

For Arch MI and Arch MI for Credit Unions

Loan Processing and the URLA/Form 1003

Making the Loan Application
Process Easier

a MORTGAGE SKILLS course



Legal Disclaimer

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Objectives

Define Loan Processing.

Become Familiar with the URLA/Form 1003:

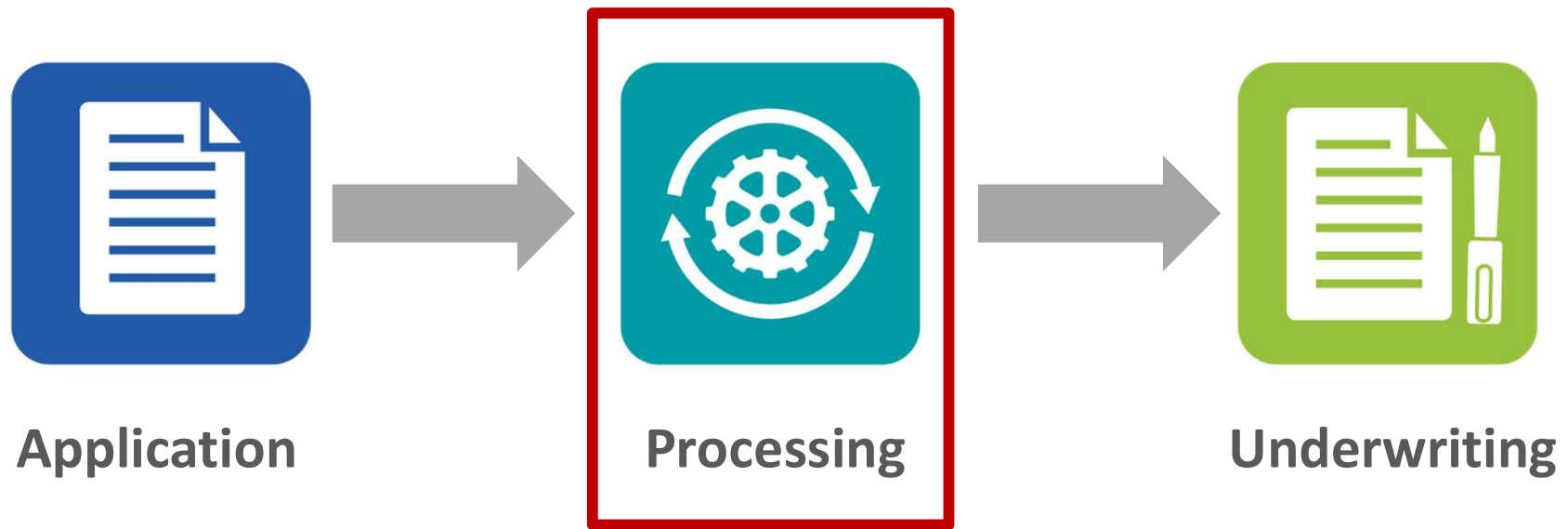
- Borrower Information.
 - Additional Borrower Information.
 - Unmarried Addendum.
 - Lender Loan Information.
 - Continuation Form.
-

Prepare the Loan Application for Underwriting.

Utilize Resources.

Loan Processing

The gathering and verifying of all documentation required to make a quality loan decision.



Define Loan Processing



Why Process?



- Independent third-party verification of information on the loan application.
- Detect misrepresentations.

The Uniform Residential Loan Application (URLA)

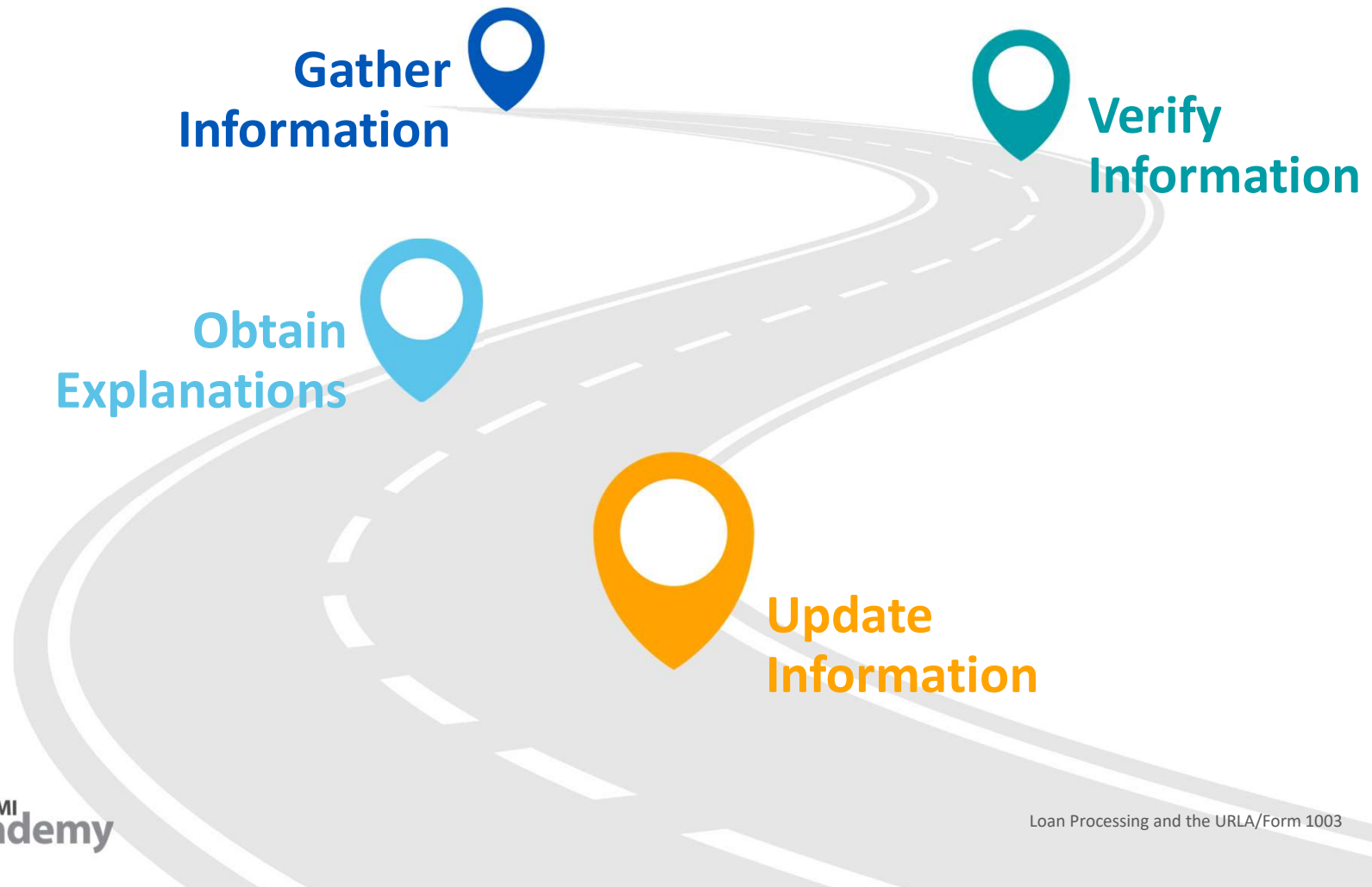


Form 1003



Form 65

Role of Processing



Introducing the URLA/ Form 1003



URLA/Form 1003 Five Components



USE WITH EVERY LOAN

1. Borrower Information*
2. Lender Loan Information

USE AS NEEDED

3. Unmarried Borrower Addendum
4. Additional Borrower Information*
5. Continuation Sheet

*Flexible design allows different combinations to be used which best fit different borrower scenarios and lender and loan requirements.

URLA/Form 1003

Two URLA Components = Always Required



Two Components are Required for All Loans

Section 9: Loan Originator Information. To be completed by your Loan Originator.

Section 7: Military Service. This section asks questions about your (or your deceased spouse's) military service.

Section 6: Acknowledgments and Agreements. This section tells you about your legal obligations when you sign this application.

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

Section 4: Loan and Property Information. This section asks about the loan's purpose and the property you want to purchase.

Section 3: Financial Information — Real Estate. This section asks you to list all properties you currently own and what you own in the past.

Section 2: Financial Information — Assets and Liabilities. This section asks about things you own that are not real estate.

1c. IF APPLICABLE, Complete Information for Additional Employment/Self-Employment and Income Does not apply

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 _____
 (for individual Taxpayer Identification Number)

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) _____ Citizenship U.S. Citizen
 Permanent Resident Alien
 Non-Permanent Resident Alien

List Name(s) of Other Borrower(s) Applying for this Loan (first, Middle, Last, Suffix) - Use a separator between names _____

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: _____

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 _____ Unit # _____
 City _____ State _____ ZIP _____ Country _____
 How Long at Current Address? _____ Years _____ Months Housing No primary housing expense Own Rent (\$ _____/month)

If at Current Address for LESS than 2 years, list Former Address Does not apply

Street _____ Unit # _____
 City _____ State _____ ZIP _____ Country _____
 How Long at Former Address? _____ Years _____ Months Housing No primary housing expense Own Rent (\$ _____/month)

Mailing Address - if different from Current Address Does not apply

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.

Gross Monthly Income Base \$ _____/month
 Overtime \$ _____/month
 Bonus \$ _____/month
 Commission \$ _____/month
 Military \$ _____/month
 Investments \$ _____/month

Borrower Information

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

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.

Refinance Type No Cash Out Full Documentation
 Limited Cash Out Interest Rate Reduction
 Cash Out Streamlined without Appraisal
 Other _____

Energy Improvement Mortgage loan will finance energy-related improvements.
 Property is currently subject to a lien that could take priority over the first mortgage lien, such as a clean energy lien paid through property taxes (e.g., the Property Assessed Clean Energy program).

Transaction Detail Conversion of Contract for Deed or Land Contract
 Renovation Construction-Conversion/Construction-to-Permanent
 Single-Closing Two-Closing
 Construction/Improvement Costs \$ _____
 Let 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)

Trust Information Title Will be Held by an Inter Vivos (Living) Trust
 Title Will be Held by a Land Trust

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 _____

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 USDA-RD FHA OVA Other: _____

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

Amortization Type Fixed Rate Other (explain): _____
 Adjustable Rate

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 (Conds Co-Op PUD) \$ _____
 Other \$ _____
TOTAL \$ _____

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)
 Negative Amortization
 Prepayment Penalty / Prepayment Penalty Term _____(months)
 Temporary Interest Rate Buydown / Initial Buydown Rate _____%
 Other (explain): _____

Lender Loan Information



URLA/Form 1003

Three URLA Components = Use As Needed



Three Components are to be Used As Needed

Section 8: Demographic Information. This section asks about your ethnicity, sex, and race.

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

1c. IF APPLICABLE, Complete information for Additional Employment/Self-Employment and Income. Does not apply

Uniform Residential Loan Application — Additional Borrower
Verify and complete the information on this application 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 Identification Number)

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) _____
Citizenship
 U.S. Citizen
 Permanent Resident Alien
 Non-Permanent Resident Alien

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) Applying for this Loan
 (First, Middle, Last, Suffix) - Use a separator between names.

1b. Marital Status Married 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 (____) _____ Ext. _____
 Email _____

Current Address
 Street _____ Unit # _____
 City _____ State _____ ZIP _____ Country _____
 How Long at Current Address? _____ Years _____ Months **Housing** No primary housing expense Own Rent (\$ _____/month)

If at Current Address for LESS than 2 years, list Former Address Does not apply
 Street _____ Unit # _____
 City _____ State _____ ZIP _____ Country _____
 How Long at Former Address? _____ Years _____ Months **Housing** No primary housing expense Own Rent (\$ _____/month)

Mailing Address - If different from Current Address Does not apply
 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 _____

Gross Monthly Income
 Base \$ _____/month
 Overtime \$ _____/month
 Bonus \$ _____/month
 Commission \$ _____/month
 Military Estimations \$ _____/month

Position or Title _____
Start Date ____/____/____ (mm/dd/yyyy)
 How long in this line of work? _____ Years _____ Months

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

Unmarried Borrower Addendum

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

Uniform Residential Loan Application — Unmarried Addendum

For Borrower Selecting the Unmarried Status

Lenders instructions for Using the Unmarried Addendum
 The Lender may use the Unmarried Addendum only when a Borrower selected "Unmarried" in Section 1 and the information collected is necessary to determine how State property laws directly or indirectly affecting creditworthiness apply, including ensuring clear title.

For example, the Lender may use the Unmarried Addendum when the Borrower resides in a State that recognizes civil unions, domestic partnerships, or registered reciprocal beneficiary relationships or when the property is located in such a State. "State" means any state, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

If you selected "Unmarried" in Section 1, is there a person who is not your legal spouse but who currently has real property rights similar to those of a legal spouse? NO YES

If YES, indicate the type of relationship and the State in which the relationship was formed. For example, indicate if you are in a civil union, domestic partnership, registered reciprocal beneficiary relationship, or other relationship recognized by the State in which you currently reside or where the property is located.
 Civil Union Domestic Partnership Registered Reciprocal Beneficiary Relationship Other (explain) _____
 State: _____

Borrower Name:
 Uniform Residential Loan Application — Unmarried Addendum
 Freddie Mac Form 65 - Fannie Mae Form 1003
 Effective Date 7/02

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

Uniform Residential Loan Application — Continuation Sheet

Continuation Sheet Use this continuation sheet if you need more space to complete the Uniform Residential Loan Application.

Borrower Name (First, Middle, Last, Suffix) _____

Additional Information

Additional Borrower Name (First, Middle, Last, Suffix) _____

Additional Information

I We fully understand that it is a federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of federal law (18 U.S.C. 95 1001 et seq.).

Continuation Sheet

Uniform Residential Loan Application — Continuation Sheet
 Freddie Mac Form 65 - Fannie Mae Form 1003
 Effective Date 7/02

Additional Borrower Information



How to Use the Borrower and Additional Borrower URLA Components



Borrower Information *is required* for all loans.

Additional Borrower Information *is optional*.

Streamlines collection of assets, liabilities and real estate owned for multiple borrowers.

Therefore...

- Multiple borrowers who *don't mind* having their financial information combined (e.g., married couples) could complete the ***Borrower and Additional Borrower*** components because it streamlines the collection of assets, liabilities and real estate owned.
- Multiple borrowers who *do not want* to combine their asset, liability and real estate information (e.g., friends) can complete the ***Borrower URLA component for each borrower***.

URLA/Form 1003 - Borrower Information



Section 1: Borrower Information

1a. Personal Information



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 _____ - _____ - _____ <i>(or Individual Taxpayer Identification Number)</i>	Date of Birth <i>(mm/dd/yyyy)</i> ____ / ____ / ____
Alternate Names – List any names by which you are known or any names under which credit was previously received (First, Middle, Last, Suffix)	Citizenship <input type="radio"/> U.S. Citizen <input type="radio"/> Permanent Resident Alien <input type="radio"/> Non-Permanent Resident Alien	
Type of Credit <input type="radio"/> I am applying for individual credit . <input type="radio"/> 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) Applying for this Loan <i>(First, Middle, Last, Suffix) – Use a separator between names</i>	
Marital Status <input type="radio"/> Married <input type="radio"/> Separated <input type="radio"/> Unmarried <i>(Single, Divorced, Widowed, Civil Union, Domestic Partnership, Registered Reciprocal Beneficiary Relationship)</i>	Dependents (not listed by another Borrower) Number _____ Ages _____	Contact Information Home Phone (____) ____ - _____ Cell Phone (____) ____ - _____ Work Phone (____) ____ - _____ Ext. _____ Email _____



Section 1: Borrower Information

1a. Personal Information



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

Current Address

Street _____ Unit # _____

City _____ State _____ ZIP _____ Country _____

How Long at Current Address? ____ Years ____ Months **Housing** No primary housing expense Own Rent (\$ _____ /month)

If at Current Address for LESS than 2 years, list Former Address **Does not apply** ←

Street _____ Unit # _____

City _____ State _____ ZIP _____ Country _____

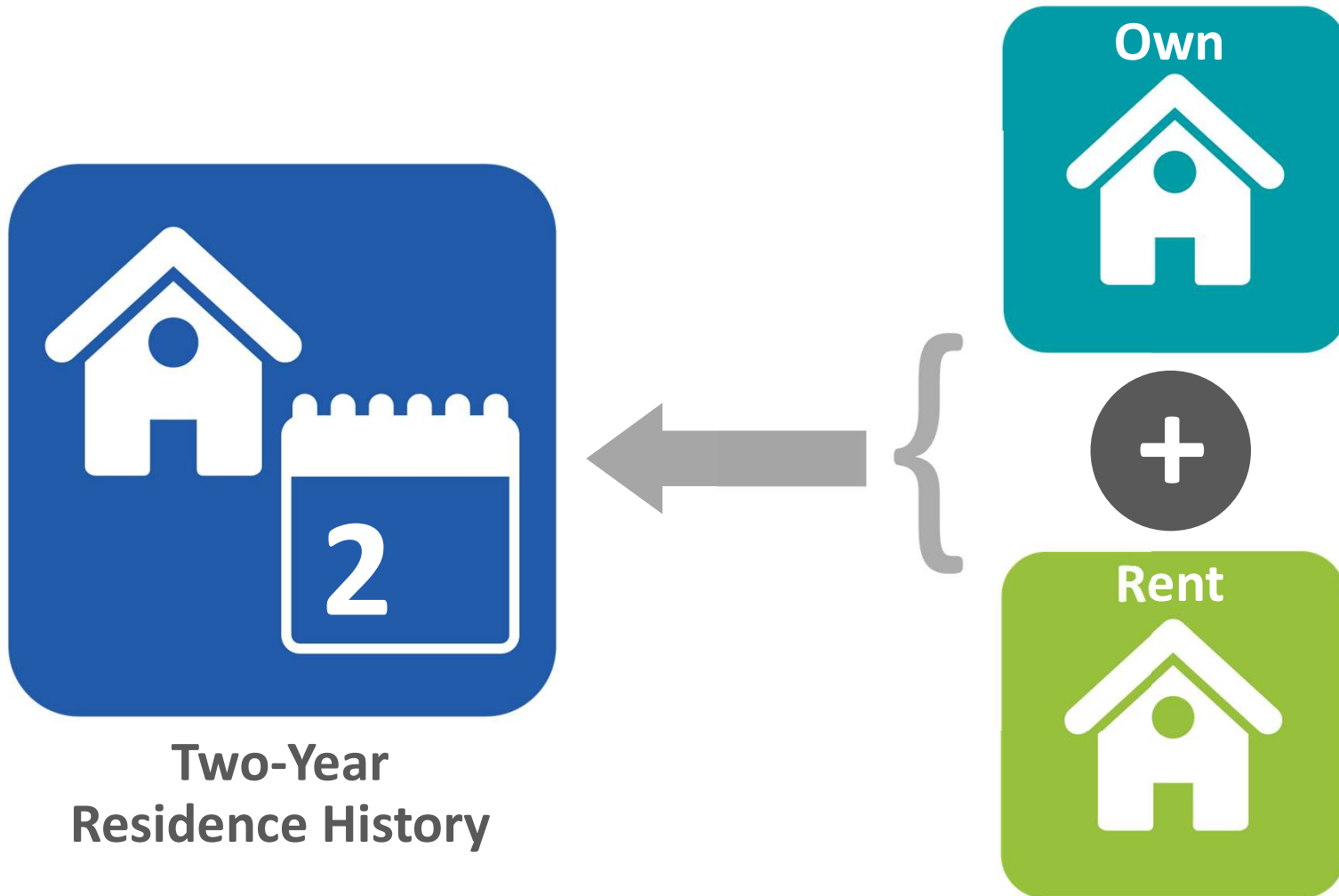
How Long at Former Address? ____ Years ____ Months **Housing** No primary housing expense Own Rent (\$ _____ /month)

Mailing Address – if different from Current Address **Does not apply** ←

Street _____ Unit # _____

City _____ State _____ ZIP _____ Country _____

Residence History



Two-Year
Residence History



Rent

- Verification of Rent (VOR).
- 12 Months of Canceled Checks.



Mortgage

- Verification of Mortgage (VOM).
- Verified on Credit Report.

Knowledge Check One

The URLA is made up of five components. How many components are ALWAYS required?

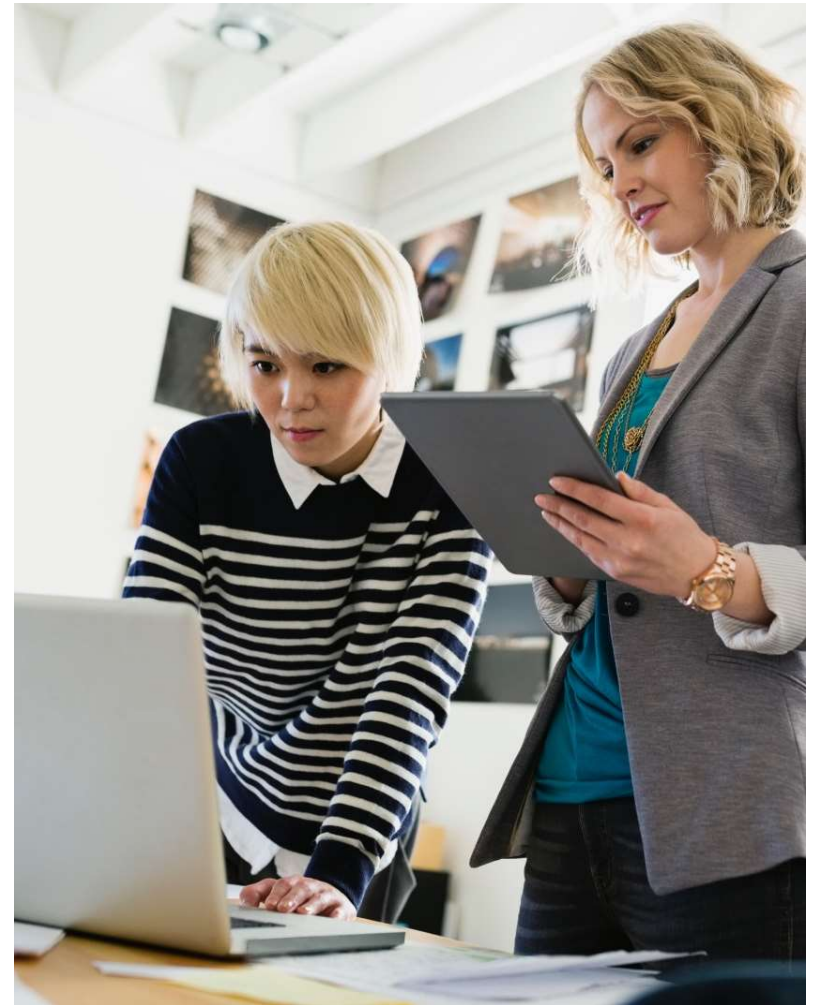
1. One component.
2. Two components.
3. Three components.
4. Four components.
5. All five components.



Check Your Understanding One

The answer is **2. *Two Components.***

- The **Borrower Information** and the **Lender Information** are required for every loan. The other components are used only when needed.



Section 1: Borrower Information

1b. Current Employment, 1c. IF APPLICABLE




1b. Current Employment/Self-Employment and Income		<input type="checkbox"/> Does not apply
Employer or Business Name _____ Phone (____) ____ - _____		
Street _____ Unit # _____		
City _____ State _____ ZIP _____ Country _____		
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.	Gross Monthly Income Base \$ _____ /month Overtime \$ _____ /month Bonus \$ _____ /month Commission \$ _____ /month Military Entitlements \$ _____ /month Other \$ _____ /month TOTAL \$ _____ /month
Start Date ____ / ____ / ____ (mm/dd/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) \$ _____	

1c. IF APPLICABLE, Complete Information for Additional Employment/Self-Employment and Income		<input type="checkbox"/> Does not apply
Employer or Business Name _____ Phone (____) ____ - _____		
Street _____ Unit # _____		
City _____ State _____ ZIP _____ Country _____		
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.	Gross Monthly Income Base \$ _____ /month Overtime \$ _____ /month Bonus \$ _____ /month Commission \$ _____ /month Military Entitlements \$ _____ /month Other \$ _____ /month TOTAL \$ _____ /month
Start Date ____ / ____ / ____ (mm/dd/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) \$ _____	

Section 1: Borrower Information

1d. IF APPLICABLE



1d. IF APPLICABLE, Complete Information for Previous Employment/Self-Employment and Income		<input type="checkbox"/> Does not apply 
Provide at least 2 years of current and previous employment and income.		
Employer or Business Name _____		Previous Gross Monthly Income \$ _____/month
Street _____ Unit # _____		
City _____ State _____ ZIP _____ Country _____		
Position or Title _____	<input type="checkbox"/> Check if you were the Business Owner or Self-Employed	
Start Date ____/____/____ (mm/dd/yyyy)		
End Date ____/____/____ (mm/dd/yyyy)		

Section 1: Borrower Information

1e. Income from Other Sources



1e. Income from Other Sources	
<input type="checkbox"/> Does not apply ←	
Include income from other sources below. Under Income Source, choose from the sources listed here:	
<ul style="list-style-type: none"> • Alimony • Automobile Allowance • Boarder Income • Capital Gains 	<ul style="list-style-type: none"> • Child Support • Disability • Foster Care • Housing or Parsonage
<ul style="list-style-type: none"> • Interest and Dividends • Mortgage Credit Certificate • Mortgage Differential Payments 	<ul style="list-style-type: none"> • Notes Receivable • Public Assistance • Retirement (e.g., Pension, IRA)
<ul style="list-style-type: none"> • Royalty Payments • Separate Maintenance • Social Security • Trust 	<ul style="list-style-type: none"> • 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
	\$
	\$
	\$
Provide TOTAL Amount Here	\$

Employment History



Validate



Two-Year
Employment History

Verify Monthly Income

Frequency	Calculation
→ Hourly	Hourly Rate x Number of Hours x 52 Weeks divided by 12
Weekly	Weekly Base Salary x 52 Weeks divided by 12
→ Biweekly	Biweekly Base Salary x 26 Weeks divided by 12
→ Semi-Monthly	Semi-Monthly Base Salary x 24 Weeks divided by 12
Monthly	Monthly Base Pay as shown
→ Annual	Annual Base Rate of Pay divided by 12

Verify Monthly Income

Commission, Bonus, Overtime



**Average – YTD and
Past Two Years**

Best documentation is written
Verification of Employment.



**Income should be
Stable or Increasing**
Income that continues to
decline is generally not
considered stable.

Gather Income Documentation



Income	Documentation
Commissions	Two most recent tax returns.
Dividends	<ul style="list-style-type: none">▪ Two most recent tax returns with Schedule B, or▪ Account statements and most recent two years' IRS Form 1099-DIV.
Interest	<ul style="list-style-type: none">▪ Two most recent tax returns with Schedule B, or▪ Account statements and most recent two years' IRS Form 1099-INT.
Alimony	<ul style="list-style-type: none">▪ Copy of divorce decree.▪ Two most recent tax returns or 12 months of canceled checks as Evidence of Payment.
Separate Maintenance	<ul style="list-style-type: none">▪ Copy of separation agreement.▪ 12 months of canceled checks as Evidence of Payment.
Child Support	<ul style="list-style-type: none">▪ Child support order.▪ 12 months of canceled checks as Evidence of Payment.

Gather Income Documentation



Income	Documentation
Annuity	Most recent annuity renewal statement.
Auto Allowance	Two most recent tax returns with Form 2106.
Pension/Retirement	<ul style="list-style-type: none">▪ Letters from organization providing income, or▪ Copies of retirement award letters, or▪ Most recent tax return or Form 1099-R, or▪ Two most recent bank statements.
Royalties	Two most recent tax returns with Schedule E.
Social Security	<ul style="list-style-type: none">▪ Copy of Social Security Administration award letter, or▪ Copies of tax returns and IRS W-2, or▪ Most recent two months' bank statements.

Gather Income Documentation

Income	Documentation
Trust Income	<ul style="list-style-type: none">▪ Copy of trust agreement, or▪ Trustee's statement, or▪ Two most recent tax returns.
VA Benefits	Letter of compensation distribution from Veterans Administration.

General Guidelines

Income: Stability is key.

A large, solid green arrow pointing to the right, containing the text "History: Two years" in white.

History: Two years

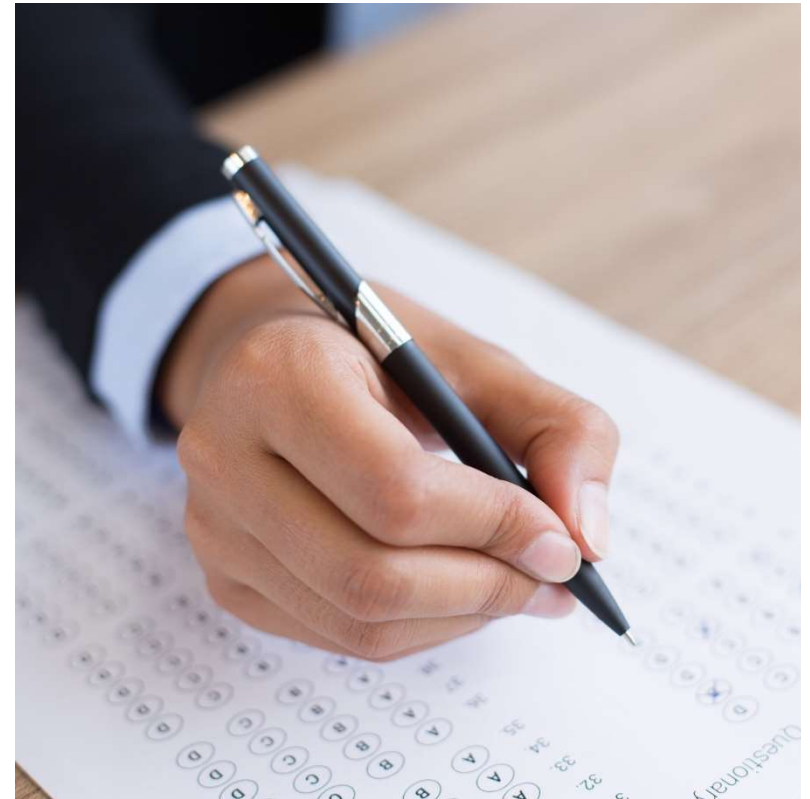
A large, solid blue arrow pointing to the right, containing the text "Continuance: Three years" in white.

Continuance: Three years

Knowledge Check Two

Is the following **True** or **False**?

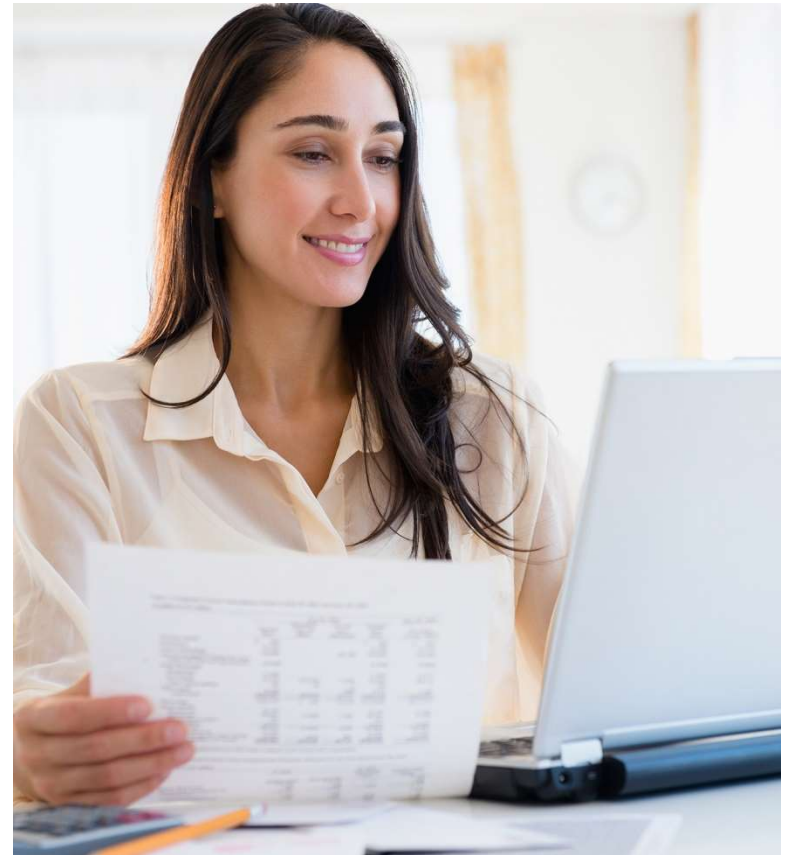
- It is acceptable to include bonus, commission and overtime income in the base pay.



Check Your Understanding Two

The answer is ***False***.

- Bonus, commission and overtime income should be calculated separately and not included in base pay.



Section 2: Financial Information

2a. Assets, 2b. Other Assets



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
			\$
			\$
			\$
			\$
			\$
Provide TOTAL Amount Here			\$

2b. Other Assets and Credits You Have

Does not apply

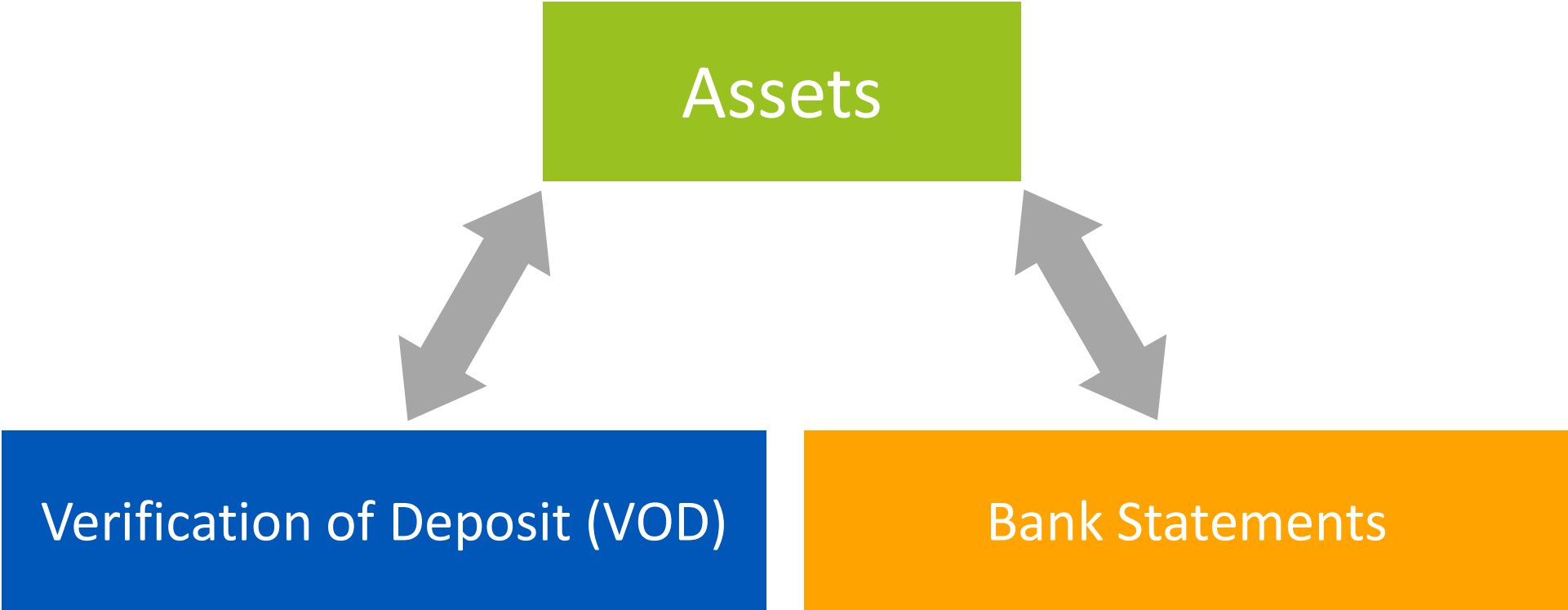
Include all other assets and credits below. Under Asset or Credit Type, choose from the types listed here:

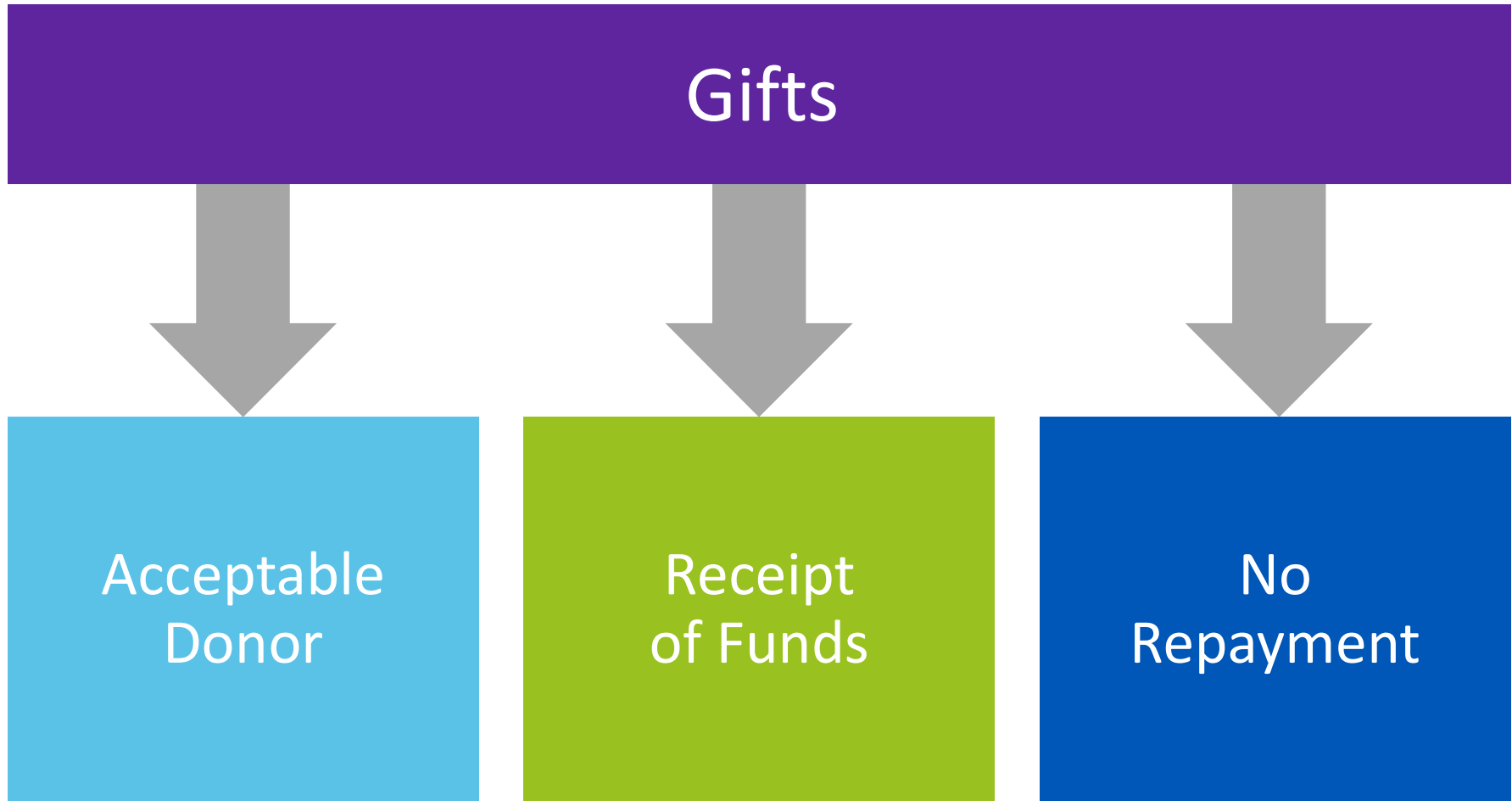
- | | |
|---|---|
| <p><i>Assets</i></p> <ul style="list-style-type: none"> • Proceeds from Real Estate Property to be sold on or before closing • Proceeds from Sale of Non-Real Estate Asset • Secured Borrowed Funds • Unsecured Borrowed Funds • Other | <p><i>Credits</i></p> <ul style="list-style-type: none"> • Earnest Money • Employer Assistance • Lot Equity • Relocation Funds • Rent Credit • Sweat Equity • Trade Equity |
|---|---|

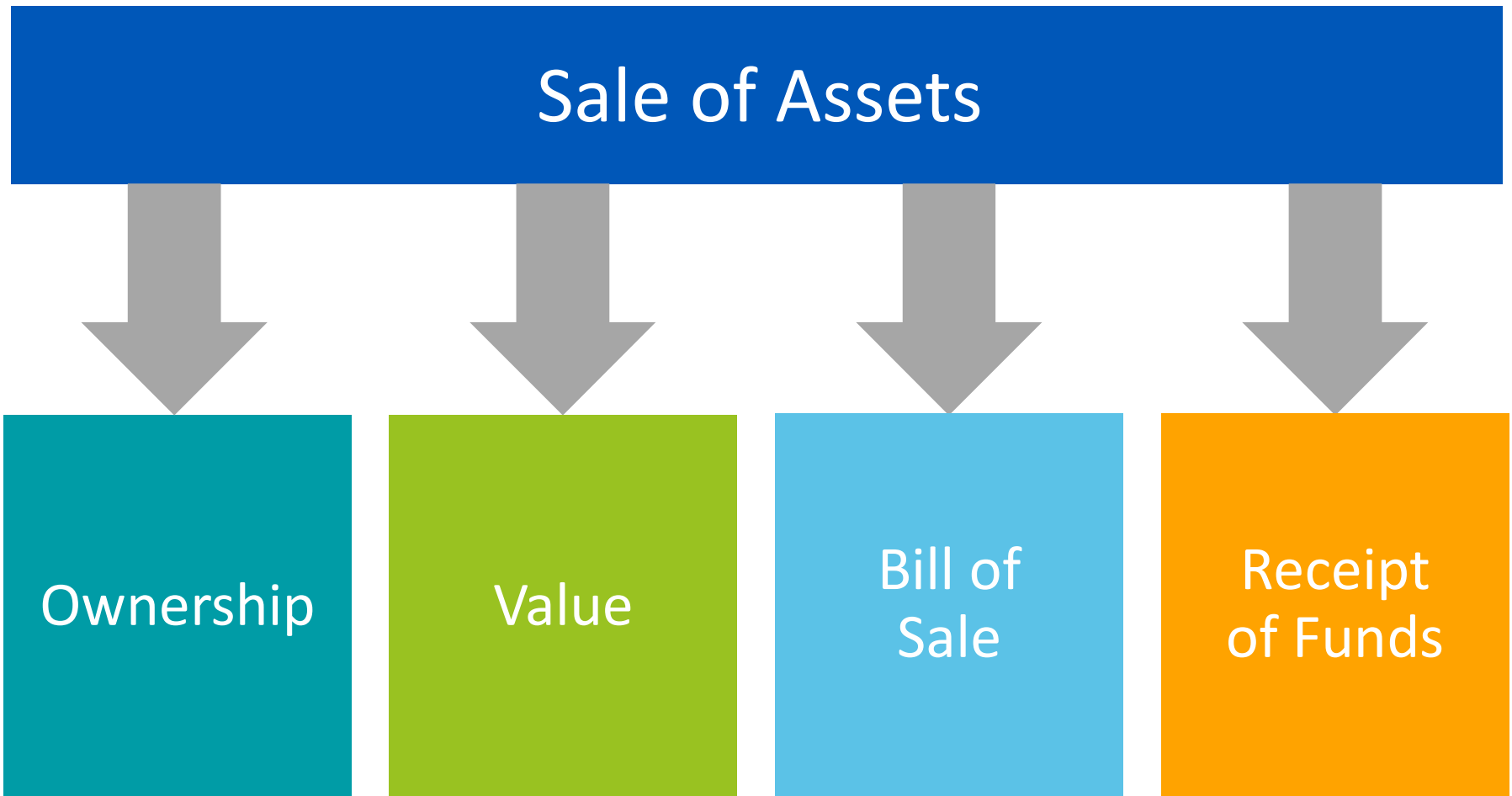
Asset or Credit Type – use list above	Cash or Market Value
	\$
	\$
	\$
	\$
Provide TOTAL Amount Here	
	\$

Source of Funds





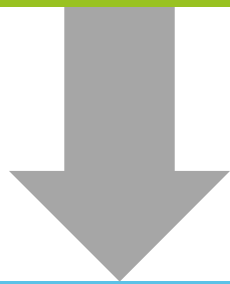




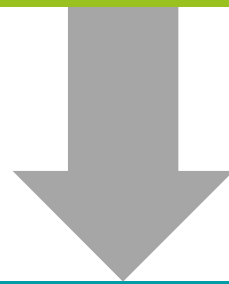
Stocks/Bonds/Mutual Funds Used for Down Payment, Closing Cost, Reserves



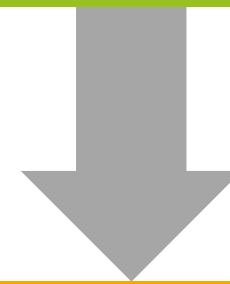
Stocks/Bonds/Mutual Funds



Determine and verify value of asset and verify borrower owns account/asset.



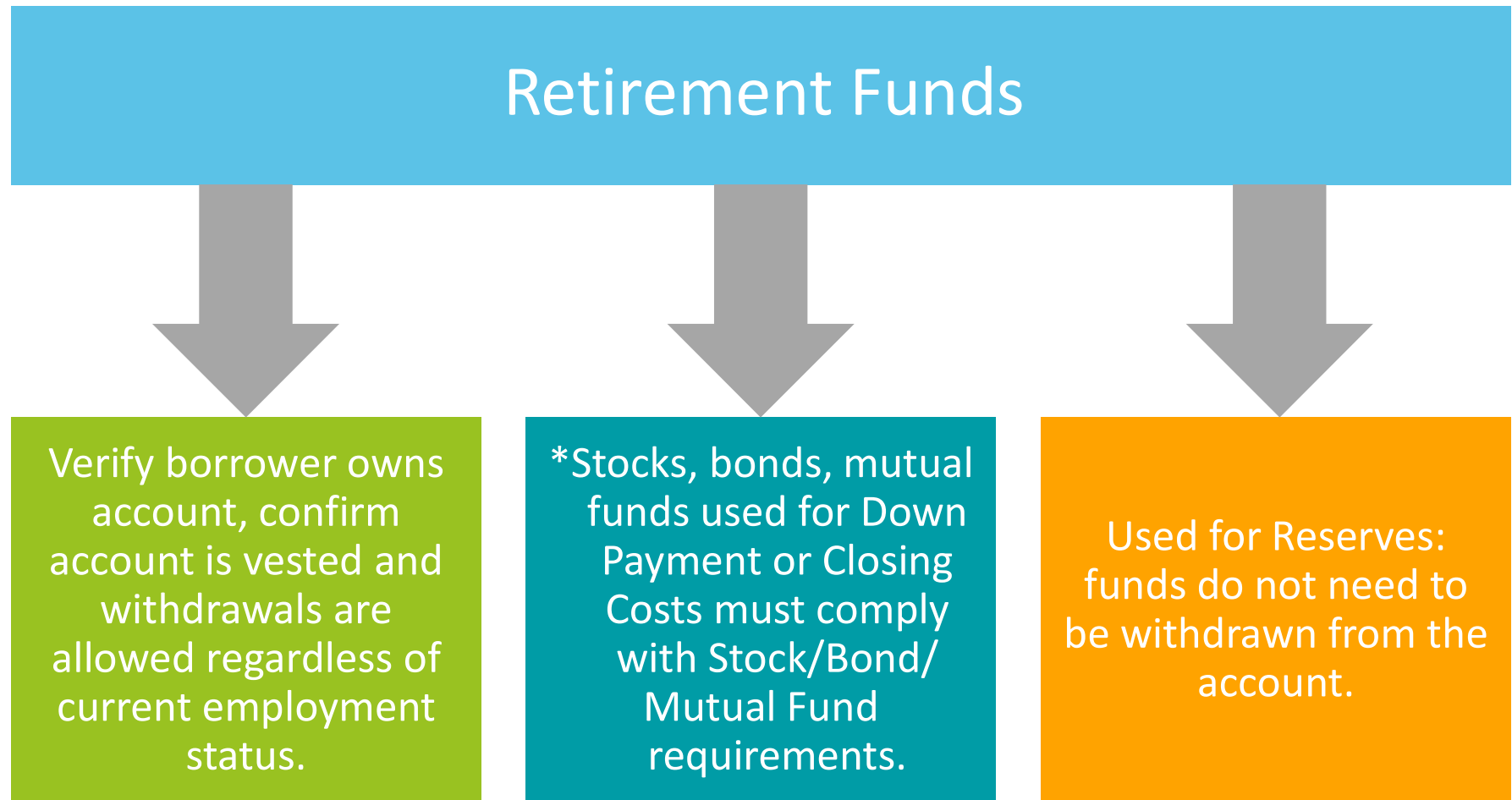
*Used for Down Payment or Closing Costs:
Proof of liquidation required.



Used for Reserves:
100% of asset value may be considered and liquidation is not required.

Source: Fannie Mae Selling Guide B3-4.3-01, Stocks, Stock Options, Bonds, and Mutual Funds (06/30/2015)

Retirement Funds Used for Down Payment, Closing Cost, Reserves



Source: Fannie Mae Selling Guide B3-4.3-03, Retirement Accounts (06/30/2015)

Liquidation Requirements: Stocks, Bonds, Mutual Funds and Retirement Funds



***Used for Down Payment or Closing Costs**

Value is greater than or equal to 20% of amount needed for Down Payment or Closing Costs:

NO Documentation Required

Borrower's receipt of funds realized from sale or liquidation.

Value is less than 20% of amount needed for Down Payment or Closing Costs:

Documentation Required

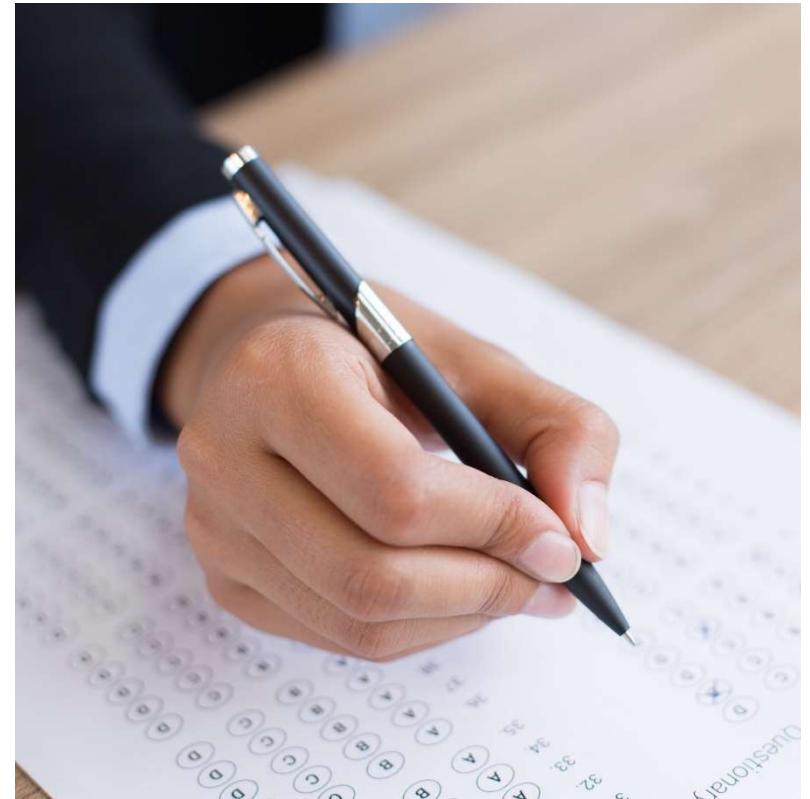
Borrower's receipt of funds realized from sale or liquidation.

Source: Fannie Mae Selling Guide B3-4.3-01, Stocks, Stock Options, Bonds, and Mutual Funds (06/30/2015)

Knowledge Check Three

Is the following **True** or **False**?

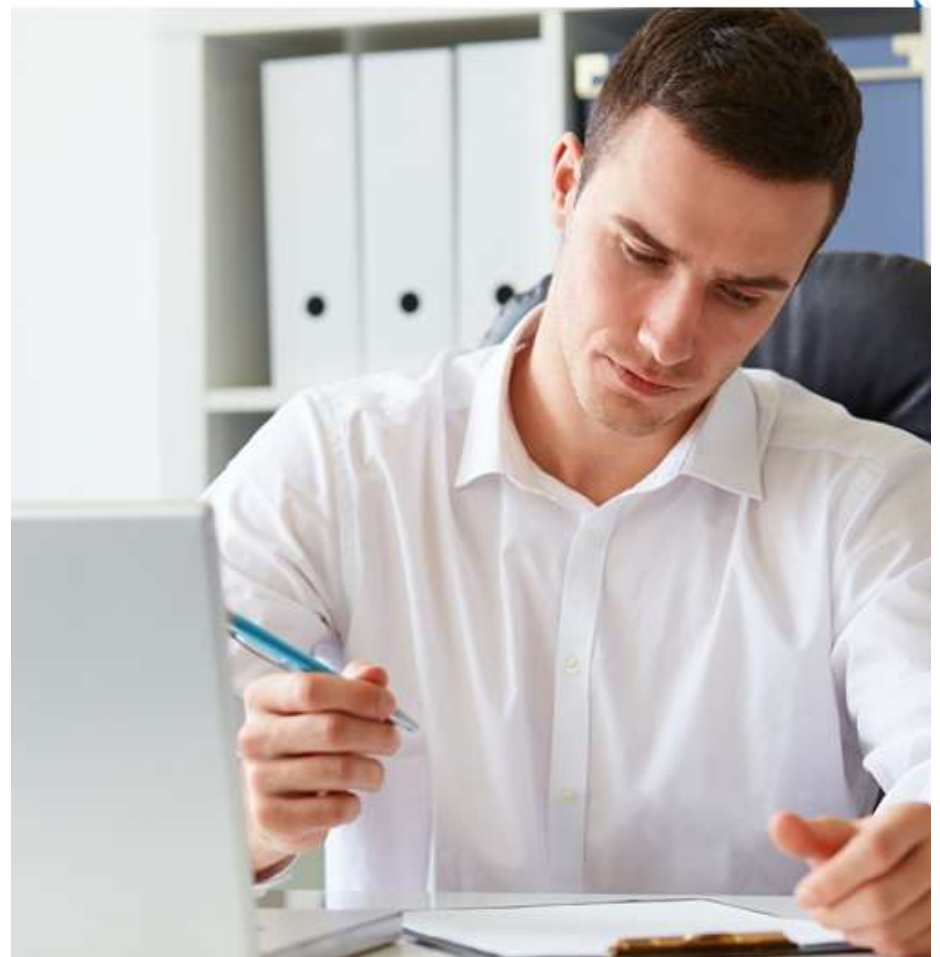
- Undocumented source of funds is acceptable as long as sufficient funds have been verified.



Check Your Understanding Three

The answer is *False*.

- Undocumented source of funds is NOT acceptable.



Section 2: Financial Information

2c. Liabilities, 2d. Other Liabilities



2c. Liabilities – Credit Cards, Other Debts, and Leases that You Owe Does not apply ←

List all liabilities below (except real estate) and include deferred payments. Under Account Type, choose from the types listed here:
 • Revolving (e.g., credit cards) • Installment (e.g., car, student, personal loans) • Open 30-Day (balance paid monthly) • Lease (not real estate) • Other

Account Type – use list above	Company Name	Account Number	Unpaid Balance	To be paid off at or before closing	Monthly Payment
			\$	<input type="checkbox"/>	\$
			\$	<input type="checkbox"/>	\$
			\$	<input type="checkbox"/>	\$
			\$	<input type="checkbox"/>	\$
			\$	<input type="checkbox"/>	\$

2d. Other Liabilities and Expenses Does not apply ←

Include all other liabilities and expenses below. Choose from the types listed here:
 • Alimony • Child Support • Separate Maintenance • Job Related Expenses • Other

	Monthly Payment
	\$
	\$
	\$

Borrower Name: _____
 Uniform Residential Loan Application
 Freddie Mac Form 65 • Fannie Mae Form 1003

Debts You Count

- Student Loans.
- Auto Lease.

Debts You Don't Count

- Installment Loans \leq 10 Payments.
- Loans Secured by Financial Assets.
- Contingent Debt.
- Credit Card Accounts Paid to Zero.

Liabilities – Student Loans



Fannie Mae

- Income-Driven Payment Plan:
 - Obtain student loan documentation to verify actual zero monthly payment.
- Deferred Loans or Loans in Forbearance:
 - Calculate a payment equal to 1% of the outstanding loan balance or fully amortizing payment using documented repayment terms.

Freddie Mac

- Zero Monthly Payment:
 - Use 0.5% of the outstanding balance on credit report.
- Loans in Repayment, Deferment or Forbearance:
 - Use monthly payment amount on credit report or other file documentation when not zero.

Section 3: Financial Information — Real Estate, 3a. Property You Own



Section 3: Financial Information — Real Estate. This section asks you to list all properties you currently own and what you owe on them. *I do not own any real estate*

3a. Property You Own If you are refinancing, list the property you are refinancing FIRST.

Address Street _____ Unit # _____
City _____ State _____ ZIP _____ Country _____

Property Value	Status: Sold, Pending Sale, or Retained	Intended Occupancy: Investment, Primary Residence, Second Home, Other	Monthly Insurance, Taxes, Association Dues, etc. if not included in Monthly Mortgage Payment	For 2-4 Unit Primary or Investment Property	
				Monthly Rental Income	For LENDER to calculate: Net Monthly Rental Income
\$			\$	\$	\$

Mortgage Loans on this Property *Does not apply*

Creditor Name	Account Number	Monthly Mortgage Payment	Unpaid Balance	To be paid off at or before closing	Type: FHA, VA, Conventional, USDA-RD, Other	Credit Limit (if applicable)
		\$	\$	<input type="checkbox"/>		\$
		\$	\$	<input type="checkbox"/>		\$

Section 3: Financial Information — Real Estate, 3b. and 3c. IF APPLICABLE



3b. IF APPLICABLE, Complete Information for Additional Property <input type="checkbox"/> Does not apply						
Address Street _____		City _____		State _____	Unit # _____	
City _____		State _____		ZIP _____	Country _____	
Property Value	Status: Sold, Pending Sale, or Retained	Intended Occupancy: Investment, Primary Residence, Second Home, Other	Monthly Insurance, Taxes, Association Dues, etc. if not included in Monthly Mortgage Payment	For 2-4 Unit Primary or Investment Property		
				Monthly Rental Income	For LENDER to calculate: Net Monthly Rental Income	
\$ _____			\$ _____	\$ _____	\$ _____	
Mortgage Loans on this Property <input type="checkbox"/> Does not apply						
Creditor Name	Account Number	Monthly Mortgage Payment	Unpaid Balance	To be paid off at or before closing	Type: FHA, VA, Conventional, USDA-RD, Other	Credit Limit (if applicable)
		\$ _____	\$ _____	<input type="checkbox"/>		\$ _____
		\$ _____	\$ _____	<input type="checkbox"/>		\$ _____
3c. IF APPLICABLE, Complete Information for Additional Property <input type="checkbox"/> Does not apply						
Address Street _____		City _____		State _____	Unit # _____	
City _____		State _____		ZIP _____	Country _____	
Property Value	Status: Sold, Pending Sale, or Retained	Intended Occupancy: Investment, Primary Residence, Second Home, Other	Monthly Insurance, Taxes, Association Dues, etc. if not included in Monthly Mortgage Payment	For 2-4 Unit Primary or Investment Property		
				Monthly Rental Income	For LENDER to calculate: Net Monthly Rental Income	
\$ _____			\$ _____	\$ _____	\$ _____	
Mortgage Loans on this Property <input type="checkbox"/> Does not apply						
Creditor Name	Account Number	Monthly Mortgage Payment	Unpaid Balance	To be paid off at or before closing	Type: FHA, VA, Conventional, USDA-RD, Other	Credit Limit (if applicable)
		\$ _____	\$ _____	<input type="checkbox"/>		\$ _____
		\$ _____	\$ _____	<input type="checkbox"/>		\$ _____
Borrower Name: _____						
Uniform Residential Loan Application Freddie Mac Form 65 • Fannie Mae Form 1003						

Verify Rental Income

Rental Income — Lease Agreements

- Property acquired subsequent to most recently filed tax returns.
- Multiply Monthly Lease Payment by 75%.

Example:



$$(\$1,500 \times 75\% = \$1,125)$$

Section 4: Loan and Property Information, 4a through 4c



Section 4: Loan and Property Information. This section asks about the loan's purpose and the property you want to purchase or refinance.

4a. Loan and Property Information

Loan Amount \$ _____ Loan Purpose Purchase Refinance Other (specify) _____

Property Address Street _____ Unit # _____
 City _____ State _____ ZIP _____
 County _____ Number of Units _____ Property Value \$ _____

Occupancy Primary Residence Second Home Investment Property **FHA Secondary Residence**

1. **Mixed-Use Property.** If you will occupy the property, will you set aside space within the property to operate your own business? (e.g., daycare facility, medical office, beauty/barber shop) NO YES

2. **Manufactured Home.** Is the property a manufactured home? (e.g., a factory built dwelling built on a permanent chassis) NO YES

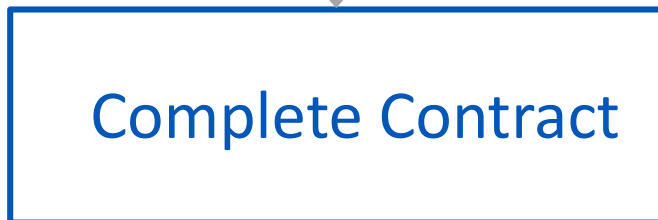
4b. Other New Mortgage Loans on the Property You are Buying or Refinancing Does not apply

Creditor Name	Lien Type	Monthly Payment	Loan Amount/ Amount to be Drawn	Credit Limit (if applicable)
	<input type="radio"/> First Lien <input type="radio"/> Subordinate Lien	\$ _____	\$ _____	\$ _____
	<input type="radio"/> First Lien <input type="radio"/> Subordinate Lien	\$ _____	\$ _____	\$ _____

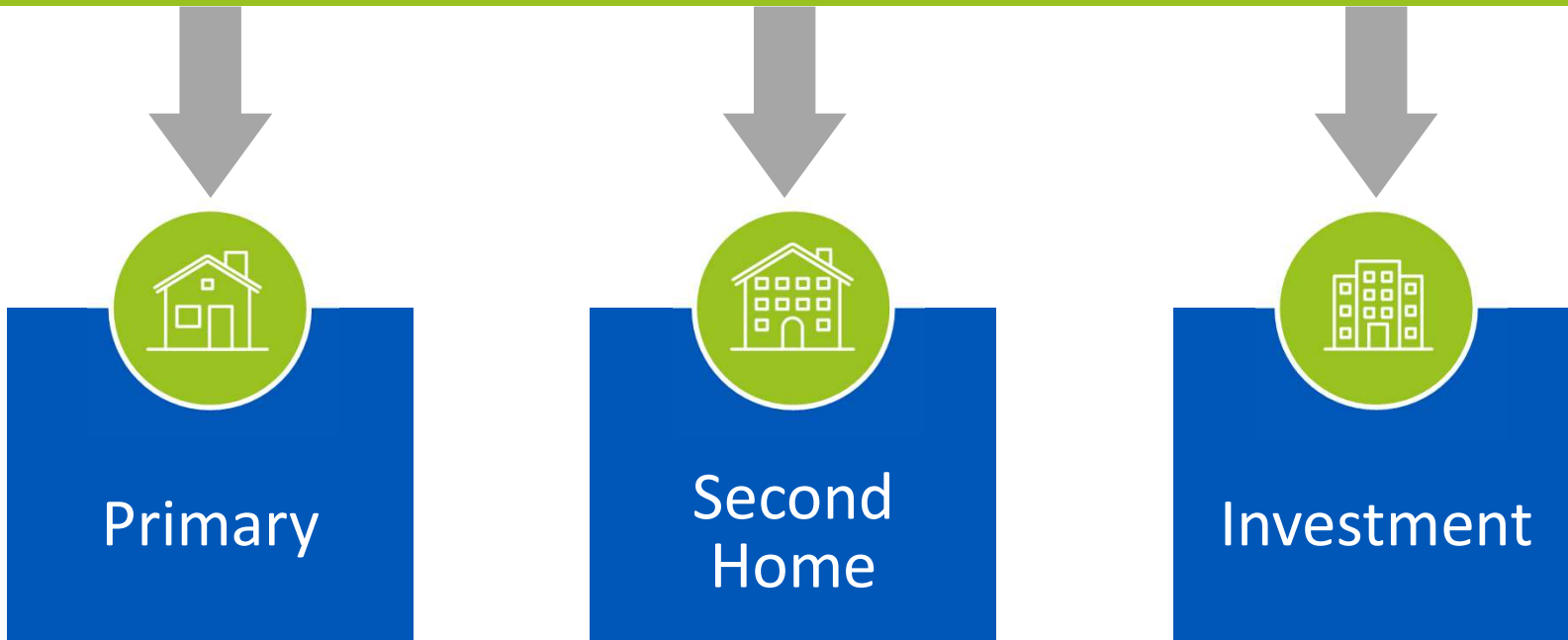
4c. Rental Income on the Property You Want to Purchase For Purchase Only Does not apply

Complete if the property is a 2-4 Unit Primary Residence or an Investment Property	Amount
Expected Monthly Rental Income	\$ _____
For LENDER to calculate: Expected Net Monthly Rental Income	\$ _____

Loan Purpose



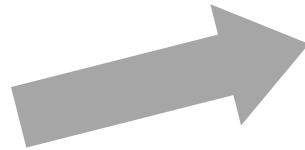
Occupancy Status



Preliminary Title Report



**Title
Work**



**Names
Match**



**All Borrowers
on Title**

Section 4: Loan and Property Information, 4d. Gifts or Grants

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
	<input type="radio"/> Deposited <input type="radio"/> Not Deposited		\$
	<input type="radio"/> Deposited <input type="radio"/> Not Deposited		\$



Section 5: Declarations

5a. About This Property and Your Money



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

<p>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)?</p>	<p><input type="radio"/> NO <input type="radio"/> YES <input type="radio"/> NO <input type="radio"/> YES _____ _____</p>
<p>B. If this is a Purchase Transaction: Do you have a family relationship or business affiliation with the seller of the property?</p>	<p><input type="radio"/> NO <input type="radio"/> YES</p>
<p>C. Are you borrowing any money for this real estate transaction (e.g., money for your closing costs or down payment) or obtaining any money from another party, such as the seller or realtor, that you have not disclosed on this loan application? If YES, what is the amount of this money?</p>	<p><input type="radio"/> NO <input type="radio"/> YES \$ _____</p>
<p>D. 1. Have you or will you be applying for a mortgage loan on another property (not the property securing this loan) on or before closing this transaction that is not disclosed on this loan application? 2. Have you or will you be applying for any new credit (e.g., installment loan, credit card, etc.) on or before closing this loan that is not disclosed on this application?</p>	<p><input type="radio"/> NO <input type="radio"/> YES <input type="radio"/> NO <input type="radio"/> YES</p>
<p>E. Will this property be subject to a lien that could take priority over the first mortgage lien, such as a clean energy lien paid through your property taxes (e.g., the Property Assessed Clean Energy Program)?</p>	<p><input type="radio"/> NO <input type="radio"/> YES</p>

Section 5: Declarations

5b. About Your Finances



5b. About Your Finances	
F. Are you a co-signer or guarantor on any debt or loan that is not disclosed on this application?	<input type="radio"/> NO <input type="radio"/> YES
G. Are there any outstanding judgments against you?	<input type="radio"/> NO <input type="radio"/> YES
H. Are you currently delinquent or in default on a Federal debt?	<input type="radio"/> NO <input type="radio"/> YES
I. Are you a party to a lawsuit in which you potentially have any personal financial liability?	<input type="radio"/> NO <input type="radio"/> YES
J. Have you conveyed title to any property in lieu of foreclosure in the past 7 years?	<input type="radio"/> NO <input type="radio"/> YES
K. Within the past 7 years, have you completed a pre-foreclosure sale or short sale, whereby the property was sold to a third party and the Lender agreed to accept less than the outstanding mortgage balance due?	<input type="radio"/> NO <input type="radio"/> YES
L. Have you had property foreclosed upon in the last 7 years?	<input type="radio"/> NO <input type="radio"/> YES
M. Have you declared bankruptcy within the past 7 years? If YES, identify the type(s) of bankruptcy: <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13	<input type="radio"/> NO <input type="radio"/> YES

Gather Income Documentation

Question	Documentation
a. Outstanding Judgments	Written Explanation
➔ b. Bankruptcy	Written Explanation, Complete Copy of Bankruptcy Papers
c. Foreclosure/Deed in Lieu	Written Explanation
d. Party to a Lawsuit	Written Explanation
e. Obligated on Loan	Written Explanation
f. Delinquent/Default Federal Debt	Written Explanation
➔ g. Alimony, Child Support, Maintenance	Copy of Divorce Decree, Child Support Order or Separation Agreement
➔ h. Down Payment Borrowed	Loan Agreement and Statement
➔ i. Co-Maker on a Note	Loan Agreement and Statement

Section 6: Acknowledgments and Agreements



Section 6: Acknowledgments and Agreements. This section tells you about your legal obligations when you sign this application.

Acknowledgments and Agreements

Definitions:

- "Lender" includes the Lender's agents, service providers, and any of their successors and assigns.
- "Other Loan Participants" includes (i) any actual or potential owners of a loan resulting from this application (the "Loan"), (ii) acquirers of any beneficial or other interest in the Loan, (iii) any mortgage insurer, (iv) any guarantor, (v) any servicer of the Loan, and (vi) any of these parties' service providers, successors or assigns.

I agree to, acknowledge, and represent the following:

(1) The Complete Information for this Application

- The information I have provided in this application is true, accurate, and complete as of the date I signed this application.
- If the information I submitted changes or I have new information before closing of the Loan, I must change and supplement this application, including providing any updated/supplemented real estate sales contract.
- For purchase transactions: The terms and conditions of any real estate sales contract signed by me in connection with this application are true, accurate, and complete to the best of my knowledge and belief. I have not entered into any other agreement, written or oral, in connection with this real estate transaction.
- The Lender and Other Loan Participants may rely on the information contained in the application before and after closing of the Loan.
- Any intentional or negligent misrepresentation of information may result in the imposition of:
 - (a) civil liability on me, including monetary damages, if a person suffers any loss because the person relied on any misrepresentation that I have made on this application, and/or
 - (b) criminal penalties on me including, but not limited to, fine or imprisonment or both under the provisions of Federal law (18 U.S.C. §§ 1001 et seq.).

(2) The Property's Security

The Loan I have applied for in this application will be secured by a mortgage or deed of trust which provides the Lender a security interest in the property described in this application.

(3) The Property's Appraisal, Value, and Condition

- Any appraisal or value of the property obtained by the Lender is for use by the Lender and Other Loan Participants.
- The Lender and Other Loan Participants have not made any representation or warranty, express or implied, to me about the property, its condition, or its value.

(4) Electronic Records and Signatures

- The Lender and Other Loan Participants may keep any paper record and/or electronic record of this application, whether or not the Loan is approved.

- If this application is created as (or converted into) an "electronic application", I consent to the use of "electronic records" and "electronic signatures" as the terms are defined in and governed by applicable Federal and/or state electronic transactions laws.
- I intend to sign and have signed this application either using my:
 - (a) electronic signature; or
 - (b) a written signature and agree that if a paper version of this application is converted into an electronic application, the application will be an electronic record, and the representation of my written signature on this application will be my binding electronic signature.
- I agree that the application, if delivered or transmitted to the Lender or Other Loan Participants as an electronic record with my electronic signature, will be as effective and enforceable as a paper application signed by me in writing.

(5) Delinquency

- The Lender and Other Loan Participants may report information about my account to credit bureaus. Late payments, missed payments, or other defaults on my account may be reflected in my credit report and will likely affect my credit score.
- If I have trouble making my payments I understand that I may contact a HUD-approved housing counseling organization for advice about actions I can take to meet my mortgage obligations.

(6) Authorization for Use and Sharing of Information

By signing below, in addition to the representations and agreements made above, I expressly authorize the Lender and Other Loan Participants to obtain, use, and share with each other (i) the loan application and related loan information and documentation, (ii) a consumer credit report on me, and (iii) my tax return information, as necessary to perform the actions listed below, for so long as they have an interest in my loan or its servicing:

- (a) process and underwrite my loan;
- (b) verify any data contained in my consumer credit report, my loan application and other information supporting my loan application;
- (c) inform credit and investment decisions by the Lender and Other Loan Participants;
- (d) perform audit, quality control, and legal compliance analysis and reviews;
- (e) perform analysis and modeling for risk assessments;
- (f) monitor the account for this loan for potential delinquencies and determine any assistance that may be available to me; and
- (g) other actions permissible under applicable law.

Borrower Signature _____ Date (mm/dd/yyyy) ____/____/____

Additional Borrower Signature _____ Date (mm/dd/yyyy) ____/____/____

Section 7: Military Service

Section 7: Military Service. This section asks questions about your (or your deceased spouse's) military service.

Military Service of Borrower

Military Service – Did you (or your deceased spouse) ever serve, or are you currently serving, in the United States Armed Forces? NO YES

- If YES, check all that apply:*
- Currently serving on active duty with projected expiration date of service/tour ___ / ___ / ___ (mm/dd/yyyy)
 - Currently retired, discharged, or separated from service
 - Only period of service was as a non-activated member of the Reserve or National Guard
 - Surviving spouse

Section 8: Demographic Information

Section 8: Demographic Information. This section asks about your ethnicity, sex, and race.

Demographic Information of Borrower

The purpose of collecting this information is to help ensure that all applicants are treated fairly and that the housing needs of communities and neighborhoods are being fulfilled. For residential mortgage lending, Federal law requires that we ask applicants for their demographic information (ethnicity, sex, and race) in order to monitor our compliance with equal credit opportunity, fair housing, and home mortgage disclosure laws. You are not required to provide this information, but are encouraged to do so. You may select one or more designations for "Ethnicity" and one or more designations for "Race." **The law provides that we may not discriminate** on the basis of this information, or on whether you choose to provide it. However, if you choose not to provide the information and you have made this application in person, Federal regulations require us to note your ethnicity, sex, and race on the basis of visual observation or surname. The law also provides that we may not discriminate on the basis of age or marital status information you provide in this application. If you do not wish to provide some or all of this information, please check below.

Ethnicity: Check one or more

Hispanic or Latino

- Mexican Puerto Rican Cuban
- Other Hispanic or Latino – *Print origin:* _____

For example: Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, and so on.

Not Hispanic or Latino

I do not wish to provide this information

Sex

Female

Male

I do not wish to provide this information

Race: Check one or more

American Indian or Alaska Native – *Print name of enrolled or principal tribe:* _____

Asian

- Asian Indian Chinese Filipino
- Japanese Korean Vietnamese
- Other Asian – *Print race:* _____

For example: Hmong, Laotian, Thai, Pakistani, Cambodian, and so on.

Black or African American

Native Hawaiian or Other Pacific Islander

- Native Hawaiian Guamanian or Chamorro Samoan
- Other Pacific Islander – *Print race:* _____

For example: Fijian, Tongan, and so on.

White

I do not wish to provide this information

To Be Completed by Financial Institution (for application taken in person):

Was the ethnicity of the Borrower collected on the basis of visual observation or surname? NO YES

Was the sex of the Borrower collected on the basis of visual observation or surname? NO YES

Was the race of the Borrower collected on the basis of visual observation or surname? NO YES

The Demographic Information was provided through:

Face-to-Face Interview (includes Electronic Media w/ Video Component) Telephone Interview Fax or Mail Email or Internet



Section 9: Loan Originator Information



Section 9: Loan Originator Information. To be completed by your **Loan Originator.**

Loan Originator Information

Loan Originator Organization Name _____

Address _____

Loan Originator Organization NMLSR ID# _____ State License ID# _____

Loan Originator Name _____

Loan Originator NMLSR ID# _____ State License ID# _____

Email _____ Phone (_____) _____ - _____

Signature _____ Date (mm/dd/yyyy) ____/____/____

URLA/Form 1003 - Additional Borrower



URLA/Form 1003 — Additional Borrower

Section 1: Borrower Information



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

Uniform Residential Loan Application — Additional Borrower

Verify and complete the information on this application 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 Identification Number)
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 <input type="radio"/> I am applying for individual credit. <input type="radio"/> I am applying for joint credit. Total Number of Borrowers: _____ Each Borrower intends to apply for joint credit. Your initials: _____	Citizenship <input type="radio"/> U.S. Citizen <input type="radio"/> Permanent Resident Alien <input type="radio"/> Non-Permanent Resident Alien
Marital Status <input type="radio"/> Married <input type="radio"/> Separated <input type="radio"/> 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 (____)____-____ Ext. _____ Email _____	List Name(s) of Other Borrower(s) Applying for this Loan (First, Middle, Last, Suffix) – Use a separator between names
Current Address Street _____ Unit # _____ City _____ State _____ ZIP _____ Country _____ How Long at Current Address? ____ Years ____ Months Housing <input type="radio"/> No primary housing expense <input type="radio"/> Own <input type="radio"/> Rent (\$ _____/month)	
If at Current Address for LESS than 2 years, list Former Address <input type="checkbox"/> Does not apply Street _____ Unit # _____ City _____ State _____ ZIP _____ Country _____ How Long at Former Address? ____ Years ____ Months Housing <input type="radio"/> No primary housing expense <input type="radio"/> Own <input type="radio"/> Rent (\$ _____/month)	
Mailing Address – if different from Current Address <input type="checkbox"/> Does not apply 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 _____	Gross Monthly Income Base \$ _____/month Overtime \$ _____/month Bonus \$ _____/month Commission \$ _____/month Military Entitlements \$ _____/month Other \$ _____/month TOTAL \$ _____/month
Position or Title _____ Start Date ____/____/____ (mm/dd/yyyy) How long in this line of work? ____ Years ____ Months	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.
<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.	

1c. IF APPLICABLE, Complete Information for Additional Employment/Self-Employment and Income Does not apply

Employer or Business Name _____ Phone (____)____-____ Street _____ Unit # _____ City _____ State _____ ZIP _____ Country _____	Gross Monthly Income Base \$ _____/month Overtime \$ _____/month Bonus \$ _____/month Commission \$ _____/month Military Entitlements \$ _____/month Other \$ _____/month TOTAL \$ _____/month
Position or Title _____ Start Date ____/____/____ (mm/dd/yyyy) How long in this line of work? ____ Years ____ Months	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.
<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 Does not apply

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

Employer or Business Name _____ Street _____ Unit # _____ City _____ State _____ ZIP _____ Country _____	Previous Gross Monthly Income \$ _____/month
Position or Title _____ Start Date ____/____/____ (mm/dd/yyyy) End Date ____/____/____ (mm/dd/yyyy)	<input type="checkbox"/> Check if you were the Business Owner or Self-Employed

1e. Income from Other Sources Does not apply

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

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

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
_____	\$ _____
_____	\$ _____
_____	\$ _____
Provide TOTAL Amount Here	\$ _____

URLA/Form 1003 — Additional Borrower

Section 2: Financial — Assets and Liabilities



Section 2: Financial Information — Assets and Liabilities.

My information for Section 2 is listed on the Uniform Residential Loan Application with _____
(insert name of Borrower)

URLA/Form 1003 — Additional Borrower

Section 3: Financial Information — Real Estate



Section 3: Financial Information — Real Estate.

My information for Section 3 is listed on the Uniform Residential Loan Application with _____
(insert name of Borrower)

URLA/Form 1003 — Additional Borrower

Section 4: Loan and Property Information



Section 4: Loan and Property Information.

My information for Section 4 is listed on the Uniform Residential Loan Application with _____
(insert name of Borrower)

URLA/Form 1003 — Additional Borrower

Section 5: Declarations



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)?	<input type="radio"/> NO <input type="radio"/> YES <input type="radio"/> NO <input type="radio"/> YES
B. If this is a Purchase Transaction: Do you have a family relationship or business affiliation with the seller of the property?	<input type="radio"/> NO <input type="radio"/> YES
C. Are you borrowing any money for this real estate transaction (e.g., money for your closing costs or down payment) or obtaining any money from another party, such as the seller or realtor, that you have not disclosed on this loan application? If YES, what is the amount of this money?	<input type="radio"/> NO <input type="radio"/> YES \$ _____
D. 1. Have you or will you be applying for a mortgage loan on another property (not the property securing this loan) on or before closing this transaction that is not disclosed on this loan application? 2. Have you or will you be applying for any new credit (e.g., installment loan, credit card, etc.) on or before closing this loan that is not disclosed on this application?	<input type="radio"/> NO <input type="radio"/> YES <input type="radio"/> NO <input type="radio"/> YES
E. Will this property be subject to a lien that could take priority over the first mortgage lien, such as a clean energy lien paid through your property taxes (e.g., the Property Assessed Clean Energy Program)?	<input type="radio"/> NO <input type="radio"/> YES
5b. About Your Finances	
F. Are you a co-signer or guarantor on any debt or loan that is not disclosed on this application?	<input type="radio"/> NO <input type="radio"/> YES
G. Are there any outstanding judgments against you?	<input type="radio"/> NO <input type="radio"/> YES
H. Are you currently delinquent or in default on a Federal debt?	<input type="radio"/> NO <input type="radio"/> YES
I. Are you a party to a lawsuit in which you potentially have any personal financial liability?	<input type="radio"/> NO <input type="radio"/> YES
J. Have you conveyed title to any property in lieu of foreclosure in the past 7 years?	<input type="radio"/> NO <input type="radio"/> YES
K. Within the past 7 years, have you completed a pre-foreclosure sale or short sale, whereby the property was sold to a third party and the Lender agreed to accept less than the outstanding mortgage balance due?	<input type="radio"/> NO <input type="radio"/> YES
L. Have you had property foreclosed upon in the last 7 years?	<input type="radio"/> NO <input type="radio"/> YES
M. Have you declared bankruptcy within the past 7 years? If YES, identify the type(s) of bankruptcy: <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13	<input type="radio"/> NO <input type="radio"/> YES

URLA/Form 1003 — Additional Borrower

Section 6: Acknowledgments/Agreements



Section 6: Acknowledgements and Agreements.

My signature for Section 6 is on the Uniform Residential Loan Application with _____
(insert name of Borrower)

URLA/Form 1003 — Additional Borrower

Section 7: Military Service



Section 7: Military Service. This section asks questions about your (or your deceased spouse's) military service.

Military Service of Borrower

Military Service – Did you (or your deceased spouse) ever serve, or are you currently serving, in the United States Armed Forces? NO YES

If YES, check all that apply:

- Currently serving on active duty with projected expiration date of service/tour ____ / ____ / ____ (mm/dd/yyyy)
- Currently retired, discharged, or separated from service
- Only period of service was as a non-activated member of the Reserve or National Guard
- Surviving spouse

Borrower Name: _____

Uniform Residential Loan Application — Additional Borrower
Freddie Mac Form 65 • Fannie Mae Form 1003
Effective Date TBD

URLA/Form 1003 — Additional Borrower

Section 8 and Section 9



Section 8: Demographic Information. This section asks about your ethnicity, sex, and race.

Demographic Information of Borrower

The purpose of collecting this information is to help ensure that all applicants are treated fairly and that the housing needs of communities and neighborhoods are being fulfilled. For residential mortgage lending, Federal law requires that we ask applicants for their demographic information (ethnicity, sex, and race) in order to monitor our compliance with equal credit opportunity, fair housing, and home mortgage disclosure laws. You are not required to provide this information, but are encouraged to do so. You may select one or more designations for "Ethnicity" and one or more designations for "Race." **The law provides that we may not discriminate** on the basis of this information, or on whether you choose to provide it. However, if you choose not to provide the information and you have made this application in person, Federal regulations require us to note your ethnicity, sex, and race on the basis of visual observation or surname. The law also provides that we may not discriminate on the basis of age or marital status information you provide in this application. If you do not wish to provide some or all of this information, please check below.

<p>Ethnicity: <i>Check one or more</i></p> <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Mexican <input type="checkbox"/> Puerto Rican <input type="checkbox"/> Cuban <input type="checkbox"/> Other Hispanic or Latino – <i>Print origin:</i> _____ <i>For example: Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, and so on.</i> <input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> I do not wish to provide this information	<p>Race: <i>Check one or more</i></p> <input type="checkbox"/> American Indian or Alaska Native – <i>Print name of enrolled or principal tribe:</i> _____ <input type="checkbox"/> Asian <input type="checkbox"/> Asian Indian <input type="checkbox"/> Chinese <input type="checkbox"/> Filipino <input type="checkbox"/> Japanese <input type="checkbox"/> Korean <input type="checkbox"/> Vietnamese <input type="checkbox"/> Other Asian – <i>Print race:</i> _____ <i>For example: Hmong, Laotian, Thai, Pakistani, Cambodian, and so on.</i> <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> Native Hawaiian <input type="checkbox"/> Guamanian or Chamorro <input type="checkbox"/> Samoan <input type="checkbox"/> Other Pacific Islander – <i>Print race:</i> _____ <i>For example: Fijian, Tongan, and so on.</i> <input type="checkbox"/> White <input type="checkbox"/> I do not wish to provide this information
--	---

Sex

 Female
 Male
 I do not wish to provide this information

To Be Completed by Financial Institution (for application taken in person):

Was the ethnicity of the Borrower collected on the basis of visual observation or surname? NO YES
 Was the sex of the Borrower collected on the basis of visual observation or surname? NO YES
 Was the race of the Borrower collected on the basis of visual observation or surname? NO YES

The Demographic Information was provided through:

 Face-to-Face Interview (*includes Electronic Media w/ Video Component*) Telephone Interview Fax or Mail Email or Internet

Section 9: Loan Originator Information. To be completed by your **Loan Originator.**

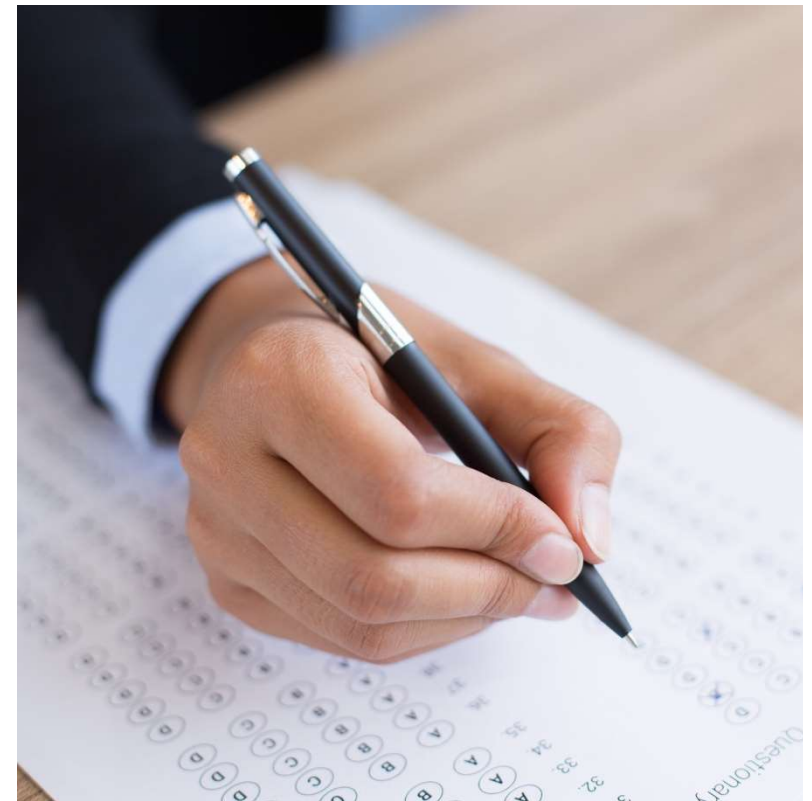
Loan Originator Information

Loan Originator Organization Name _____
 Address _____
 Loan Originator Organization NMLSR ID# _____ State License ID# _____
 Loan Originator Name _____
 Loan Originator NMLSR ID# _____ State License ID# _____
 Email _____ Phone (____) _____ - _____
 Signature _____ Date (mm/dd/yyyy) ____/____/____

Knowledge Check Four

The **Additional Borrower Component** can be used when you have an additional borrower who:

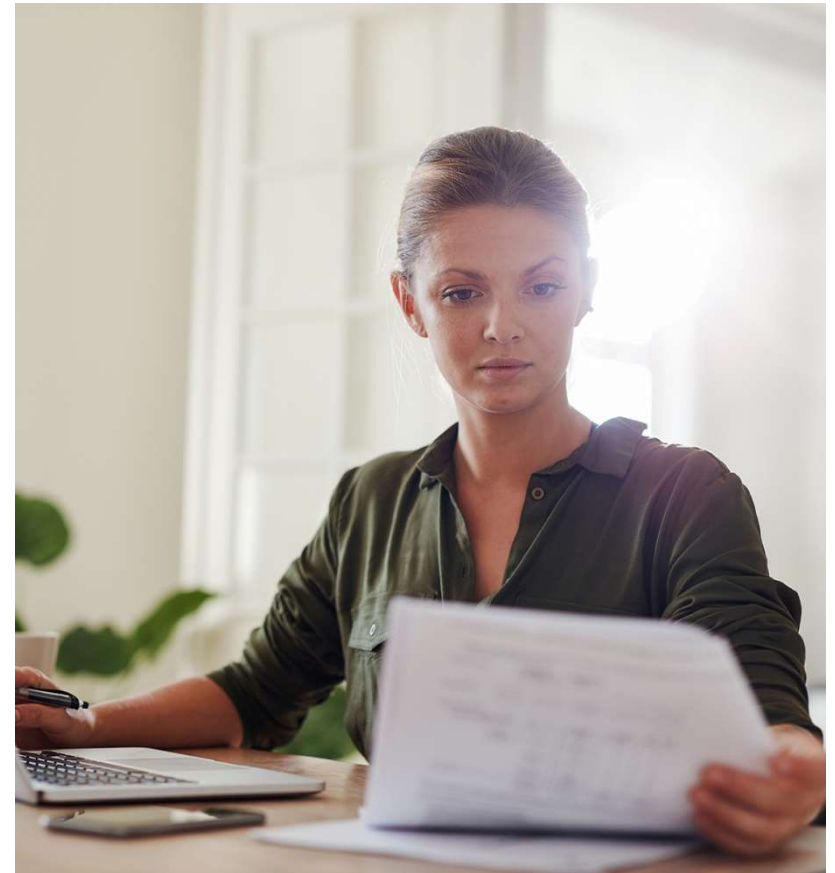
1. Shares joint assets, liabilities and/or real estate information with the Borrower.
2. Does NOT share joint assets, liabilities and/or real estate information with the Borrower.
3. Both 1 and 2 above.
4. None of the above.



Check Your Understanding Four

The answer is **1. Shares joint assets, liabilities and/or real estate information with the Borrower.**

- The **Additional Borrower** component can be used to streamline the application when you have borrowers that share assets, liabilities and/or real estate information.



URLA/Form 1003 - Unmarried Addendum



URLA/Form 1003 Unmarried Addendum



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

Uniform Residential Loan Application — Unmarried Addendum

For Borrower Selecting the Unmarried Status

Lenders Instructions for Using the Unmarried Addendum

The Lender may use the Unmarried Addendum only when a Borrower selected "Unmarried" in Section 1 and the information collected is necessary to determine how State property laws directly or indirectly affecting creditworthiness apply, including ensuring clear title.

For example, the Lender may use the Unmarried Addendum when the Borrower resides in a State that recognizes civil unions, domestic partnerships, or registered reciprocal beneficiary relationships or when the property is located in such a State. "State" means any state, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

If you selected "Unmarried" in Section 1, is there a person who is not your legal spouse but who currently has real property rights similar to those of a legal spouse? NO YES

If YES, indicate the type of relationship and the State in which the relationship was formed. For example, indicate if you are in a civil union, domestic partnership, registered reciprocal beneficiary relationship, or other relationship recognized by the State in which you currently reside or where the property is located.

Civil Union Domestic Partnership Registered Reciprocal Beneficiary Relationship Other (explain) _____

State: _____

URLA/Form 1003 - Lender Loan Information



URLA/Form 1003 — Lender Loan Info

L1. Property and Loan Information



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 <input type="checkbox"/> At least one borrower lives in a community property state. <input type="checkbox"/> The property is in a community property state.	Refinance Type <input type="radio"/> No Cash Out <input type="radio"/> Limited Cash Out <input type="radio"/> Cash Out	Refinance Program <input type="radio"/> Full Documentation <input type="radio"/> Interest Rate Reduction <input type="radio"/> Streamlined without Appraisal <input type="radio"/> Other _____
Transaction Detail <input type="checkbox"/> Conversion of Contract for Deed or Land Contract <input type="checkbox"/> Renovation <input type="checkbox"/> Construction-Conversion/Construction-to-Permanent <input type="radio"/> Single-Closing <input type="radio"/> Two-Closing Construction/Improvement Costs \$ _____ Lot Acquired Date ____/____/____ (mm/dd/yyyy) Original Cost of Lot \$ _____	Energy Improvement <input type="checkbox"/> Mortgage loan will finance energy-related improvements. <input type="checkbox"/> Property is currently subject to a lien that could take priority over the first mortgage lien, such as a clean energy lien paid through property taxes (e.g., the Property Assessed Clean Energy program).	
Project Type <input type="checkbox"/> Condominium <input type="checkbox"/> Cooperative <input type="checkbox"/> Planned Unit Development (PUD) <input type="checkbox"/> Property is not located in a project		



URLA/Form 1003 — Lender Loan Info

L2. Title Information



L2. Title Information	
<p>Title to the Property Will be Held in What Name(s):</p>	<p>For Refinance: Title to the Property is Currently Held in What Name(s):</p>
<p>Estate Will be Held in</p> <p><input type="radio"/> Fee Simple</p> <p><input type="radio"/> Leasehold Expiration Date ____/____/____ (mm/dd/yyyy)</p> <p>Manner in Which Title Will be Held</p> <p><input type="radio"/> Sole Ownership <input type="radio"/> Joint Tenancy with Right of Survivorship</p> <p><input type="radio"/> Life Estate <input type="radio"/> Tenancy by the Entirety</p> <p><input type="radio"/> Tenancy in Common <input type="radio"/> Other</p>	<p>Trust Information</p> <p><input type="radio"/> Title Will be Held by an <i>Inter Vivos (Living)</i> Trust</p> <p><input type="radio"/> Title Will be Held by a Land Trust</p> <p>Indian Country Land Tenure</p> <p><input type="radio"/> Fee Simple On a Reservation</p> <p><input type="radio"/> Individual Trust Land (<i>Allotted/Restricted</i>)</p> <p><input type="radio"/> Tribal Trust Land On a Reservation</p> <p><input type="radio"/> Tribal Trust Land Off Reservation</p> <p><input type="radio"/> Alaska Native Corporation Land</p>

URLA/Form 1003 — Lender Loan Info

L3. Mortgage Loan Information



L3. Mortgage Loan Information		
Mortgage Type Applied For <input type="radio"/> Conventional <input type="radio"/> USDA-RD <input type="radio"/> FHA <input type="radio"/> OVA <input type="radio"/> Other: _____	Terms of Loan Note Rate _____ % Loan Term _____ (months)	Mortgage Lien Type <input type="radio"/> First Lien <input type="radio"/> Subordinate Lien
Amortization Type <input type="radio"/> Fixed Rate <input type="radio"/> Other (explain): _____ <input type="radio"/> Adjustable Rate If Adjustable Rate: Initial Period Prior to First Adjustment _____ (months) Subsequent Adjustment Period _____ (months)	Proposed Monthly Payment for Property	
Loan Features <input type="checkbox"/> Balloon / Balloon Term _____ (months) <input type="checkbox"/> Interest Only / Interest Only Term _____ (months) <input type="checkbox"/> Negative Amortization <input type="checkbox"/> Prepayment Penalty / Prepayment Penalty Term _____ (months) <input type="checkbox"/> Temporary Interest Rate Buydown / Initial Buydown Rate _____ % <input type="checkbox"/> Other (explain): _____	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) \$ _____ Other \$ _____ TOTAL \$ _____	

URLA/Form 1003 — Lender Loan Info

L4. Qualifying the 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)	\$
TOTAL MORTGAGE LOANS	
I. Loan Amount Loan Amount Excluding Financed Mortgage Insurance (or Mortgage Insurance Equivalent) \$ _____ Financed Mortgage Insurance (or Mortgage Insurance Equivalent) Amount \$ _____	\$
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)	\$
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)	\$
CALCULATION	
TOTAL DUE FROM BORROWER(S) (Line H)	\$
LESS TOTAL MORTGAGE LOANS (Line K) AND TOTAL CREDITS (Line N)	- \$
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.	\$

URLA/Form 1003 - Continuation Sheet



URLA/Form 1003 Continuation Sheet



<small>To be completed by the Lender: Lender Loan No./Universal Loan Identifier _____, Agency Case No. _____</small>	
Uniform Residential Loan Application — Continuation Sheet	
Continuation Sheet	<small>Use this continuation sheet if you need more space to complete the Uniform Residential Loan Application.</small>
Borrower Name <i>(First, Middle, Last, Suffix)</i> _____	
Additional Information	
Additional Borrower Name <i>(First, Middle, Last, Suffix)</i> _____	
Additional Information	
<small>I/We fully understand that it is a federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of federal law (18 U.S.C. §§ 1001 et seq.).</small>	
Borrower Signature _____	<small>Date (mm/dd/yyyy) ____/____/____</small>
Additional Borrower Signature _____	<small>Date (mm/dd/yyyy) ____/____/____</small>
<small>Uniform Residential Loan Application — Continuation Sheet Freddie Mac Form 65 • Fannie Mae Form 1003 Effective Date TBD</small>	

Underwriting

Preparing the Application



1. Has all information been verified?

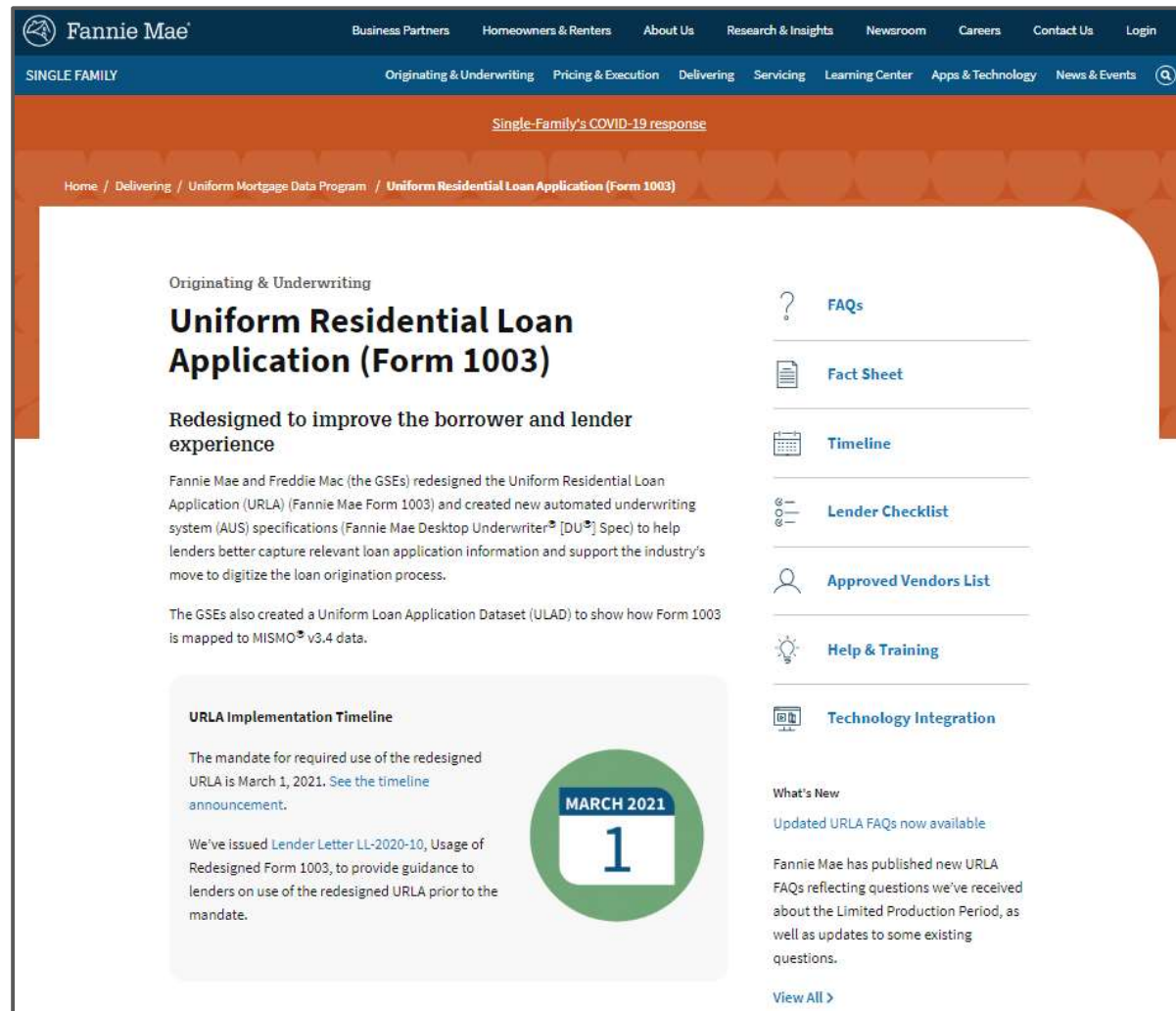
2. Have any discrepancies been addressed?

3. Has the information been updated and/or corrected in the LOS system?

Utilizing Resources



www.fanniemae.com/urla



The screenshot shows the Fannie Mae website page for the Uniform Residential Loan Application (Form 1003). The page features a navigation bar with links for Business Partners, Homeowners & Renters, About Us, Research & Insights, Newsroom, Careers, Contact Us, and Login. Below the navigation bar, there is a search bar and a menu for SINGLE FAMILY, including links for Originating & Underwriting, Pricing & Execution, Delivering, Servicing, Learning Center, Apps & Technology, and News & Events. The main content area is titled "Uniform Residential Loan Application (Form 1003)" and includes a sub-header "Redesigned to improve the borrower and lender experience". The text describes the redesign of the URLA (Fannie Mae Form 1003) and the creation of new automated underwriting system (AUS) specifications (Fannie Mae Desktop Underwriter® [DU®] Spec) to help lenders better capture relevant loan application information and support the industry's move to digitize the loan origination process. It also mentions the creation of a Uniform Loan Application Dataset (ULAD) to show how Form 1003 is mapped to MISMO® v3.4 data. A callout box titled "URLA Implementation Timeline" states that the mandate for required use of the redesigned URLA is March 1, 2021, and provides a link to the timeline announcement. It also mentions that Fannie Mae has issued Lender Letter LL-2020-10, Usage of Redesigned Form 1003, to provide guidance to lenders on use of the redesigned URLA prior to the mandate. A calendar icon highlights "MARCH 2021 1". On the right side of the page, there is a sidebar with links for FAQs, Fact Sheet, Timeline, Lender Checklist, Approved Vendors List, Help & Training, and Technology Integration. At the bottom of the sidebar, there is a "What's New" section with the text "Updated URLA FAQs now available" and a link to "View All >".

archmi.com for Mortgage Lenders and archmicu.com for Credit Unions



Review of Objectives

- We have now concluded the session, intended to help you:
- Define Loan Processing.
- Become more familiar with the elements of the 1003:
 - Borrower Information.
 - Additional Borrower Information.
 - Unmarried Addendum.
 - Lender Loan Information.
 - Continuation Form.
- Prepare the Loan Application for Underwriting.
- Utilize Resources.



THANK YOU

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and Instructional Designer

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