

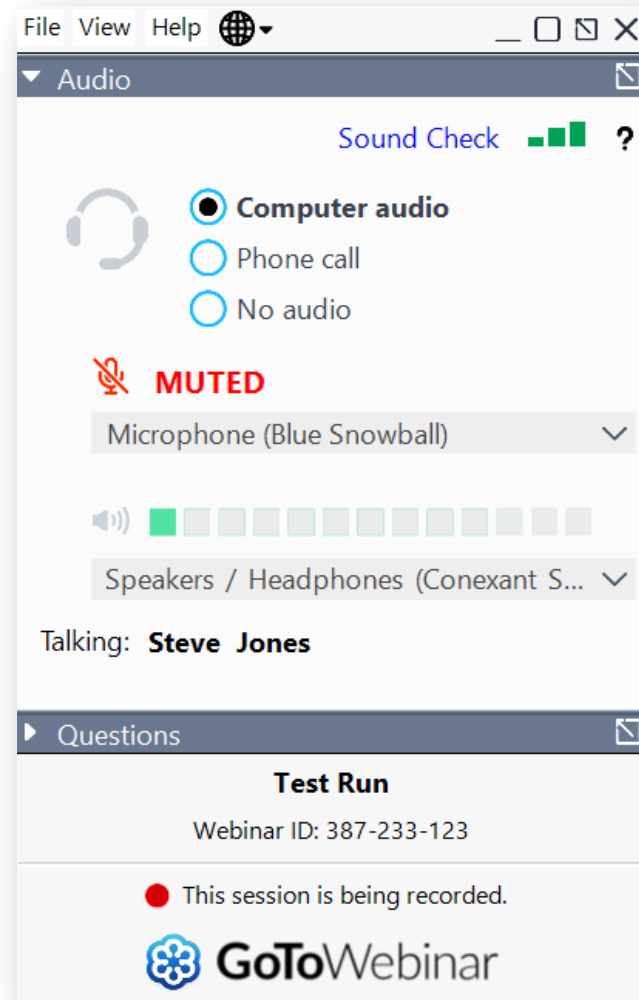
Asset Review- Exercises

Fannie Mae and Freddie Mac Guidelines

March 2024

Enact Mortgage Insurance Corporation and Enact Mortgage Insurance Corporation of North Carolina
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Submit
comments
and/or questions

If the
communication
box isn't showing
you should see
the gray strip.
Click on the
orange arrow to
open the box.



Agenda

What we will test your knowledge on:

- Fannie Mae Guidelines
- Freddie Mac Guidelines
- Resources and Best Practices
- Enact Website

Only Conventional Loans Are Covered In Today's Session; High Refinance Loans Are NOT Covered In Today's Session

Cash From/To Borrower \$\$

L4. Qualifying the Borrower – Minimum Required Funds or Cash Back

DUE FROM BORROWER(S)	
A. Sales Contract Price	\$ _____
B. Improvements, Renovations, and Repairs	\$ _____
C. Land (if acquired separately)	\$ _____
D. For Refinance: Balance of Mortgage Loans on the Property to be paid off in the Transaction (See Table 3a. Property You Own)	\$ _____
E. Credit Cards and Other Debts Paid Off (See Table 2c. Liabilities — Credit Cards, Other Debts, and Leases that You Owe)	\$ _____
F. Borrower Closing Costs (including Prepaid and Initial Escrow Payments)	\$ _____
G. Discount Points	\$ _____
H. TOTAL DUE FROM BORROWER(S) (Total of A thru G)	\$ 0.00
TOTAL MORTGAGE LOANS	
I. Loan Amount Loan Amount Excluding Financed Mortgage Insurance (or Mortgage Insurance Equivalent) \$ _____ Financed Mortgage Insurance (or Mortgage Insurance Equivalent) Amount \$ _____	\$ 0.00
J. Other New Mortgage Loans on the Property the Borrower(s) is Buying or Refinancing (See Table 4b. Other New Mortgage Loans on the Property You are Buying or Refinancing)	\$ _____
K. TOTAL MORTGAGE LOANS (Total of I and J)	\$ 0.00
TOTAL CREDITS	
L. Seller Credits (Enter the amount of Borrower(s) costs paid by the property seller)	\$ _____
M. Other Credits (Enter the sum of all other credits — Borrower Paid Fees, Earnest Money, Employer Assisted Housing, Lease Purchase Fund, Lot Equity, Relocation Funds, Sweat Equity, Trade Equity, Other)	\$ _____
N. TOTAL CREDITS (Total of L and M)	\$ 0.00
CALCULATION	
TOTAL DUE FROM BORROWER(S) (Line H)	\$ 0.00
LESS TOTAL MORTGAGE LOANS (Line K)	\$ 0.00
LESS TOTAL CREDITS (Line N)	\$ 0.00
Cash From/To the Borrower	\$ 0.00
NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.	

To be completed by the Lender: Lender Loan No./Universal Loan Identifier _____ Agency Case No. _____

Uniform Residential Loan Application

Verify and complete the information on this application. If you are applying for this loan with others, each additional Borrower must provide information as directed by your Lender.

Section 1: Borrower Information.

This section asks about your personal information and your income from employment and other sources, such as retirement, that you want considered to qualify for this loan.

1a. Personal Information

Name (First, Middle, Last, Suffix) _____ Social Security Number (or Individual Taxpayer ID) _____
 Alternate Names — List any names by which you are known or any names under which credit was previously received (First, Middle, Last, Suffix) _____ Date of Birth (mm/dd/yyyy) _____
 Type of Credit: I am applying for individual credit. I am applying for joint credit. Total Number of Borrowers: _____
 Each Borrower Intends to apply for joint credit. Your Initials: _____
 List Name(s) of Other Borrower(s) (First, Middle, Last, Suffix) — (If any) _____

Marital Status: Married Separated Unmarried (Single, Divorced, Widowed, Civil Union, Domestic Partnership, Registered Reciprocal Beneficiary Relationship)
 Dependents (not listed by another Borrower): Number _____ Ages _____
 Contact Information: Home Phone (____) _____ Cell Phone (____) _____ Work Phone (____) _____ Email _____

Current Address: Street _____ City _____ State _____ ZIP _____
 How Long at Current Address? _____ Years _____ Months Housing No primary housing expense Own
 If at Current Address for LESS than 2 years, list Former Address Does not apply
 Street _____ City _____ State _____ ZIP _____
 How Long at Former Address? _____ Years _____ Months Housing No primary housing expense Own
 Mailing Address — If different from Current Address Does not apply
 Street _____ City _____ State _____ ZIP _____

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.

To be completed by the Lender: Lender Loan No./Universal Loan Identifier _____ Agency Case No. _____

Uniform Residential Loan Application — Lender Loan Information

This section is completed by your Lender.

L1. Property and Loan Information

Community Property State: At least one borrower lives in a community property state. The property is in a community property state.
 Transaction Detail: Conversion of Contract for Deed or Land Contract Renovation Construction-Conversion/Construction-to-Permanent Single-Closing Two-Closing
 Construction/Improvement Costs \$ _____
 Lot Acquired Date _____ (mm/dd/yyyy)
 Original Cost of Lot \$ _____
 Project Type: Condominium Cooperative Planned Unit Development (PUD) Property is not located in a project

L2. Title Information

Title to the Property Will be Held in What Name(s): _____
 For Refinance: Title to the Property is Currently Held in What Name(s): _____

Estate Will be Held in: Fee Simple Leasehold (Expiration Date _____ (mm/dd/yyyy))
 Manner in Which Title Will be Held: Sole Ownership Joint Tenancy with Right of Survivorship Life Estate Tenancy by the Entirety Tenancy in Common Other _____

Trust Information: Title Will be Held by an Inter Vivos (Living) Trust Title Will be Held by a Land Trust
 Indian Country Land Tenure: Fee Simple On a Reservation Individual Trust Land (Allotted/Restricted) Tribal Trust Land On a Reservation Tribal Trust Land Off Reservation Alaska Native Corporation Land

L3. Mortgage Loan Information

Mortgage Type Applied For: Conventional FHA VA USDA-RD Other _____
 Amortization Type: Fixed Rate Adjustable Rate Other (Specify) _____
 If Adjustable Rate: Initial Period Prior to First Adjustment _____ (months) Subsequent Adjustment Period _____ (months)
 Loan Features: Balloon/Balloon Term _____ (months) Interest Only / Interest Only Term _____ (months)

Terms of Loan: Note Rate _____ % Loan Term _____ (months) First Lien Subordinate Lien

Proposed Monthly Payment for Property: First Mortgage (P & I) \$ _____ Subordinate Lien(s) (P & I) \$ _____
 Homeowner's Insurance \$ _____
 Supplemental Property Insurance \$ _____
 Property Taxes \$ _____
 Mortgage Insurance \$ _____
 Association/Project Dues (Condo, Co-Op, PUD) \$ _____
 TOTAL \$ **0.00**

L4. Qualifying the Borrower – Minimum Required Funds or Cash Back

DUE FROM BORROWER(S)

CALCULATION

TOTAL DUE FROM BORROWER(s) (Line H)	\$	211,769.00
LESS TOTAL MORTGAGE LOANS (Line K) AND TOTAL CREDITS (Line N)	- \$	180,000.00
Cash From/To the Borrower (Line H minus Line K and Line N) NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.	\$	31,769.00

2a. Assets – Bank Accounts, Retirement, and Other Accounts You Have

Include all accounts below. Under Account Type, choose from the types listed here:

- Checking
- Savings
- Money Market
- Certificate of Deposit
- Mutual Fund
- Stocks
- Stock Options
- Bonds
- Retirement (e.g., 401k, IRA)
- Bridge Loan Proceeds
- Individual Development Account
- Trust Account
- Cash Value of Life Insurance (used for the transaction)

Account Type – use list above	Financial Institution	Account Number	Cash or Market Value
Checking	First Federal Savings	12-23456987	\$ 5,600.00
Savings	First American FCU	S1-98744321	\$ 26,500.00
			\$
			\$
			\$
Provide TOTAL Amount Here			\$ 32,100.00

This loan was submitted to the Agency’s AUS. The transaction is a purchase of a single-family home to be used a primary residence. It is a conventional, fixed rate, 90% LTV.

Based on the amount of reserves, this loan could receive an Approve/Eligible or an Accept Eligible.

True or False

L4. Qualifying the Borrower – Minimum Required Funds or Cash Back

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CALCULATION

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Based on the amount of reserves, this loan could receive an Approve/Eligible or an Accept Eligible.

Asset Documentation Requirements

When reviewing bank statements look for the following:

- The bank statement: is the borrower's name, account #, and address consistent with URLA?
- Verify statement includes an account number (it can be truncated but not blacked out)
- Did the applicant provide the most recent one or two months statements?
- Are all large deposits explained and sourced?
- Review also for:
 - Regular payroll deposits should be verified against pay statements
 - Automatic loan payment withdrawals
 - If a purchase transaction, review to see if the earnest money check has cleared
 - Alterations, cutting and pasting, white-out, deletions or cross-outs
 - ALL pages of the statement have been provided
 - Does the time period in the statement cover 30 days worth of transactions?
 - Are there overdrafts or insufficient funds?
 - Is the account newly opened within the last 90 days?

First Bank of Midland

P.O. Box 180126
Midland, Michigan

Borrower Name
120 Main Street
Bay City, MI 48706

Monthly Statement

Account Number: 1-046-6567-8110
Statement Period: Mar 15, 2024 through Apr 14, 2024

Page 1 of 2

Toll Free By Phone:
Internet:

Cash From/To the Borrower (Line H minus Line K and Line N)

NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.

\$ 26,200.00

FIRST BANK SILVER ELITE CHECKING

Member FDIC

Account Summary

Account Number: 1-046-6567-8110

Beginning Balance on Feb 13	\$ 743.72	Number of Days in Statement Period	31
Deposits / Credits	22,692.58	Average Account Balance	\$ 600.45
Card Withdrawals	14.00 -	Customer Segment	Regular
Other Withdrawals	\$ 3,332.65 -		
Ending Balance on Apr 14, 2024	\$ 20,089.65		

Deposits / Credits

Date	Description of Transaction	Ref Number	Amount
Mar 15	Electronic Deposit REF=16071008709149	From SAGINAW VALLEY PAYROLL 1223281865	\$ 1,316.29
	Mobile Banking Visa	From Account 204784202135	50.00
Mar 29	Terminal	SQC* Cash	19,000.00
Mar 31	Electronic Deposit REF=16089006726259N	From SAGINAW VALLEY PAYROLL 1223281865	1,316.29
Mar 24	Visa Direct Transfer	SQC*Joann Doe	10.00
Apr 13	Mobile Banking Transfer	From Account 204784202135	1,000.00
	Total Deposits/Credits		\$ 22,692.58

Card Withdrawals

Date	Description of Transaction	Ref Number	Amount
Mar 21	Debit Purchase - VISA MAIN STREET THEATRE	On 031817 SHAKOPEEMN REF # 24055236079071031898209	\$ 14.00-
	Card 9435 Withdrawals Subtotal		\$ 14.00-
	Total Card Withdrawals		\$ 14.00-

Other Withdrawals

Date	Description of Transaction	Ref Number	Amount
Mar 15	Electronic Withdrawal REF=1067500388494 N	From AHFC PMT AHFC PMT A953472715	\$ 402.84-
Mar 16	Mobile Banking Transfer	To Account 204665678120	100.00-
Mar 16	Internet Banking Transfer	To Account 204665678120	400.00-
Mar 17	Electronic Withdrawal REF=1067500388494 N	To AMEX EPAYMENT 0005000008ACH PMT M7452	765.26-
Mar 25	Electronic Withdrawal REF=1067500388494 N	To AMEX EPAYMENT 0005000008ACH PMT M7452	377.02-
Apr 1	Mobile Banking Transfer	To Account 204665678120	100.00-
Apr 1	Mobile Banking Transfer	To Account 204665678120	300.00-
Apr 6	Internet Banking Transfer	To Account 204665678120	65.00-
Apr 7	Electronic Withdrawal REF=1067500388494 N	To AMEX EPAYMENT 0005000008ACH PMT M7452	419.69-

Your borrower has an unidentified single deposit of \$3,500 into their checking account. These funds are not needed to verify the \$26,200 required to close.

It is not required to verify the source of this deposit.

True or False

Gross Monthly Income

Base	\$ 6,200.00 /month
Overtime	\$ /month
Bonus	\$ /month
Commission	\$ /month
Military Entitlements	\$ /month
Other	\$ /month
TOTAL \$	6,200.00/month



First Bank of Midland

P.O. Box 180126
Midland, Michigan

Borrower Name
120 Main Street
Bay City, MI 48706

Monthly Statement

Account Number: 1-046-6567-8110
Statement Period: Mar 15, 2024 through Apr 14, 2024

Page 1 of 2

Cash From/To the Borrower (Line H minus Line K and Line N)

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It is not required to verify the source of this deposit.

True

Gross Monthly Income

Base	\$ 6,200.00 /month
Overtime	\$ /month
Bonus	\$ /month
Commission	\$ /month
Military Entitlements	\$ /month
Other	\$ /month
TOTAL \$	6,200.00/month

Enact™

Asset Statement Review

Review for a Large Deposit. A large deposit is any **single deposit that exceeds 50%** of the total monthly qualifying income for the loan.

- **If using the funds**, lenders must obtain borrower's written explanation and documentation of the source of large deposits that are reflected on bank statements
- If the source of a large deposit is readily identifiable on the account statement, such as direct deposits where the source of the deposit is printed on the statement, lenders do not need to obtain further explanation or documentation.
- But the lender still has questions as to whether the funds may have been borrowed, the lender should obtain additional documentation

Lenders must investigate accounts opened within 90 days of the application date and account balances that are considerably greater than the average balance reflected on the *Verification of Deposit Form 1006*. Freddie Mac has a specific policy for VODs

Review the date of the statement. Asset statements that are older than 45 days from application, lenders should request an updated statement

Review the ownership of the account. Use of business assets is acceptable but lenders must perform a cash flow analysis to determine if any withdrawal will have a negative impact on the business and the borrowers must listed as an owner on the account

Borrowers A & B are first time buyers.

They moved in with their elderly mother/mother-in-law 18 months ago to assist her.

They are looking to buy a place of their own with enough room for mom to move in with them.

They have a small amount of savings- \$5,000

They signed a contract for \$200,000 for a duplex and applied for a \$170,000 loan (85% LTV). Closing Costs are \$10,700.

Mom is giving them a \$36,000 gift for the purchase.

2a. Assets – Bank Accounts, Retirement, and Other Accounts You Have

Include all accounts below. Under Account Type, choose from the types listed here:

- Checking
- Savings
- Money Market
- Certificate of Deposit
- Mutual Fund
- Stocks
- Stock Options
- Bonds
- Retirement (e.g., 401k, IRA)
- Bridge Loan Proceeds
- Individual Development Account
- Trust Account
- Cash Value of Life Insurance (used for the transaction)

Account Type – use list above	Financial Institution	Account Number	Cash or Market Value
Checking	First Federal Savings	12-23456987	\$ 5,000.00
			\$
			\$
			\$
			\$

CALCULATION	
TOTAL DUE FROM BORROWER(s) (Line H)	\$ 210,700.00
LESS TOTAL MORTGAGE LOANS (Line K) AND TOTAL CREDITS (Line N)	– \$ 190,000.00
Cash From/To the Borrower (Line H minus Line K and Line N) NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.	\$ 20,700.00

4d. Gifts or Grants You Have Been Given or Will Receive for this Loan Does not apply

Include all gifts and grants below. Under Source, choose from the sources listed here:

- Community Nonprofit
- Employer
- Federal Agency
- Local Agency
- Relative
- Religious Nonprofit
- State Agency
- Unmarried Partner
- Lender
- Other

Asset Type: Cash Gift, Gift of Equity, Grant	Deposited/Not Deposited	Source – use list above	Cash or Market Value
Cash Gift	<input type="radio"/> Deposited <input checked="" type="radio"/> Not Deposited	Relative	\$ 16,000.00

The transaction is a purchase of a duplex to be used a primary residence. It is a conventional, fixed rate, 85% LTV. These are acceptable source of funds.

True or False?

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They moved in with their elderly mother/mother-in-law 18 months ago to assist her.

They are looking to buy a place of their own with enough room for mom to move in with them.

They have a small amount of savings- \$5,000

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			\$
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- Relative
- Religious Nonprofit
- State Agency
- Unmarried Partner
- Lender
- Other

Asset Type: Cash Gift, Gift of Equity, Grant	Deposited/Not Deposited	Source – use list above	Cash or Market Value
Cash Gift	<input type="radio"/> Deposited <input checked="" type="radio"/> Not Deposited	Relative	\$ 16,000.00

The transaction is a purchase of a single-family home to be used a primary residence. It is a conventional, fixed rate, 85% LTV. These are acceptable source of funds.

True



Fannie Mae

Desktop Underwriter[®] Asset and Reserve Requirements



Assets – Minimum Borrower Contribution

Fannie Mae

The following table describes the minimum borrower contribution requirements for transactions that contain gifts.

LTV, CLTV, or HCLTV Ratio	Minimum Borrower Contribution Requirement from Borrower's Own Funds	
80% or less	One- to four-unit principal residence Second home	A minimum borrower contribution from the borrower's own funds is not required. All funds needed to complete the transaction can come from a gift.
Greater than 80%	One-unit principal residence	A minimum borrower contribution from the borrower's own funds is not required. All funds needed to complete the transaction can come from a gift.
	Two- to four-unit principal residence Second home	The borrower must make a 5% minimum borrower contribution from his or her own funds. ¹ After the minimum borrower contribution has been met, gifts can be used to supplement the down payment, closing costs, and reserves. See B5-6-03, HomeReady Mortgage Underwriting Methods and Requirements , for HomeReady mortgage minimum borrower contribution and down payment requirements.

1. If the borrower receives a gift from a relative or domestic partner who has lived with the borrower for the last 12 months, or from a fiancé or fiancée, the gift is considered the borrower's own funds and may be used to satisfy the minimum borrower contribution requirement, as long as both individuals will use the home being purchased as their principal residence.

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

Cash From/To the Borrower (Line H minus Line K and Line N) NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.	\$ 154,067.00
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- Mutual Fund
- Stocks
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- Bonds
- Retirement (e.g., 401k, IRA)
- Bridge Loan Proceeds
- Individual Development Account
- Trust Account
- Cash Value of Life Insurance (used for the transaction)

Account Type – use list above	Financial Institution	Account Number	Cash or Market Value
Checking ▾	ABC Bank	12345	\$ 50,000.00
Retirement ▾	401k	4563	\$ 250,000.00
Mutual Fund ▾	XYZ Investor	595	\$ 50,000.00
▾			\$
▾			\$
Provide TOTAL Amount Here			\$ 350,000.00

The borrower has supplied the last two months checking account statements and do not indicate any large deposits. The statement showing the 401k funds at 100% value of \$250,000 has also been supplied with verification that there are no loans against the account and that the borrower may access the funds. The broker statement for the Mutual Funds is in the file. No additional documentation is required.

True or False

Cash From/To the Borrower (Line H minus Line K and Line N) NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.	\$ 154,067.00
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2a. Assets – Bank Accounts, Retirement, and Other Accounts You Have			
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• Checking	• Certificate of Deposit	• Stock Options	• Bridge Loan Proceeds
• Savings	• Mutual Fund	• Bonds	• Individual Development Account
• Money Market	• Stocks	• Retirement (e.g., 401k, IRA)	• Trust Account • Cash Value of Life Insurance (used for the transaction)
Account Type – use list above	Financial Institution	Account Number	Cash or Market Value
Checking ▾	ABC Bank	12345	\$ 50,000.00
Retirement ▾	401k	4563	\$ 250,000.00
Mutual Fund ▾	XYZ Investor	595	\$ 50,000.00
▾			\$
▾			\$
Provide TOTAL Amount Here			\$ 350,000.00

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Mutual Fund ▾	XYZ Investor	595	\$ 50,000.00
▾			\$
▾			\$
Provide TOTAL Amount Here			\$ 350,000.00

If the borrower liquidates \$150,000 of the 401k how much in reserves does the borrower have?

\$ _____

Cash From/To the Borrower (Line H minus Line K and Line N) NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.	\$ 154,067.00
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• Checking	• Certificate of Deposit	• Stock Options	• Bridge Loan Proceeds
• Savings	• Mutual Fund	• Bonds	• Individual Development
• Money Market	• Stocks	• Retirement (e.g., 401k, IRA)	Account
			• Trust Account
			• Cash Value of Life Insurance <i>(used for the transaction)</i>
Account Type – use list above	Financial Institution	Account Number	Cash or Market Value
Checking ▾	ABC Bank	12345	\$ 50,000.00
Retirement ▾	401k	4563	\$ 250,000.00
Mutual Fund ▾	XYZ Investor	595	\$ 50,000.00
▾			\$
▾			\$
Provide TOTAL Amount Here			\$ 350,000.00

If the borrower liquidates \$150,000 of the 401k, for cash to close, how much in reserves does the borrower have?

\$195,933

$\$50,000 + \$150,000 = \$200,000 - \$154,067 = \$45,933$

$401K \$100,000 + Mutual Fund \$50,000 = \$150,000$

$\$45,933 + \$150,000 = \$195,933$

Assets – Fannie Mae

Stocks or Bond Account Messages:

- Non-vested stock options and non-vested restricted stock are not acceptable sources of funds for the transaction

21 When **fully vested stock or bond account(s)** are needed to support the amount of funds required for **reserves**, the value entered may be 100 percent of the value of the account. Document the value with a current brokerage account statement, copy of the stock certificate accommodated by a newspaper stock list.

Section B3-4.3: Verification of Non-Depository Assets

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

Assets – Fannie Mae

20 The value entered for the **mutual fund** account may be 100 percent of the value of the account if the funds are used as **reserves**. Document the value with a current brokerage account statement.

Except for DU Refi Plus, when the mutual fund account will be used for the **down payment or closing costs** and the estimated liquidation value is at least 20% more than the amount of funds needed for the down payment and closing costs, documentation of the borrower's receipt of the funds from the sale or liquidation of the assets is not required. Otherwise, receipt of funds realized from the sale or liquidation must be verified. (MSG ID 1259)

Mutual Funds and Other Non-liquid Account Types:

- Proof of liquidation

Proof Of Liquidation

- When used for the down payment or closing costs, if the value of the asset is at least 20% more than the amount of funds needed for the down payment and closing costs, no documentation of the borrower's actual receipt of funds realized from the sale or liquidation is required

Applicable for loans submitted to DU and manually underwritten loans; Non-liquid Account Type Applies to:

- Stocks, Bonds, and Retirement Accounts in the form of stocks, bonds and mutual funds

Section B3-4.3-01 Stocks, Stock Options, Bonds and Mutual Funds

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

The borrower is buying a home and is using her \$7,000 in savings and \$12,000 proceeds from the sale of her motorcycle. She has deposited the proceeds into her account and it has been verified. The Bill of Sale, title and previous insurance card have been provided as proof of ownership and sale.

2a. Assets – Bank Accounts, Retirement, and Other Accounts You Have

Include all accounts below. Under Account Type, choose from the types listed here:

- Checking
- Savings
- Money Market
- Certificate of Deposit
- Mutual Fund
- Stocks
- Stock Options
- Bonds
- Retirement (e.g., 401k, IRA)
- Bridge Loan Proceeds
- Individual Development Account
- Trust Account
- Cash Value of Life Insurance (used for the transaction)

Account Type – use list above	Financial Institution	Account Number	Cash or Market Value
Checking	1st Savings	12-23456987	\$ 7,000.00

2b. Other Assets and Credits You Have Does not apply

Include all other assets and credits below. Under Asset or Credit Type, choose from the types listed here:

Assets

- Proceeds from Real Estate Property to be sold on or before closing
- Proceeds from Sale of Non-Real Estate Asset
- Secured Borrowed Funds
- Unsecured Borrowed Funds
- Other

Credits

- Earnest Money
- Employer Assistance
- Lot Equity
- Relocation Funds
- Rent Credit
- Sweat Equity
- Trade Equity

Asset or Credit Type – use list above	Cash or Market Value
Proceeds from Sale of Non-Real Estate Asset	\$ 12,000.00
	\$
	\$
	\$
Provide TOTAL Amount Here	\$ 12,000.00

Does not apply

Gross Monthly Income

Base	\$ 6,200.00 /month
Overtime	\$ /month
Bonus	\$ /month
Commission	\$ /month
Military Entitlements	\$ /month
Other	\$ /month
TOTAL \$	6,200.00/month

Cash From/To the Borrower (Line H minus Line K and Line N) NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.	\$ 18,700.00
---	--------------

The transaction is a purchase of a single-family home to be used a primary residence. It is a conventional, fixed rate, 95% LTV. This is a Fannie Mae loan. These are acceptable source of funds and no additional documentation is required.

True or False



The borrower is buying a home and is using her \$7,000 in savings and \$12,000 proceeds from the sale of her motorcycle. She has deposited the proceeds into her account and it has been verified. The Bill of Sale, title and previous insurance card have been provided as proof of ownership and sale.

2a. Assets – Bank Accounts, Retirement, and Other Accounts You Have

Include all accounts below. Under Account Type, choose from the types listed here:

- Checking
- Savings
- Money Market
- Certificate of Deposit
- Mutual Fund
- Stocks
- Stock Options
- Bonds
- Retirement (e.g., 401k, IRA)
- Bridge Loan Proceeds
- Individual Development Account
- Trust Account
- Cash Value of Life Insurance (used for the transaction)

Account Type – use list above	Financial Institution	Account Number	Cash or Market Value
Checking	1st Savings	12-23456987	\$ 7,000.00

2b. Other Assets and Credits You Have Does not apply

Include all other assets and credits below. Under Asset or Credit Type, choose from the types listed here:

Assets

- Proceeds from Real Estate Property to be sold on or before closing
- Proceeds from Sale of Non-Real Estate Asset
- Secured Borrowed Funds
- Unsecured Borrowed Funds
- Other

Credits

- Earnest Money
- Employer Assistance
- Lot Equity
- Relocation Funds
- Rent Credit
- Sweat Equity
- Trade Equity

Asset or Credit Type – use list above	Cash or Market Value
Proceeds from Sale of Non-Real Estate Asset	\$ 12,000.00
	\$
	\$
	\$
Provide TOTAL Amount Here	\$ 12,000.00

Does not apply

Gross Monthly Income

Base	\$ 6,200.00 /month
Overtime	\$ /month
Bonus	\$ /month
Commission	\$ /month
Military Entitlements	\$ /month
Other	\$ /month
TOTAL \$	6,200.00/month

Cash From/To the Borrower (Line H minus Line K and Line N) NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.	\$ 18,700.00
---	--------------

The transaction is a purchase of a single-family home to be used a primary residence. It is a conventional, fixed rate, 95% LTV. This is a Fannie Mae loan. These are acceptable source of funds and no additional documentation is required.

False

Assets – Fannie Mae

Sale of Personal Assets- The lender must document the following:

- The borrower's ownership of the asset for all asset types that are titled assets, for example automobile title.
- The value of the asset, as determined by an independent and reputable source, if the proceeds represent more than 50% of the total monthly income used in qualifying. The lender must use the lesser of the estimated value (as determined by the independent source) or actual sales price when determining the amount of funds for the transaction. For example, a borrower plans to sell their vehicle. The value as determined by an independent source is \$10,000; the sales price of the vehicle is \$12,000. \$10,000 can be added to the borrower's available funds even if the sale has already occurred.
- The transfer of ownership of the asset, as documented by either a bill of sale or a statement from the purchaser.
- The borrower's receipt of the sale proceeds from documents such as deposit slips, bank statements, copies of the purchaser's canceled check or an equivalent payment source.

The borrower is buying a home and is using their personal savings and business assets from a Corporation which they are 100% owner of. No Self-Employed income is being used for qualifying income.

The 2 most recent statements for both accounts are in the file and have been reviewed.

1b. Current Employment/Self-Employment and Income Does not apply

Employer or Business Name Union County Phone (303) 444 - 1000
 Street 566 Main Street Unit # _____
 City Union State CO ZIP 80033 Country _____

Position or Title County Administrator
 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.

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. \$ _____

Gross Monthly Income
 Base \$ 9,166.00 /month
 Overtime \$ _____ /month
 Bonus \$ _____ /month
 Commission \$ _____ /month
 Military Entitlements \$ _____ /month
 Other \$ _____ /month
TOTAL \$ 9,166.00/month

2a. Assets – Bank Accounts, Retirement, and Other Accounts You Have

Include all accounts below. Under Account Type, choose from the types listed here:

- Checking
- Savings
- Money Market
- Certificate of Deposit
- Mutual Fund
- Stocks
- Stock Options
- Bonds
- Retirement (e.g., 401k, IRA)
- Bridge Loan Proceeds
- Individual Development Account
- Trust Account
- Cash Value of Life Insurance (used for the transaction)

Account Type – use list above	Financial Institution	Account Number	Cash or Market Value
Checking	Bank USA	1100XXXXXXX	\$ 59,800.00
Checking	Bank USA	2100XXXXXXX	\$ 17,950.00

Cash From/To the Borrower (Line H minus Line K and Line N) NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.	\$ 65,000.00
--	---------------------

The transaction is a purchase of a single-family home to be used a primary residence. It is a conventional, fixed rate, 90% LTV. This is a Fannie Mae loan. These are acceptable source of funds and no additional documentation or review is required.

The borrower is buying a home and is using their personal savings and business assets from a Corporation which they are 100% owner of. No Self-Employed income is being used for qualifying income.

The 2 most recent statements for both accounts are in the file and have been reviewed.

1b. Current Employment/Self-Employment and Income Does not apply

Employer or Business Name Union County Phone (303) 444 - 1000
 Street 566 Main Street Unit #
 City Union State CO ZIP 80033 Country

Position or Title County Administrator
 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.

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. \$

Gross Monthly Income
 Base \$ 9,166.00 /month
 Overtime \$ /month
 Bonus \$ /month
 Commission \$ /month
 Military Entitlements \$ /month
 Other \$ /month
TOTAL \$ 9,166.00/month

2a. Assets – Bank Accounts, Retirement, and Other Accounts You Have

Include all accounts below. Under Account Type, choose from the types listed here:

- Checking
- Savings
- Money Market
- Certificate of Deposit
- Mutual Fund
- Stocks
- Stock Options
- Bonds
- Retirement (e.g., 401k, IRA)
- Bridge Loan Proceeds
- Individual Development Account
- Trust Account
- Cash Value of Life Insurance (used for the transaction)

Account Type – use list above	Financial Institution	Account Number	Cash or Market Value
Checking	Bank USA	1100XXXXXXX	\$ 59,800.00
Checking	Bank USA	2100XXXXXXX	\$ 17,950.00

Cash From/To the Borrower (Line H minus Line K and Line N) NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.	\$ 65,000.00
--	--------------

The transaction is a purchase of a single-family home to be used a primary residence. It is a conventional, fixed rate, 90% LTV. This is a Fannie Mae loan. These are acceptable source of funds and no additional documentation or review is required.

Assets – Fannie Mae

Borrower’s Business Accounts-

Business assets may be an acceptable source of funds for the down payment, closing costs, and financial reserves when a borrower is self-employed and the individual federal income tax returns have been evaluated by the lender, including, if applicable, the business federal income tax returns for that particular business (non-Schedule C). The borrower must be listed as an owner of the account and the account must be verified in accordance with B3-4.2-01, Verification of Deposits and Assets. *The lender must perform a business cash flow analysis to confirm that the withdrawal of funds for this transaction will not have a negative impact on the business. See Section B3–3.2, Self-Employment Income, for additional information on the analysis of a self-employed borrower.

**When self-employment income is not being used to qualify for the loan, but the borrower is using assets from their business towards down payment, closing costs, and/or financial reserves. The lender is not required to perform a business cash flow analysis, provided the borrower is listed as an owner of the account and the account is verified in accordance with B3-4.2-01, Verification of Deposits and Assets.*

B3-4.2-02, Depository Accounts

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

Reserves – Fannie Mae Multiple Financed Properties

DU determines the reserves required for the other residential financed properties

Calculation of Reserves for Multiple Financed Properties

If the borrower owns other financed properties (determined in accordance with [B2-2-03, Multiple Financed Properties for the Same Borrower](#)), additional reserves must be calculated and documented for financed properties other than the subject property and the borrower's principal residence. The other financed properties reserves amount must be determined by applying a specific percentage to the aggregate of the outstanding unpaid principal balance (UPB) for mortgages and HELOCs on these other financed properties. The percentages are based on the number of financed properties:

- 2% of the aggregate UPB if the borrower has one to four financed properties,
- 4% of the aggregate UPB if the borrower has five to six financed properties, or
- 6% of the aggregate UPB if the borrower has seven to ten financed properties (DU only).

The aggregate UPB calculation does not include the mortgages and HELOCs that are on

- the subject property,
- the borrower's principal residence,
- properties that are sold or pending sale, and
- accounts that will be paid by closing (or omitted in DU on the online loan application).

B3-4.1-01, Minimum Reserve Requirements
(10/07/2020)

<https://selling-guide.fanniemae.com/#Unacceptable.20Sources.20of.20Reserves>

Applies When The Subject Transaction Is A Second Home Or Investment Property AND The Borrower is Personally Obligated On The Financing

Reserves – Fannie Mae Multiple Financed Property Examples

B3-4.1-01, Minimum Reserve Requirements (10/07/2020)

Example 1: Three Financed Properties

Occupancy	Outstanding UPB	Monthly PITIA	Reserves Calculations	
Subject: Second Home	\$78,750	\$776	2 Months PITIA =	\$1,552
Principal	\$0	\$179	N/A	\$0
Investor	\$87,550	\$787	\$230,050 x 2% =	\$4,601
Investor	\$142,500	\$905		
	\$230,050		Total =	\$6,153

Applies When The Subject Transaction Is A Second Home Or Investment Property AND The Borrower is Personally Obligated On The Financing



Freddie Mac

Loan Product Advisor[®] Asset and Reserve Requirements



Minimum Borrower Contribution – Freddie Mac

Borrower's Own Funds *Freddie Mac Seller Servicer Guide (Chapter 5501.3(b)(i))*

- No requirement for >80% LTV loans where:
 - Mortgage is secured by a 1 and 2 unit Primary Residence and
 - Gift or gift of equity received from eligible donor used as source of funds or
 - Employer Assisted Homeownership (EAH) Benefit is used as source of funds

Freddie Mac Selling Guide Chapter **5501.3**

Asset General Documentation Requirement– Freddie Mac

Most recent one or two months asset statements (depending on documentation path–
Streamline or Standard)

All accounts held in financial institutions must be owned by the Borrower and the Borrower must have access to the funds. Funds in accounts that are owned jointly by the Borrower and a non-Borrower are considered Borrower personal funds. Accounts held in the name of a Living Trust are considered to be owned by the Borrower when the Borrower is the Settlor of the Living Trust. When the Borrower is a Living Trust, the Underwritten Settlor is considered to be the owner of accounts held in the name of the trust.

For Loan Product Advisor Mortgages, the Documentation Level shown on the Feedback Certificate indicates the minimum level of documentation acceptable for a Loan Product Advisor Mortgage.

Asset documentation valid for 120 days for both existing and new construction

You are required to provide proof of liquidation for certain non-liquid of assets used for closing such as stock, bonds, cash value of life insurance in most cases

Freddie Mac Assets Refinance Transaction

CALCULATION	
TOTAL DUE FROM BORROWER(s) (Line H)	\$ 156,700.00
LESS TOTAL MORTGAGE LOANS (Line K) AND TOTAL CREDITS (Line N)	-\$ 156,500.00
Cash From/To the Borrower (Line H minus Line K and Line N) NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.	\$ 200.00

You must verify borrower funds totaling the \$200.

Section 2: Financial Information — Assets and Liabilities. This section asks about things you own that are worth money and that you want considered to qualify for this loan. It then asks about your liabilities (or debts) that you pay each month, such as credit cards, alimony, or other expenses.

2a. Assets – Bank Accounts, Retirement, and Other Accounts You Have

Include all accounts below. Under Account Type, choose from the types listed here:

- Checking
- Savings
- Money Market
- Certificate of Deposit
- Mutual Fund
- Stocks
- Stock Options
- Bonds
- Retirement (e.g., 401k, IRA)
- Bridge Loan Proceeds
- Individual Development Account
- Trust Account
- Cash Value of Life Insurance (used for the transaction)

Account Type – use list above	Financial Institution	Account Number	Cash or Market Value
Checking	Everybody's Bank	#####	\$ 46.00
			\$
			\$
			\$
			\$
Provide TOTAL Amount Here			\$ 46.00

True or False

Freddie Mac Assets Refinance Transaction

CALCULATION	
TOTAL DUE FROM BORROWER(s) (Line H)	\$ 156,700.00
LESS TOTAL MORTGAGE LOANS (Line K) AND TOTAL CREDITS (Line N)	-\$ 156,500.00
Cash From/To the Borrower (Line H minus Line K and Line N) NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.	\$ 200.00

You must verify borrower funds totaling the \$200.

Section 2: Financial Information — Assets and Liabilities. This section asks about things you own that are worth money and that you want considered to qualify for this loan. It then asks about your liabilities (or debts) that you pay each month, such as credit cards, alimony, or other expenses.

2a. Assets – Bank Accounts, Retirement, and Other Accounts You Have

Include all accounts below. Under Account Type, choose from the types listed here:

- Checking
- Savings
- Money Market
- Certificate of Deposit
- Mutual Fund
- Stocks
- Stock Options
- Bonds
- Retirement (e.g., 401k, IRA)
- Bridge Loan Proceeds
- Individual Development Account
- Trust Account
- Cash Value of Life Insurance (used for the transaction)

Account Type – use list above	Financial Institution	Account Number	Cash or Market Value
Checking <input type="text" value="v"/>	Everybody's Bank	#####	\$ 46.00
<input type="text" value="v"/>			\$
<input type="text" value="v"/>			\$
<input type="text" value="v"/>			\$
<input type="text" value="v"/>			\$
Provide TOTAL Amount Here			\$ 46.00

False

Assets - Freddie Mac

All funds used in the transaction must come from eligible sources.

For purchases, document the borrower has sufficient funds verified from eligible sources.

For refinances, verification of assets is not required when the amount of borrower funds needed for the transaction is < \$500, and LPA does not require reserves and the loan received a LPA Risk Class of Accept.

Freddie Mac Assets Refinance Transaction-Written VOD

Funds totaling \$14,000 must be verified for this purchase transaction.

The VOD verifies \$14,375 in depository accounts. No additional asset documentation is required.

Gross Monthly Income	
Base	\$ 5,155.00 /month
Overtime	\$ _____ /month
Bonus	\$ _____ /month
Commission	\$ _____ /month
Military Entitlements	\$ _____ /month
Other	\$ _____ /month
TOTAL \$	5,155.00/month

True or False

Part II – Verification of Depository

10. Deposit Accounts of Applicant(s)

Type of Account	Account Number	Current Balance	Average Balance For Previous Two Months	Date Opened
student checking	1-046-6567-8110	\$ 2,104.16	\$ 600.00	2-14-18
student savings	2-046-6567-8120	\$ 7,671.74	\$ 5,900.00	2-14-18
SAVINGS	2-046-6567-8130	\$ 2,600.12	\$ 2,500.00	3-17-18

Part III – Authorized Signature - Federal statutes provide severe penalties for any fraud, intentional misrepresentation, or criminal connivance or conspiracy purposed to influence the issuance of any guaranty or insurance by the VA Secretary, the U.S.D.A., FmHA/FHA Commissioner, or the HUD/CPD Assistant Secretary.

14. Signature of Depository Representative <i>Toni Treasure</i>	15. Title (Please print or type) V.P. Deposits	16. Date 4-07-21
17. Please print or type name signed in item 14 Toni Treasure	18. Phone No. 612-664-2599	

Freddie Mac Assets Refinance Transaction-Written VOD

Funds totaling \$14,000 must be verified for this purchase transaction.

The VOD verifies \$14,375 in depository accounts. No additional asset documentation is required.

Part II – Verification of Depository				
10. Deposit Accounts of Applicant(s)				
Type of Account	Account Number	Current Balance	Average Balance For Previous Two Months	Date Opened
Student checking	1-046-6567-8110	\$ 2,104.16	\$ 600.00	2-14-18
Student savings	2-046-6567-8120	\$ 9,671.74	\$ 5,900.00	2-14-18
Savings	3-046-6567-8130	\$ 2,600.12	\$ 2,500.00	3-17-18

Gross Monthly Income	
Base	\$ 5,155.00 /month
Overtime	\$ /month
Bonus	\$ /month
Commission	\$ /month
Military Entitlements	\$ /month
Other	\$ /month
TOTAL \$	5,155.00/month

$\$2,104 - \$600 = \$1,504$
 $\$9,671 - \$5,900 = \$3,771$
 $\$2,600 - \$2,500 = \$100$

Income $\$5,155 \times 50\% = \$2,577$

False

Assets

FAR0107 Depository accounts: For each account (checking, savings, money market, CDs, and other depository accounts) used to qualify the borrower, obtain an account statement covering a 1-month period or a direct verification.

Direct account verifications and asset account statements used to verify the Borrower's accounts held in financial institutions must meet the following additional requirements:

Direct account verifications (i.e., verification of deposit form (VOD)) must:

- Identify the financial institution
- Identify the account owner(s)
- Identify the account number, which at a minimum must include the last **two** digits
- Identify the type of account
- Identify account open date
- Identify the current account balance
- Identify the average balance for the previous two months
- Identify any outstanding loans secured by the asset
- Include the title, signature and phone number of the depository representative who completed the verification

For purchase transactions, when using a direct account verification, the Seller must include documentation of the source of funds when an account is opened within 90 days of verification and/or when the current balance in an account exceeds the average balance by more than 50% of the sum of:

- The total monthly qualifying income for the Mortgage, and
- The amount derived from the asset calculation for establishing the debt payment-to-income ratio in accordance with the requirements of [Section 5307.1](#), if applicable

The borrower is buying a home and is using their personal savings and graduation gift money from various friends and family.

The most recent statements for both accounts are in the file and have been reviewed. The newest statement shows multiple deposits totaling \$6,550 in addition to her direct deposit payroll. Their newly acquired diploma is in the file proving their recent graduation.

4d. Gifts or Grants You Have Been Given or Will Receive for this Loan Does not apply

Include all gifts and grants below. Under Source, choose from the sources listed here:

- Community Nonprofit • Federal Agency • Relative • State Agency • Lender
- Employer • Local Agency • Religious Nonprofit • Unmarried Partner • Other

Asset Type: Cash Gift, Gift of Equity, Grant	Deposited/Not Deposited	Source – use list above	Cash or Market Value
Cash Gift <input type="text"/>	<input checked="" type="radio"/> Deposited <input type="radio"/> Not Deposited	Other <input type="text"/>	\$ 6,550.00
<input type="text"/>	<input type="radio"/> Deposited <input type="radio"/> Not Deposited	<input type="text"/>	\$

Section 5: Declarations. This section asks you specific questions about the property, your funding, and your past financial history.

5a. About this Property and Your Money for this Loan

A. Will you occupy the property as your primary residence?
 If YES, have you had an ownership interest in another property in the last three years?
 If YES, complete (1) and (2) below:

(1) What type of property did you own: primary residence (PR), FHA secondary residence (SR), second home (SH), or investment property (IP)?

(2) How did you hold title to the property: by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?

NO YES
 NO YES

The transaction is a purchase of a single-family home to be used a primary residence. It is a conventional, fixed rate, 90% LTV. This is a Freddie Mac loan. The borrower is a First-Time Homebuyer. These are acceptable source of funds.

The borrower is buying a home and is using their personal savings and graduation gift money from various friends and family.

The most recent statements for both accounts are in the file and have been reviewed. The newest statement shows multiple deposits totaling \$6,550 in addition to her direct deposit payroll. Their newly acquired diploma is in the file proving their recent graduation.

4d. Gifts or Grants You Have Been Given or Will Receive for this Loan Does not apply

Include all gifts and grants below. Under Source, choose from the sources listed here:

- Community Nonprofit
- Federal Agency
- Relative
- State Agency
- Lender
- Employer
- Local Agency
- Religious Nonprofit
- Unmarried Partner
- Other

Asset Type: Cash Gift, Gift of Equity, Grant	Deposited/Not Deposited	Source – use list above	Cash or Market Value
Cash Gift	<input checked="" type="radio"/> Deposited <input type="radio"/> Not Deposited	Other	\$ 6,550.00
	<input type="radio"/> Deposited <input type="radio"/> Not Deposited		\$

Section 5: Declarations. This section asks you specific questions about the property, your funding, and your past financial history.

5a. About this Property and Your Money for this Loan

A. Will you occupy the property as your primary residence?
 If YES, have you had an ownership interest in another property in the last three years?
 If YES, complete (1) and (2) below:

(1) What type of property did you own: primary residence (PR), FHA secondary residence (SR), second home (SH), or investment property (IP)?

(2) How did you hold title to the property: by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?

NO YES
 NO YES

The transaction is a purchase of a single-family home to be used a primary residence. It is a conventional, fixed rate, 90% LTV. This is a Freddie Mac loan. The borrower is a First-Time Homebuyer. These are acceptable source of funds.

Gift Funds and Gift Letters- Freddie Mac

In support of expanding access to credit for First-Time Homebuyers, we have updated our requirements to permit graduation gifts from a related or unrelated person(s) as an eligible source of funds for a purchase of a Primary Residence. The Seller must obtain the following:

- Evidence of graduation from an educational institution (e.g., diploma or transcripts) that supports the date of graduation
- A verification of the gift funds in the Borrower's depository account. Gift funds must be deposited within 90 days of the date of graduation.

In addition, we have updated our requirements to allow gift letters to state the maximum amount of the gift funds or gift of equity **or** the actual amount. This change will eliminate the need for Sellers to obtain a corrected gift letter, should the actual amount of the gift be less than the amount stated on the gift letter. As a reminder, this flexibility does not eliminate the requirements for resubmission to Loan Product Advisor® per [Section 5101.6](#).

Assets - Freddie Mac

Mutual Funds and Other *Non-liquid Account Types:

- Proof of liquidation

Proof Of Liquidation

- When used for the down payment or closing costs, if the value of the asset is at least 20% more than the amount of funds needed for the down payment and closing costs, no documentation of the borrower's actual receipt of funds realized from the sale or liquidation is required

****Non-liquid Account Type Applies to:***

- *Stocks, Bonds, and Retirement Accounts in the form of stocks, bonds and mutual funds*

Assets - Freddie Mac

Borrower's Business Accounts- Funds from a Borrower's business account may be used to qualify the Borrower for the Mortgage transaction, provided they meet the requirements of Freddie Mac's Selling Guide, Chapter 5501.3, except as stated below.

- Documentation of large deposits, as described in Section [5501.3\(a\)\(iii\)](#), is not required provided that the Seller:
 - Reviews a minimum of the most recent two months of the business account statements, and
 - Determines the deposits are typical for the Borrower's business
- See [Section 5304.1\(f\)](#) for additional requirements when self-employed income from the business is used for qualifying.

Sale of Personal Asset – Freddie Mac

Sale of Borrower's Assets (other than real property or exchange-traded securities).

Provide:

- A signed Bill of Sale documenting the asset and transfer of ownership
- Evidence of receipt of the proceeds

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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 heading is "Enact MI Underwriting Guidelines". A paragraph explains the importance of the document and provides links to Credit Policy updates, LTV recaps, and the Peak Portfolio program. A large section titled "Underwriting Guidelines and Credit Policy Updates" contains a paragraph about searching for specific guidelines and links to "Underwriting Guidelines" (effective 1-10-2022) and "Credit Policy Bulletin 2022-02" (effective 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 the text "Best practices for reducing file errors" and a "Get info" button. At the bottom right, there is a "Feedback" button with a thumbs-up icon.

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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 and Test Your Knowledge

The screenshot shows 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 on the right. The main banner features the text "Enact MI Training Catalog" in green, with a background image of hands typing on a green laptop keyboard and floating green plus signs. Below the banner are four category cards, each with a green plus sign icon and a title: Assets (orange background with small plus signs), Income (teal background with small dots), Credit/Liabilities (white background with a grid of dashed lines and small plus signs), and Appraisal/Collateral (yellow background with horizontal lines).

Enact Training Resources




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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.

 XLSX	Income Calculation Worksheet Use this form to calculate income. UPDATED	 XLSX	Fannie Mae Form 1084 Calculator (2023-2022) Calculate and analyze cash flow to help you complete Fannie Mae form 1084. UPDATED	 XLSX	Fannie Mae Form 1084 Calculator XLS (2023-2022) Calculate and analyze cash flow to help you complete Fannie Mae form 1084. UPDATED
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Your Enact Resources

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

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