penny

- What Income Documents Will Penny Need to Provide?

1b. Current Employment/Self-Employment and Income

Does not apply

Employer or Business Name Hunt Valley Chapel Phone (800) 555 – 2211
Street 14432 Spiritual Way Unit #
City Hunt Valley State MN ZIP 55243 Country USA

Position or Title Jr Pastor

Start Date 01 / 04 / 2022 (mm/dd/yyyy)

How long in this line of work? 1 Years 3 Months

Check if this statement applies:

- I am employed by a family member, property seller, real estate agent, or other party to the transaction.

Verifying Previous Employment History

1d. Previous Employment/Self-Employment and Income ONLY IF your Current Employment is LESS than 2 years.		<input type="checkbox"/> Does not apply
Employer or Business Name _____	<input type="checkbox"/> Check if you were the Business Owner or Self-Employed	Previous Gross Monthly Income
Address _____		\$ _____
City _____ State <input type="text" value="v"/> Zip _____		
Position or Title _____		
Start Date ____ / ____ (mm/yyyy) End Date ____ / ____ (mm/yyyy)		

For Freddie Mac, For A Borrower Who Experienced Recent Employment Gaps (e.g. 30 Days), Although A Letter Of Explanation Is Not Required, The Seller Remains Responsible For Establishing The Employment Is Stable, Which May Require Analysis Of Recent Employment Gaps; Guide Section 5303.2(a)(i)

Pay Statement Review

How frequently is Penny Paid?

Pay Period Start Date	Pay Period End Date	Check Date	Voucher	Gross Amount	Net Amount
03/14/2023	03/31/2023	03/31/2023	3802034	1,543.72	1,316.29
Pay Type	Hours	Rate	Amount	Year To Date	
Clergy Salary	0.000	1,116.6700	1,116.67	6,700.02	
Clergy SEC	86.670	104.5500	104.55	627.30	
Clergy TAuto	0.000	37.5000	37.50	225.00	
Clergy Tax Cell	0.000	35.0000	35.00	210.00	
Housing	0.000	250.0000	250.00	1,500.00	
Gross Pay:			1,543.72	9,262.32	
Tax Type	State	Locality	Amount	Year To Date	
FIT			160.67	964.03	
Income Tax	Minnesota		66.76	400.56	
Tax Totals:			227.43	1,364.59	
Deduction	Amount	Year To Date	Employer Paid	Employer Year To Date	
Life / AD&D			4.03	24.18	
Long Term Dis.			3.23	19.38	
Deduction Totals:	0.00	0.00	7.26	43.58	

2023		MARCH				
SUN	MON	TUE	WED	THU	FRI	SAT
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

What is Penny's Base Income?

Pay Period Start Date	Pay Period End Date	Check Date	Voucher	Gross Amount	Net Amount
03/14/2023	03/31/2023	03/31/2023	3802034	1,543.72	1,316.29
Pay Type	Hours	Rate	Amount	Year To Date	
Clergy Salary	0.000	1,116.6700	1,116.67	6,700.02	
Clergy SEC	86.670	104.5500	104.55	627.30	
Clergy TAuto	0.000	37.5000	37.50	225.00	
Clergy Tax Cell	0.000	35.0000	35.00	210.00	
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FIT			160.67	964.03	
Income Tax	Minnesota		66.76	400.56	
Tax Totals:			227.43	1,364.59	
Deduction	Amount	Year To Date	Employer Paid	Employer Year To Date	
Life / AD&D			4.03	24.18	
Long Term Dis.			3.23	19.38	
Deduction Totals:		0.00	0.00	7.26	43.58

What is Penny's Base Income?

Salary		Type of Salary					
<input type="checkbox"/>		Monthly	X1	=	\$ -	Income	
<input type="checkbox"/>	\$ 1,116.00	Bi Weekly	X26/12	=	\$ 2,418.00	Income	
<input type="checkbox"/>	\$ 1,116.67	Semi Monthly	X24/12	=	\$ 2,233.34	Income	
<input type="checkbox"/>		Weekly	X52/12	=	\$ -	Income	

What is Penny's Base Income Y-T-D?

Pay Period Start Date	Pay Period End Date	Check Date	Voucher	Gross Amount	Net Amount
03/14/2023	03/31/2023	03/31/2023	3802034	1,543.72	1,316.29
Pay Type	Hours	Rate	Amount	Year To Date	
Clergy Salary	0.000	1,116.6700	1,116.67	6,700.02	
Clergy SEC	86.670	104.5500	104.55	627.30	
Clergy TAuto	0.000	37.5000	37.50	225.00	
Clergy Tax Cell	0.000	35.0000	35.00	210.00	
Housing	0.000	250.0000	250.00	1,500.00	
Gross Pay:			1,543.72	9,262.32	

\$	6,700.02	YTD Salary (paytsub)	3	# months
		W2 income	0	# months
		W2 Income	0	# months

\$	2,233.34	Monthly Avg
		Income
		Income

Which Income is supported?

\$	6,700.02	YTD Salary (paysub)	3	# months
		W2 income	0	# months
		W2 Income	0	# months

\$	2,233.34	Monthly Avg
		Income
		Income

Salary	Type of Salary					
<input type="checkbox"/>		Monthly	X1	=	\$ -	Income
<input type="checkbox"/>	\$ 1,116.00	Bi Weekly	X26/12	=	\$ 2,418.00	Income
<input type="checkbox"/>	\$ 1,116.67	Semi Monthly	X24/12	=	\$ 2,233.34	Income
<input type="checkbox"/>		Weekly	X52/12	=	\$ -	Income

Verifying Non-Employment Income

Te. Income from Other Sources

Does not apply

Include income from other sources below. Under Income Source, choose from the sources listed here:

- Alimony
- Automobile Allowance
- Boarder Income
- Capital Gains
- Child Support
- Disability
- Foster Care
- Housing or Parsonage
- Interest and Dividends
- Notes Receivable
- Public Assistance
- Mortgage Credit Certificate
- Mortgage Differential Payments
- Retirement (e.g., Pension, IRA)
- Royalty Payments
- Separate Maintenance
- Social Security
- Trust
- Unemployment Benefits
- VA Compensation
- Other

NOTE: *Reveal alimony, child support, separate maintenance, or other income ONLY IF you want it considered in determining your qualification for this loan.*

Income Source – use list above	Monthly Income
▼	\$
▼	\$

Can Penny use her Auto Allowance?

1b. Current Employment/Self-Employment and Income

Does not apply

Employer or Business Name Hunt Valley Chapel Phone (800) 555 - 2211
 Street 14432 Spiritual Way Unit #
 City Hunt Valley State MN ZIP 55243 Country USA

1b. Current Employment/Self-Employment and Income

Does not apply

Employer or Business Name Hunt Valley Chapel Phone (800) 555 - 2211
 Street 14432 Spiritual Way Unit #
 City Hunt Valley State MN ZIP 55243 Country USA

Position or Title Jr Pastor

Start Date 01 / 04 / 2022 (mm/dd/yyyy)

How long in this line of work? 1 Years 3 Months

Check if this statement applies:

I am employed by a family member, property seller, real estate agent, or other party to the transaction.

Pay Period Start Date	Pay Period End Date	Check Date	Voucher	Gross Amount	Net Amount
03/14/2023	03/31/2023	03/31/2023	3802034	1,543.72	1,316.29
Pay Type	Hours	Rate	Amount	Year To Date	
Clergy Salary	0.000	1,116.6700	1,116.67	6,700.02	
Clergy SEC	86.670	104.5500	104.55	627.30	
Clergy TAuto	0.000	37.5000	37.50	225.00	
Clergy Tax Cell	0.000	35.0000	35.00	210.00	
Housing	0.000	250.0000	250.00	1,500.00	
Gross Pay:			1,543.72	9,262.32	

Auto Allowance - Fannie Mae

For an automobile allowance to be considered as acceptable stable income, the borrower must have received payments for at least two years. The lender must add the full amount of the allowance to the borrower's monthly income, and the full amount of the lease or financing expenditure to the borrower's monthly debt obligations.

B3-3.1-09, Other Sources of Income (12/15/2021)

<https://selling-guide.fanniemae.com/>

Freddie Mac – Auto Allowance

History of receipt: Two years, consecutive¹

Continuance: Must be likely to continue for at least the next three years

Calculation: The Seller may add the full amount of the allowance to the Borrower's qualifying income, and when calculating the Borrower's debt payment-to-income ratio, the Seller must include the full amount of the monthly automobile financing expense in the calculation of the Borrower's monthly debt payment (refer to [Section 5401.2](#)). The Seller may not subtract the automobile allowance from the monthly automobile financing expense.

Documentation Requirements with Streamline Accept and Standard All of the following:

All of the following:

YTD paystub(s) documenting all YTD earnings, W-2 forms for the most recent two calendar years and a 10-day PCV

Or all of the following:

Written VOE documenting all YTD earnings and the earnings for the most recent two calendar years and a 10-day PCV

Can Penny use her Housing Allowance?

1b. Current Employment/Self-Employment and Income

Does not apply

Employer or Business Name Phone () -
 Street Unit #
 City State ZIP Country

1b. Current Employment/Self-Employment and Income

Does not apply

Employer or Business Name Phone () -
 Street Unit #
 City State ZIP Country

Position or Title

Start Date / / (mm/dd/yyyy)

How long in this line of work? Years Months

Check if this statement applies:

I am employed by a family member, property seller, real estate agent, or other party to the transaction.

Pay Period Start Date	Pay Period End Date	Check Date	Voucher	Gross Amount	Net Amount
03/14/2023	03/31/2023	03/31/2023	3802034	1,543.72	1,316.29
Pay Type	Hours	Rate	Amount	Year To Date	
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Clergy TAuto	0.000	37.5000	37.50	225.00	
Clergy Tax Cell	0.000	35.0000	35.00	210.00	
Housing	0.000	250.0000	250.00	1,500.00	
Gross Pay:			1,543.72	9,262.32	

Fannie Mae Housing or Parsonage Allowance

A housing or parsonage allowance may be considered qualifying income if there is documentation that it has been received for the most recent 12 months and the allowance is likely to continue for the next three years. The housing allowance may be added to income but may not be used to offset the monthly housing payment.

B3-3.1-09, Other Sources of Income (12/15/2021)

<https://selling-guide.fanniemae.com/>

Freddie Mac – Housing or Parsonage Allowance

History of receipt: Most recent 12 months

Continuance: Must be likely to continue for at least the next three years

Calculation: Use the documented monthly payment amount

Documentation Requirements with Streamline Accept and Standard Documentation Levels:

- Written verification of employment (VOE), a letter from the employer or paystubs documenting the amount of the housing or parsonage allowance and the terms under which it is paid, and
- Documented evidence of the most recent 12 months' receipt of the housing or parsonage allowance

The housing allowance may not be used to offset the monthly housing payment.

Housing or parsonage allowance (for military housing entitlements refer to [Section 5303.3\(d\)](#)). For housing allowance received pursuant to an employee relocation program, refer to [Section 4408.3 \(c\)](#)

Freddie Mac Selling Guide 5305.2 Specific requirements for other income types

What Additional Documentation should be Reviewed?

Hunt Valley Chapel 14432 Spiritual Way Hunt Valley, MN 55243 (952) FINDWAY		Voucher: 3802034 Date: 03/31/2023
	ACCOUNT # DEPOSITED TO	AMOUNT \$1,316.29
Pay to the order of: Penny Public	C**8110	1,316.29
NON-NEGOTIABLE	NON-NEGOTIABLE	NON-NEGOTIABLE

FIRST Federal Savings

P.O. Box 1801
Saint Paul, Minnesota

Penny Public
1120 181 Court
Lakeville, MN 55044

Uni-Statement

Account Number:

Deposits / Credits

Date	Description of Transaction	Ref Number	Amount
Mar 15	Electronic Deposit From HUNT VALLEY CHAPEL REF=16071008709149 PAYROLL 1223281865		\$ 1,316.29
Mar 24	Mobile Banking Transfer From Account 204784202135		50.00
Mar 29	Visa Direct SQC* Sarah Green	5103282031	9.50
Mar 31	Electronic Deposit From HUNT VALLEY CHAPEL REF=16089006726259N PAYROLL 1223281865		1,316.29
Apr 1	Visa Direct SQC*Brooke Brown	4304011426	10.00
Apr 13	Mobile Banking Transfer From Account 204784202135		1,000.00
Total Deposits/Credits			\$ 3,702.08

By Phone:
Minneapolis
Metro Area
Telecommu
for the Dea
Internet:

FIRST FEDERAL SILVER CHECKING

Account Summary

Beginning Balance on Feb 13	\$ 743.72	Number of I
Deposits / Credits	3,702.08	Average Ac
Card Withdrawals	14.00 -	Customer S
Other Withdrawals	\$ 3,332.65 -	
Ending Balance on Apr 14, 2022	\$ 1,099.15	

Deposits / Credits

Date	Description of Transaction	Ref Number	Amount
Mar 15	Electronic Deposit From HUNT VALLEY CHAPEL REF=16071008709149 PAYROLL 1223281865		\$ 1,316.29
Mar 24	Mobile Banking Transfer From Account 204784202135		50.00
Mar 29	Visa Direct SQC* Sarah Green	5103282031	9.50
Mar 31	Electronic Deposit From HUNT VALLEY CHAPEL REF=16089006726259N PAYROLL 1223281865		1,316.29
Apr 1	Visa Direct SQC*Brooke Brown	4304011426	10.00
Apr 13	Mobile Banking Transfer From Account 204784202135		1,000.00
Total Deposits/Credits			\$ 3,702.08

Card Withdrawals

Card Number: xxxx-xxxx-xxxx-9435

Date	Description of Transaction	Ref Number	Amount
Mar 21	Debi Purchase - VISA On 031817 SHAKOPEEMN	9071031899	\$ 14.00-
	SHAKOPEE THEATRE REF # 24056238079071031898209		
Card 9435 Withdrawals Subtotal			\$ 14.00-
Total Card Withdrawals			\$ 14.00-

Other Withdrawals

Date	Description of Transaction	Ref Number	Amount
Mar 15	Electronic Withdrawal From AHFC PMT REF=1067500388494 N AHFC PMT A953472715		\$ 402.84-
Mar 16	Mobile Banking Transfer To Account 204865678120		100.00-
Mar 16	Internet Banking Transfer To Account 204865678120		400.00-
Mar 17	Electronic Withdrawal To AMEX EPAYMENT REF=1067500388494 N 0005000008ACH PMT M7452		765.26-
Mar 25	Electronic Withdrawal To AMEX EPAYMENT REF=1067500388494 N 0005000008ACH PMT M7452		377.02-
Apr 1	Mobile Banking Transfer To Account 204865678120		100.00-
Apr 1	Mobile Banking Transfer To Account 204865678120		300.00-
Apr 6	Internet Banking Transfer To Account 204865678120		65.00-
Apr 7	Electronic Withdrawal To AMEX EPAYMENT REF=1067500388494 N 0005000008ACH PMT M7452		419.68-

Meet Borrower John

What Income Documents Will John Need to Provide?

Local Iron Workers Union W2's from various jobs

•Income	'21	'22	`2023
• W2	\$52,399	\$61,555	

*Y-T-D paystub As of 09-30-2023 \$59,765

John is unemployed seasonally (you are trying to use his unemployment to qualify)

What is John's Base Income?

Local Iron Workers Union W2's from various jobs

•Income '21 '22 '2023
 • W2 \$52,399 \$61,555

*Y-T-D paystub As of 09-30-2023 \$59,765

Pay Type									
Hourly									
		Per Hour		0	# of hours	X52/12	\$ -	Income	
	\$ 59,765.00	YTD Earnings		9	# months		\$ 6,640.56	Income	
	\$ 52,399.00	W2 for Tax Year:	2021	12	# months		\$ 4,366.58	Income	
	\$ 61,555.00	W2 for Tax Year:	2022	12	# months		\$ 5,129.58	Income	
<input type="checkbox"/>	\$ -	Per Hour							
<input type="checkbox"/>	\$ 6,640.56	YTD Avg							
<input type="checkbox"/>	\$ 5,341.14	YTD + 1 W2 Avg							
<input type="checkbox"/>	\$ 5,264.21	YTD + 2 Yr W2 Avg							
	\$ -	Use lowest income							
						or check the income you wish to use	\$ -		

Fannie Mae - Variable Income

Variable Income

All income that is calculated by an averaging method must be reviewed to assess the borrower's history of receipt, the frequency of payment, and the trending of the amount of income being received. Examples of income of this type include income from hourly workers with fluctuating hours, or income that includes commissions, bonuses, or overtime.

History of Receipt: Two or more years of receipt of a particular type of variable income is recommended; however, variable income that has been received for 12 to 24 months may be considered as acceptable income, as long as the borrower's loan application demonstrates that there are positive factors that reasonably offset the shorter income history.

<https://selling-guide.fanniemae.com/>

Fannie Mae - Income Trending

Income Trending: After the monthly year-to-date income amount is calculated, it must be compared to prior years' earnings using the borrower's W-2's or signed federal income tax returns (or a standard Verification of Employment completed by the employer or third-party employment verification vendor).

- If the trend in the amount of income is stable or increasing, the income amount should be averaged.
- If the trend was declining, but has since stabilized and there is no reason to believe that the borrower will not continue to be employed at the current level, the current, lower amount of variable income must be used.
- If the trend is declining, the income may not be stable. Additional analysis must be conducted to determine if any variable income should be used, but in no instance may it be averaged over the period when the declination occurred.

<https://selling-guide.fanniemae.com/>

Freddie Mac - Calculation of Fluctuating Employment Earnings

The degree of fluctuation and the length of receipt of the income must be considered when calculating income used to qualify for the Mortgage. The Seller must evaluate the income trend and use the amount that is most likely to continue for the next three years.

Consistent and increasing income trends

If the income is consistent or the trend is increasing, the Seller must average the most recent year(s) and YTD income over the applicable number of months documented. However, if the increase between the prior year(s) and YTD earnings exceeds 10%, additional analysis is required and additional documentation may be necessary to determine income stability in order to use the higher amount when calculating the qualifying income. The analysis and documentation must support the amount of income used to qualify the Borrower. Acceptable factors include, but are not limited to, promotion and income increasing consistently year over year.

<https://guide.freddiemac.com/app/guide/section/5303.4>

Freddie Mac - Calculation of Fluctuating Employment Earnings

The degree of fluctuation and the length of receipt of the income must be considered when calculating income used to qualify for the Mortgage. The Seller must evaluate the income trend and use the amount that is most likely to continue for the next three years.

Declining trend

The Seller must use the year-to-date income and must not include the previous higher level unless there is documentation of a one-time occurrence (e.g., injury) that prevented the Borrower from working or earning full income for a period of time and evidence that the Borrower is back to the income amount that was previously earned.

If the decline between the prior year(s) and/or YTD earnings exceeds 10%, the Seller must conduct further analysis and additional documentation may be necessary to determine whether the income is currently stable. This analysis must include the reason for the declining trend, and support that the current income has stabilized.

<https://guide.freddie.mac.com/app/guide/section/5303.4>

Can John Use Unemployment Income to Qualify?

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. UTAH DEPT OF WORKFORCE SERVICES UI DIVISION PO BOX 45533 SALT LAKE CITY, UT 84145		1 Unemployment compensation \$ \$8,662.00	PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. UTAH DEPT OF WORKFORCE SERVICES UI DIVISION PO BOX 45533 SALT LAKE CITY, UT 84145		1 Unemployment compensation \$ \$8,315.00	OMB No. 1545-0120 2021 Form 1099-G	Certain Government Payments
PAYER'S federal identification number 90-4432145		2 State or local income tax refunds, credits, or offsets \$	RECIPIENT'S identification number ***.**-5000	2 State or local income tax refunds, credits, or offsets \$	3 Box 2 amount is for tax year	4 Federal income tax withheld \$ \$831.50	
RECIPIENT'S name JOHN HOMEOWNER Street address (including apt. no.) 90-4432145 City or town, state or province, country, and ZIP or foreign postal code 424 W 850 S Bountiful, UT 84010	3 Box 2 amount is for tax year	5 RTAA payments \$	RECIPIENT'S name JOHN HOMEOWNER Street address (including apt. no.) 90-4432145 City or town, state or province, country, and ZIP or foreign postal code 424 W 850 S Bountiful, UT 84010	5 RTAA payments \$	6 Taxable grants \$	8 If checked, box 2 is trade or business income <input type="checkbox"/>	11 State income tax withheld \$ \$415.75
Account number (see instructions)	9 Market gain \$	7 Agriculture payments \$	10a State UT	9 Market gain \$	10b State identification no. 12433266001	11 State income tax withheld \$	

Form **1099-G** (keep for your records) www.irs.gov/form1099g Department of the Treasury - Internal Revenue Service

\$ -	YTD income	
\$ 8,315.00	W2 for year:	2021
\$ 8,662.00	W2 for year:	2022

0	# months		Income
12	# months	\$ 692.92	Income
12	# months	\$ 721.83	Income

<input type="checkbox"/>		YTD Income
<input type="checkbox"/>	\$ 692.92	YTD + 1 Year
<input type="checkbox"/>	\$ 707.38	YTD + 2 Year

\$ 692.92	use lowest income average
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or check the income you wish to use \$ -

Seasonal Employment and Unemployment

Seasonal employment and unemployment compensation

The Borrower must have a two-year consecutive history of receiving income from seasonal employment and the seasonal employment income must be likely to continue for at least the next three years in order to consider the income for qualifying. Unemployment compensation associated with seasonal employment may be considered qualifying income if the Borrower has a two-year history of receipt and the unemployment compensation is likely to continue for at least the next three years. The Seller must not use seasonal employment income or unemployment compensation to qualify the Borrower unless the income is reported on the Borrower's individual federal income tax returns for the most recent two-year period

Seasonal Income and Unemployment - Fannie Mae

Verify the borrower has at least a two-year history of seasonal employment and income.

*Unemployment compensation cannot be used to qualify the borrower unless it is clearly associated with seasonal employment that is reported on the borrower's signed federal income tax returns. Verify that the seasonal income is likely to continue.

Documentation

Document that the borrower has received the payments consistently for at least two years by obtaining copies of signed federal income tax returns.

**Unemployment compensation may be used in qualifying a borrower for a high LTV refinance loan whether it is seasonal or non-seasonal.*

B3-3.1-05, Secondary Employment Income (Second Job and Multiple Jobs) and Seasonal Income (02/03/2021)

B3-3.1-09, Other Sources of Income (12/16/2020)

<https://www.fanniemae.com/content/guide/selling/b3/3.1/09.html#Tip.20Income>

Freddie Mac – Seasonal Employment

Seasonal employment may be primary employment (e.g., highway construction and road work in colder regions) or secondary employment (e.g., educators teaching summer school). The Borrower's earnings may be comprised of base non-fluctuating earnings, fluctuating hourly earnings and/or additional employed income.

Additional Requirements

When unemployment income associated with the seasonal employment is being used as stable monthly income:

A documented two-year history of seasonal employment and income receipt is required, and

The requirements for unemployment income associated with seasonal employment in [Section 5303.3](#) must be met

<https://guide.freddiemac.com/app/guide/section/5303.2>

Freddie Mac – Unemployment associated with Seasonal Income

History of receipt: Two years, consecutive¹

Continuance: Must be likely to continue for at least the next three years

Calculation: Refer to [Section 5303.4\(b\)](#) for calculation guidance and requirements

Documentation Requirements with Streamline Accept and Standard All of the following:

Proof of receipt of unemployment compensation for the most recent two-year period (e.g., IRS Form 1099-G(s) and/or equivalent documentation)

Tax Return Review for Unemployment

SCHEDULE 1 (Form 1040)		Additional Income and Adjustments to Income		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		Attach to Form 1040, 1040-SR, or 1040-NR. Go to www.irs.gov/Form1040 for instructions and the latest information.		2022 Attachment Sequence No. 01
Name(s) shown on Form 1040, 1040-SR, or 1040-NR			Your social security number	
Part I Additional Income				
1	Taxable refunds, credits, or offsets of state and local income taxes		1	
2a	Alimony received		2a	
b	Date of original divorce or separation agreement (see instructions):			
3	Business income or (loss). Attach Schedule C		3	
4	Other gains or (losses). Attach Form 4797		4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		5	
6	Farm income or (loss). Attach Schedule F		6	
7	Unemployment compensation		7	
8	Other income:			
a	Net operating loss	8a		
b	Gambling	8b		
c	Cancellation of debt	8c		
d	Foreign earned income exclusion from Form 2555	8d		
e	Income from Form 8853	8e		
f	Income from Form 8889	8f		
g	Alaska Permanent Fund dividends	8g		
h	Jury duty pay	8h		
i	Prizes and awards	8i		
j	Activity not engaged in for profit income	8j		
k	Stock options	8k		
l	Income from the rental of personal property if you engaged in the rental for profit but were not in the business of renting such property	8l		
m	Olympic and Paralympic medals and USOC prize money (see instructions)	8m		
n	Section 951(a) inclusion (see instructions)	8n		
o	Section 951A(a) inclusion (see instructions)	8o		
p	Section 461(l) excess business loss adjustment	8p		
q	Taxable distributions from an ABL account (see instructions)	8q		
r	Scholarship and fellowship grants not reported on Form W-2	8r		
s	Nontaxable amount of Medicaid waiver payments included on Form 1040, line 1a or 1d	8s		
t	Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan	8t		
u	Wages earned while incarcerated	8u		
z	Other income. List type and amount:	8z		
9	Total other income. Add lines 8a through 8z		9	
10	Combine lines 1 through 7 and 9. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8		10	



Verbal VOE (VVOE) Requirement- Fannie Mae

Requirements for hourly, salary and commission income

Alternative Methods to verify Employment

- If the employer will not verbally verify employment, the lender can obtain
 - a written verification (other than an additional paystub) confirming the borrower's current employment status within the same time frame as the verbal VOE requirements. The written documentation must include the name and title of the person who completed the verification for the employer.
 - an email exchange with the borrower's employer from the employer's work email address within the same time frame as the verbal VOE requirements.
 - The lender must conduct additional due diligence to confirm that the email address for the employer is accurate. Examples of due diligence include, but are not limited to, searches of domain name on employer website (review for match to employer email address), employer directory on the internet, or other professional networking or business profile websites.
 - The email exchange must include borrower's name and employer's name; name, title, and work email address of the individual contacted at the employer; date of contact; and borrower's current employment status.
- If the borrower is a union member who works in an occupation that results in a series of short-term job assignments (such as a skilled construction worker, longshoreman, or stagehand), and the union facilitates the borrower's placement in each assignment, the lender may obtain the verbal VOE from the union.
- If the employer uses a third-party employment verification vendor, the lender must obtain written verification from the vendor of the borrower's current employment status within the same time frame as the verbal VOE requirements.

Freddie Mac- PCV

Freddie Mac Selling Guide 5303.2 Primary and secondary employment and income

- Certain union members may work in industries where they may switch employers frequently and the union facilitates the next position. In that case, the Borrower may have multiple YTD paystubs and W-2s, all of which can be used for the verification and calculation of stable monthly income. The Borrower's earnings may be comprised of base non-fluctuating earnings, fluctuating hourly earnings and/or additional employed income.
- A Borrower may exhibit a stable and consistent employment and income history, regardless of the number of employers.
- The Borrower may or may not be in between employers at the time of closing. If the Seller determines that the Borrower's employment and income history is stable and it is documented that the Borrower has multiple jobs as described above, it may be acceptable to obtain the 10-day PCV (refer to [Section 5302.2\(d\)](#)) from the union. The Seller must make this determination based on a review of all employment and income characteristics.

Meet Borrower Neil

1b. Current Employment/Self-Employment and Income

Does not apply

Employer or Business Name	All Care Clinic	Phone	(800) 776 - 5445
Street	101 Main Street	Unit #	
City	Columbia	State	SC
ZIP	27602	Country	
Position or Title	RN	Check if this statement applies:	
Start Date	09 / 12 / 1999 (mm/dd/yyyy)	<input type="checkbox"/> I am employed by a family member, property seller, real estate agent, or other party to the transaction.	
How long in this line of work?	26 Years 1 Months		
<input type="checkbox"/> Check if you are the Business Owner or Self-Employed	<input type="radio"/> I have an ownership share of less than 25%. Monthly Income (or Loss)		
	<input type="radio"/> I have an ownership share of 25% or more. \$		

Neil has Full Time Employment Income

Neil Nurse works Full-time at All Care Clinic and receives a salary of \$75,000. He has been with the hospital for 22 years.

Neil also has Secondary Income

Neil also works part-time as a RN in a Rehab Center. He started his current position June 01, 2022. He makes \$25 per hour and is scheduled 20 hours minimum per week.

Prior to the Rehab Center Neil worked at Rehab in Style for 8 years. He left that position April 5, 2022. Neil earned \$2,000 a month there.

We are looking for Neil's qualifying Income for a Fannie Mae loan.

You have Neil's W2's and both y-t-d paystubs that support the information on the application.

1c. IF APPLICABLE, Complete Information for Additional Employment/Self-Employment and Income

Employer or Business Name	Retro Rehab	Phone	(803) 312 - 4433
Street	5 Calvert Street	Unit #	
City	Columbia	State	SC
ZIP	27602	Country	
Position or Title	RN	Check if this statement applies:	
Start Date	06 / 01 / 2022 (mm/dd/yyyy)	<input type="checkbox"/> I am employed by a family member, property seller, real estate agent, or other party to the transaction.	
How long in this line of work?	26 Years 1 Months		
<input type="checkbox"/> Check if you are the Business Owner or Self-Employed	<input type="radio"/> I have an ownership share of less than 25%. Monthly Income (or Loss)		
	<input type="radio"/> I have an ownership share of 25% or more. \$		

1d. IF APPLICABLE, Complete Information for Previous Employment/Self-Employment and Income

Provide at least 2 years of current and previous employment and income.

Employer or Business Name	Rehab in Style		
Street	678 Blecker Street	Unit #	
City	Columbia	State	SC
ZIP	27602	Country	
Position or Title	RN	Check if you were the Business Owner or Self-Employed	
Start Date	02 / 22 / 2014 (mm/dd/yyyy)		
End Date	04 / 05 / 2022 (mm/dd/yyyy)		

Meet Borrower Neil

1b. Current Employment/Self-Employment and Income

Does not apply

Employer or Business Name All Care Clinic Phone (800) 776 - 5445
 Street 101 Main Street Unit # _____
 City Columbia State SC ZIP 27602 Country _____

Position or Title RN

Start Date 09 / 12 / 1999 (mm/dd/yyyy)

How long in this line of work? 26 Years 1 Months

Check if this statement applies:

I am employed by a family member, property seller, real estate agent, or other party to the transaction.

Check if you are the Business Owner or Self-Employed I have an ownership share of less than 25%. Monthly Income (or Loss) \$ _____
 I have an ownership share of 25% or more. \$ _____

Neil Nurse works Full-time at All Care Clinic and receives a salary of \$75,000. He has been with the hospital for 22 years.

He is paid Semi Monthly @ \$3,125

Salary	Type of Salary					
<input type="checkbox"/>	Monthly	X1	=	\$ -	Income	
<input type="checkbox"/>	Bi Weekly	X26/12	=	\$ -	Income	
<input type="checkbox"/>	Semi Monthly	X24/12	=	\$ -	Income	
<input type="checkbox"/>	Weekly	X52/12	=	\$ -	Income	
<input type="checkbox"/>	YTD Salary (paysub)	0	# months		Monthly Avg	
<input type="checkbox"/>	W2 income	0	# months		Income	
<input type="checkbox"/>	W2 Income	0	# months		Income	
\$ - Base Used to Qualify		check the salary you wish to use		If YTD or past year is lower, confirm why. Otherwise, lower of YTD and W2 required.		

Meet Borrower Neil

Neil Nurse works Full-time at All Care Clinic and receives a salary of \$75,000. He has been with the hospital for 22 years.

Salary	Type of Salary					
<input type="checkbox"/>		Monthly	X1	=	\$ -	Income
<input type="checkbox"/>		Bi Weekly	X26/12	=	\$ -	Income
<input type="checkbox"/>	\$ 3,125.00	Semi Monthly	X24/12	=	\$ 6,250.00	Income
<input type="checkbox"/>		Weekly	X52/12	=	\$ -	Income
<input type="checkbox"/>		YTD Salary (paysub)	0	# months		Monthly Avg
<input type="checkbox"/>	\$ 75,000.00	W2 income	12	# months	\$ 6,250.00	Income
<input type="checkbox"/>		W2 Income	0	# months		Income
	\$ -	Base Used to Qualify	check the salary you wish to use		If YTD or past year is lower, confirm why. Otherwise, lower of YTD and W2 required.	

1b. Current Employment/Self-Employment and Income

Does not apply

Employer or Business Name All Care Clinic		Phone (800) 776 - 5445	
Street 101 Main Street		Unit #	
City Columbia	State SC	ZIP 27602	Country
Position or Title RN		Check if this statement applies:	
Start Date 09 / 12 / 1999 (mm/dd/yyyy)		<input type="checkbox"/> I am employed by a family member, property seller, real estate agent, or other party to the transaction.	
How long in this line of work? 26 Years 1 Months			
<input type="checkbox"/> Check if you are the Business Owner or Self-Employed		<input type="radio"/> I have an ownership share of less than 25%. Monthly Income (or Loss)	
		<input type="radio"/> I have an ownership share of 25% or more. \$	
Gross Monthly Income			
Base	\$ 6,250.00	/month	
Overtime	\$	/month	
Bonus	\$	/month	
Commission	\$	/month	
Military Entitlements	\$	/month	
Other	\$	/month	
TOTAL	\$ 6,250.00	/month	

Meet Borrower Neil

Neil also has Secondary Income-

Neil also works part-time as a RN in a Rehab Center. He started his current position June 01, 2022. He makes \$25 per hour and is scheduled 20 hours minimum per week.

Prior to the Rehab Center Neil worked at Rehab in Style for 8 years. He left that position April 5, 2022. Neil earned \$2,000 a month there.

We are looking for Neil's qualifying Income for a Fannie Mae loan.

1c. IF APPLICABLE, Complete Information for Additional Employment/Self-Employment and Income

Employer or Business Name	Retro Rehab	Phone (803)	312 - 4433
Street	5 Calvert Street	Unit #	
City	Columbia	State	SC
ZIP	27602	Country	
Position or Title	RN	Check if this statement applies:	
Start Date	06 / 01 / 2022 (mm/dd/yyyy)	<input type="checkbox"/> I am employed by a family member, property seller, real estate agent, or other party to the transaction.	
How long in this line of work?	26 Years 1 Months		
<input type="checkbox"/> Check if you are the Business Owner or Self-Employed	<input type="radio"/> I have an ownership share of less than 25%. Monthly Income (or Loss)	<input type="radio"/> I have an ownership share of 25% or more. \$	

1d. IF APPLICABLE, Complete Information for Previous Employment/Self-Employment and Income

Provide at least 2 years of current and previous employment and income.

Employer or Business Name	Rehab in Style	Unit #	
Street	678 Blecker Street	Unit #	
City	Columbia	State	SC
ZIP	27602	Country	
Position or Title	RN	<input type="checkbox"/> Check if you were the Business Owner or Self-Employed	
Start Date	02 / 22 / 2014 (mm/dd/yyyy)		
End Date	04 / 05 / 2022 (mm/dd/yyyy)		

Meet Borrower Neil

Neil also has Secondary Income-

Neil also works part-time as a RN in a Rehab Center. He started his current position June 01, 2022. He makes \$25 per hour and is scheduled 20 hours minimum per week.

Prior to the Rehab Center Neil worked at Rehab in Style for 8 years. He left that position April 5, 2022. Neil earned \$2,000 a month there.

We are looking for Neil's qualifying Income for a Fannie Mae loan.

1c. IF APPLICABLE, Complete Information for Additional Employment/Self-Employment and Income

Employer or Business Name Retro Rehab Phone (803) 312 - 4433
 Street 5 Calvert Street Unit #
 City Columbia State SC ZIP 27602 Country

Position or Title RN
 Start Date 06 / 01 / 2022 (mm/dd/yyyy)
 How long in this line of work? 26 Years 1 Months

Check if this statement applies:
 I am employed by a family member, property seller, real estate agent, or other party to the transaction.

Check if you are the Business Owner or Self-Employed I have an ownership share of less than 25%. Monthly Income (or Loss) \$
 I have an ownership share of 25% or more. \$

Hourly							
\$	25.00	Per Hour	20	# of hours	X52/12	\$ 2,166.67	Income
\$	-	YTD Earnings	0	# months			Income
\$	-	W2 for Tax Year:	0	# months			Income
\$	-	W2 for Tax Year:	0	# months			Income

Meet Borrower Neil

Neil also works part-time as a RN in a Rehab Center. He started his current position June 01, 2022. He makes \$25 per hour and is scheduled 20 hours minimum per week.

Prior to the Rehab Center Neil worked at Rehab in Style for 8 years. He left that position April 5, 2022. Neil earned \$2,000 a month there.

We are looking for Neil's qualifying Income for a Fannie Mae loan.

1c. IF APPLICABLE, Complete Information for Additional Employment/Self-Employment and Income			<input type="checkbox"/> Does not apply
Employer or Business Name Retro Rehab	Phone (803) 312 - 4433	Gross Monthly Income	
Street 5 Calvert Street	Unit #	Base	\$ 0.00 /month
City Columbia	State SC	Overtime	\$ /month
ZIP 27602	Country	Bonus	\$ /month
Position or Title RN	Check if this statement applies: <input type="checkbox"/> I am employed by a family member, property seller, real estate agent, or other party to the transaction.	Commission	\$ /month
Start Date 06 / 01 / 2022 (mm/dd/yyyy)		Military Entitlements	\$ /month
How long in this line of work? 26 Years 1 Months		Other	\$ /month
<input type="checkbox"/> Check if you are the Business Owner or Self-Employed	<input type="radio"/> I have an ownership share of less than 25%.	Monthly Income (or Loss)	TOTAL \$ 0.00/month
	<input type="radio"/> I have an ownership share of 25% or more.	\$	

Fannie Mae- Secondary Income

Verification of a minimum history of two years secondary employment income is recommended. However, income that has been received for a shorter period of time (but, no less than 12 months) may be considered as acceptable income, as long as there are positive factors to reasonably offset the shorter income history.

A borrower may have a history that includes different employers, which is acceptable as long as income has been consistently received. In no instance may the borrower have any gap in employment greater than one month in the most recent 12-month period, unless the secondary employment is considered seasonal income

Social Security Income- Taxable or Non-Taxable?

- Your Borrower has documented Social Security Benefits.
- The Annual Benefit is \$6,800.
- You have Tax Returns documenting the amount of the benefit that is taxable.

What is the amount of income that may be used as Qualifying Income for Fannie Mae?

Attach Sch. B if required.	1	Wages, salaries, tips, etc. Attach Form(s) W-2		1	
	2a	Tax-exempt interest	2a	b	Taxable interest
	3a	Qualified dividends	3a	b	Ordinary dividends
	4a	IRA distributions	4a	b	Taxable amount
Standard	5a	Pensions and annuities	5a	b	Taxable amount
	6a	Social security benefits	6a	b	Taxable amount
			6800		3600

Potential Non Taxable Income Social Security: Retirement/Disability/Survivor/Supplement Specify:					
With Documentation					
\$	6,800.00	Annual Benefit			
\$	3,600.00	Taxable Portion	x 100%	\$	3,600.00
\$	3,200.00	Non-Taxable	x 125%	\$	4,000.00
		# months	Total Income	\$	7,600.00
\$	-	Total Monthly Income			

Social Security Income- Taxable or Non-Taxable?

- Your Borrower has documented Social Security Benefits.
- The Annual Benefit is \$6,800.
- You do not have Tax Returns documenting the amount of the benefit that is taxable.

What is the amount of income that may be used as Qualifying Income for Freddie Mac?

Without Taxation Documentation: Freddie Mac Only

\$	6,800.00	Total Annual Benefit
\$	5,780.00	Annual Benefit x 85%
\$	1,020.00	Annual Benefit x 15%
\$	1,275.00	Gross up 25%
\$	7,055.00	Total Gross up

\$	3,600.00
\$	4,000.00
\$	7,600.00

Fannie Mae Social Security

Social Security income for retirement or long-term disability that the borrower is drawing from his or her own account/work record will not have a defined expiration date and must be expected to continue.

However, if Social Security benefits are being paid as a benefit for a family member of the benefit owner, that income may be used in qualifying if the lender obtains documentation that confirms the remaining term is at least three years from the date of the mortgage application.

Document regular receipt of payments, as verified by the following, depending on the type of benefit and the relationship of the beneficiary (self or other) as shown in the table on the next slide-

B3-3.1-09, Other Sources of Income (12/14/2022)

<https://selling-guide.fanniemae.com/>

Fannie Mae Social Security

Type of Social Security benefit	Borrower is drawing Social Security benefits from own account/work record ¹	Borrower is drawing Social Security benefits from another person's account/work record or from their own account/work record for the benefit of another ²
Retirement	<ul style="list-style-type: none"> • Social Security Administration's (SSA) Award letter, • SSA-1099, • Most recent signed federal income tax returns (or tax transcripts³), or • Proof of current receipt 	<ul style="list-style-type: none"> • SSA Award letter, • Proof of current receipt, and • Three-year continuance⁴
Disability	<ul style="list-style-type: none"> • SSA Award letter, • SSA-1099, • Most recent signed federal income tax returns (or tax transcripts³), or • Proof of current receipt 	<ul style="list-style-type: none"> • SSA Award letter, • Proof of current receipt, and • Three-year continuance⁴
Survivor benefits	NA	<ul style="list-style-type: none"> • SSA Award letter, • Proof of current receipt, and • Three-year continuance⁴
Supplement Security Income (SSI)	<ul style="list-style-type: none"> • SSA Award letter, and • Proof of current receipt 	NA

B3-3.1-09, Other Sources of Income (12/14/2022)

<https://selling-guide.fanniemae.com/>

Tax Exempt Income - Fannie Mae

B3-3.1-01, General Income Information

Using Nontaxable Income to Adjust the Borrower's Gross Income

The lender should give special consideration to regular sources of income that may be nontaxable, such as child support payments, Social Security benefits, workers' compensation benefits, certain types of public assistance payments, and food stamps.

The lender must verify that the particular source of income is nontaxable. Documentation that can be used for this verification includes award letters, policy agreements, account statements, or any other documents that address the nontaxable status of the income.

If the income is verified to be nontaxable, and the income and its tax-exempt status are likely to continue, the lender may develop an "adjusted gross income" for the borrower by adding an amount equivalent to 25% of the nontaxable income to the borrower's income.

If the actual amount of federal and state taxes that would generally be paid by a wage earner in a similar tax bracket is more than 25% of the borrower's nontaxable income, the lender may use that amount to develop the adjusted gross income, which should be used in calculating the borrower's qualifying ratio

Tax Exempt Income – Freddie Mac

History of receipt: A history of receipt is not required

Continuance: Must be likely to continue to remain tax exempt

Calculation: To determine the amount to adjust (i.e., "gross-up") the Borrower's income, use:

- 25% of the tax-exempt portion of the income or
- The current federal and state income tax withholding tables

Documentation Requirements with Streamline Accept and Standard Documentation Levels : Copy of complete federal individual income tax return for the most recent one-year period or other documentation evidencing that the income, or a portion of the income, is tax exempt.

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Enact Underwriting Guidelines

The screenshot shows the Enact website's navigation bar with links for TRAINING, OUR BLOG, a search bar, and LOG IN. Below the navigation is the Enact logo and a menu with GET A QUOTE, UNDERWRITING, SOLUTIONS, RESOURCES, and ABOUT US. The main content area features the title "Enact MI Underwriting Guidelines" and a paragraph explaining the importance of the document. A large section titled "Underwriting Guidelines and Credit Policy Updates" provides further context. At the bottom, two PDF links are displayed: "Underwriting Guidelines" (Effective Date 1-10-2022) and "Credit Policy Bulletin 2022-02" (Effective Date 2-10-2022). On the right side, there are two promotional boxes: "Our COVID-19 Responses and Resources" with a "Check it out" button, and "UNDERWRITING TIPS" with a "Get info" button and a "Feedback" button.

TRAINING | OUR BLOG | Search | LOG IN


Enact GET A QUOTE | UNDERWRITING ▾ | SOLUTIONS ▾ | RESOURCES ▾ | ABOUT US ▾


Enact MI Underwriting Guidelines

One of the most important documents on our website! Download the Enact MI Underwriting Guidelines for details on how we evaluate loans submitted for mortgage insurance. You can also access Credit Policy updates, LTV recaps, and information about our Peak Portfolio program.

Underwriting Guidelines and Credit Policy Updates

Looking for a specific guidelines like Jumbo loans? Construction to permanent? For specific guidelines, try searching within the document or use the linked Table of Contents. For more underwriting resources, check out our selection of underwriting courses in Training Resources.

 **Underwriting Guidelines**
Effective Date 1-10-2022 ARCHIVE

 **Credit Policy Bulletin 2022-02**
Effective Date 2-10-2022

Our COVID-19 Responses and Resources
Check it out

UNDERWRITING TIPS
Best practices for reducing file errors
Get info

Feedback

Enact Training Resources

The screenshot displays the Enact MI Training Catalog website. At the top left is the Enact logo. The navigation menu includes links for Getting Started, My Progress, Catalog, Live Calendar, Calculators, and EnactMI.com. A search bar with a magnifying glass icon and a Log In link are positioned on the right. The main banner features the text "Enact MI Training Catalog" in green, set against a background image of hands typing on a green laptop keyboard with floating green plus signs. Below the banner are four category cards, each with a green plus sign icon and a label: "Assets" (orange plus sign pattern), "Income" (teal plus sign pattern), "Credit/Liabilities" (green plus sign pattern with dashed lines), and "Appraisal/Collateral" (yellow plus sign pattern).

Enact Training Resources

Income Calculation Tools by Enact MI

We get it, mental math is hard. That's why Enact provides a collection of downloadable calculators and reference guides to help you analyze a self-employed borrower's average monthly income and expenses.

Please note that these tools offer suggested guidance, they don't replace instructions or applicable guidelines from the GSEs.

*Due to various internet browser versions, please download and save PDF before entering data.
Please note, calculators are updated periodically.*



Income Calculation Worksheet

Use this form to calculate income. UPDATED



Fannie Mae Form 1084 Calculator (2022-2021)

Calculate and analyze cash flow to help you complete Fannie Mae form 1084. UPDATED



Fannie Mae Form 1084 Calculator XLS (2022-2021)

Calculate and analyze cash flow to help you complete Fannie Mae form 1084. UPDATED

Your Enact Resources

- ActionCenter® : 800 444.5664
- Your Local Enact Regional Underwriter
- Your Enact Sales Representative

As Many of you know, there has been a devastating fire in Lahaina Maui. There were many lives lost and many more people that are still missing.

If any one of you have been there, you know what a magical place Lahaina is.. With its rich history of the Hawaiian Islands.

Please do what you can to help the people of Hawaii at this time.

There are links Below of Organizations that you can donate to help.

[Maui Strong - Hawaii Community Foundation](#)

[Maui Salvation Army](#)

[Maui Food Bank, Inc](#)

[Maui Humane Society, Inc](#)

Legal Disclaimer

Enact Mortgage Insurance is happy to provide you with these training materials. While we strive for accuracy, we also know that any discussion of laws and their application to particular facts is subject to individual interpretation, change, and other uncertainties. Our training is not intended as legal advice and is not a substitute for advice of counsel. You should always check with your own legal advisors for interpretations of legal and compliance principles applicable to your business.

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Enact Mortgage Insurance offers a comprehensive suite of training opportunities to boost your know-how, benefit your bottom line, and serve your borrowers better. Visit [EnactMI.com](https://www.enactmi.com) to learn more.