

Accept

Loan Prospector® FHA TOTAL Mortgage Scorecard Processing Worksheet

Ordered	Received	Requirements
Employment Information		
		Current: Most recent YTD pay stubs documenting 1 full month's earnings and a verbal VOE, written VOE, or electronic VOE.
		History: Most recent 2 years' W-2(s), complete IRS Form 8821/4506, or electronic verification ¹ .
		Self-employed² or Commission income >25%: Most recent 2 years' signed individual federal income tax returns and subtract unreimbursed business expenses, and signed IRS Form 8821/4506.
		Self-employed²: Most recent 2 years' signed federal business tax return(s) for each business ³ and signed IRS Form 8821/4506.
		Self-employed²: P&L statement if income used to qualify exceeds previous two-year tax return average.
		Gaps: Explanation of employment gap > 180 days within last two years.
		Alimony/Child Support: Most recent 3 months' bank statements or cancelled checks and evidence of 3-year continuance.
Asset Information		
		Reserves: Verify all reserves submitted to Loan Prospector.
		Earnest Money Deposits: Obtain explanation and documentation for large recent deposits in excess of 2% of the property's sales price, including earnest money deposit. Determine new debt was not incurred.
		Funds Required to Close: Determine new debt was not incurred.
		Gift Funds on Deposit at Initial Submission: List donor's name, address, phone number, relationship to Borrower and dollar amount of gift on application or in gift letter.
		Gift Funds not on Deposit at Initial Submission: Obtain gift letter with donor information per FHA requirements and document transfer of gifts per FHA requirements.
		Depository Accounts: Most recent statement(s) with previous month's balance or 2 months' statement(s) for each account.
		Stock/Bond Accounts: Most recent 2 months' statement(s) for each account. No evidence of liquidation.
		Retirement Accounts: Most recent employer, depository or brokerage statement(s) for each account to verify sufficient funds required to close ⁴ .
		Sale of Home: Executed HUD-1 or equivalent closing statement. If relocation, obtain buyout agreement and settlement statement indicating employer or relocation service takes responsibility for the outstanding mortgage debt.
		Sale of Assets: Bill of sale and evidence of proceeds or document existence, value and buyer's intent.
Loan Processing Remarks		
		HUD 92900-WS/PUR: No DE underwriter signature required. Use ZFHA as CHUMS ID#.
		HUD 92900-A: Signed by Mortgagee Representative.
Credit Report Processing Information		
		Credit Reports: Merged report(s) from CRC via Loan Prospector OR infile, merged or RMCR from credit provider outside of Loan Prospector.
		Correct Information: Confirm identifying information on Loan Prospector submission is correct and credit-reporting agency accessed correct credit data.
		Debt: Include all debts on credit report, alimony, child support, separate maintenance, negative rent, mortgage debt, installment debt through payroll deduction, new debt resulting from material inquiries, and significant debt (>\$100 payment) ⁵ .
		Contingent Mortgage Debt: Transfer of title and assumption or divorce agreement. Do not count debt in Borrower's ratios.
		Mortgage Reference: Obtain most recent 12-month payment history if mortgage debt, history, or rating does not appear on credit report.
		Late Mortgage Payments: Downgrade to Refer if there are 3 or more late payments of greater than 30 days, 1 or more late payments of 60 days plus one or more 30-day late payments, or 1 payment greater than 90 days late.
		Significant Inaccuracy on Merged Credit Report: Downgrade to Refer, and order RMCR, merged credit report or third party documentation to clarify.
		Derogatory Credit Information and Judgments: Obtain evidence of payoff for judgments. No other explanation required for adverse credit or other derogatory information.
		CAIVRS: Change "Is the borrower presently delinquent or in default on any federal debt?" to "yes" and resubmit if CAIVRS shows Fed Del/Lien.

¹ No W-2s required for Accept if all of the following: a) employer phone contact verifies present employer ≥ 2 years; b) qualifying monthly income calculated using current base pay only; c) Borrower signs IRS Form 8821/4506 or equivalent for previous 2 tax years.

² If "Deminimus" Self-employed (less than 5% of stable monthly income from self-employment), individual and business tax returns, balance sheets and P&L statements not required.

³ No Business tax returns required for Accept if all of the following: a) individual tax returns reflect increase in self-employment income for past 2 years; c) funds for down payment and/or closing costs not from business; d) loan is not a cash-out refinance.

⁴ Document conditions under which funds may be withdrawn or borrowed. Only 60% of the vested amount of the account may be used as funds to close or cash reserves.

⁵ Refer to the HUD Handbook 4155 and FHA's TOTAL Mortgage Scorecard User Guide for additional information, as well as for debt with <10 months remaining.

Refer
Loan Prospector® FHA TOTAL Mortgage Scorecard Processing Worksheet

Ordered	Received	Requirements
Warranties		
		Credit: Determine Borrower's willingness to pay.
		Ratios: Warrant program ratios.
Employment Information		
		Current: Most recent YTD pay stubs documenting 1 full month's earnings and a verbal VOE, written VOE, or electronic VOE.
		History: Most recent 2 years' W-2(s), complete IRS Form 8821/4506, or electronic verification.
		Self-employed¹ or Commission income >25%: Most recent 2 years' signed individual federal income tax returns and subtract unreimbursed business expenses in underwriting, and signed Form IRS Form 8821/4506.
		Self-employed¹: Most recent 2 years' signed federal business tax return(s) for each business, and signed IRS Form 8821/4506.
		Self-employed¹: Balance sheet and YTD P&L statement ² .
		Gaps: Explanation of employment gap >30 days within last two years.
		Alimony/Child Support: Most recent 3 months' bank statements or cancelled checks and evidence of 3-year continuance.
Asset Information		
		Reserves: Verify all reserves submitted to Loan Prospector.
		Earnest Money Deposits: Obtain explanation and documentation for large recent deposits in excess of 2% of the property's sales price, including earnest money deposit. Determine new debt was not incurred.
		Funds Required to Close: Determine new debt was not incurred.
		Gift Funds on Deposit at Initial Submission: List donor's name, address, phone number, relationship to Borrower and dollar amount of gift on application or in gift letter.
		Gift Funds not on Deposit at Initial Submission: Obtain gift letter with donor information per FHA requirements and document transfer of gifts per FHA requirements.
		Depository Accounts: Most recent 2 months' statement(s) with previous month's balance or 3 statement(s) for each account.
		Stock/Bond Accounts: Most recent 3 months' statement(s) for each account to verify sufficient funds required to close. Proof of liquidation is required if funds are used for closing.
		Retirement Accounts: Most recent employer, depository, or brokerage statement(s) for each account to verify sufficient funds required to close ³ .
		Sale of Home: Executed HUD-1 or equivalent closing statement. If relocation, obtain buyout agreement and settlement statement indicating employer or relocation service takes responsibility for the outstanding mortgage debt.
		Sale of Assets: Bill of sale and evidence of proceeds.
Loan Processing Remarks		
		HUD 92900-WS/PUR/A: Signed by DE Underwriter with DE's CHUMS ID#.
Credit Report Processing Information		
		Credit Reports: Merged report(s) from CRC via Loan Prospector OR infile, merged or RMCR from credit provider outside of Loan Prospector.
		Business Credit Report: Obtain if self-employed and income is derived from corporation or S-corporation.
		Correct Information: Confirm identifying information on Loan Prospector submission is correct and credit-reporting agency accessed correct credit.
		Debt: All debt, including debts on credit report, alimony, child support, separate maintenance, negative rent, mortgage debt, installment debt through payroll deduction, new debt resulting from material inquiries ⁴ .
		Contingent Mortgage Debt: Transfer of title and assumption or divorce agreement. Count debt in Borrower's ratios unless evidence indicates mortgage payment was 0x30 during previous 12 months, or loan-to-value on contingent mortgage is 75% or less.
		Mortgage Reference: Obtain most recent 12-month payment history if mortgage debt, history, or rating does not appear on credit report.
		Rental Reference: Most recent 12-month rental history.
		Derogatory Credit Information and Judgments: Obtain explanation for derogatory credit and evidence of payoff for judgments.
		Significant Inaccuracy on Merged Credit Report: Order RMCR, merged credit report, or third-party documentation to clarify.

¹ If "Deminimus" Self-employed (less than 5% of stable monthly income from self-employment), individual and business tax returns, balance sheets and P&L statements not required.

² Not required if any of the following: a) income information directly from IRS before closing on Form 8821/4506, or equivalent; b) origination date ≤ 7 months from business' fiscal year; or c) Borrower is de minimus self-employed.

³ Document conditions under which funds may be withdrawn or borrowed. Only 60% of the vested amount of the account may be used as funds to close or cash reserves.

⁴ Refer to the HUD Handbook 4155 and FHA's TOTAL Mortgage Scorecard User Guide for additional information, as well as for debt with <10 months remaining.

Accept Loan Prospector® VA Processing Worksheet

Ordered	Received	Requirements
Employment Information		
		Current: Most recent YTD pay stub documenting 1 full month's earnings.
		Not on Active Duty: VOE, verbal, or electronic employment verification.
		Not on Active Duty: Most recent 2 years' W-2(s) or complete IRS Form 8821/4506 or electronic verification ¹ .
		Not on Active Duty: Commission income >25% - 2 years' individual federal tax returns or complete IRS Form 8821/4506.
		Self-employed: Most recent 2 years' signed individual federal income tax returns for self-employed Borrower or complete IRS Form 8821/4506.
		Self-employed: Most recent 2 years' signed federal business tax return(s) for each business for self-employed Borrower or complete IRS Form 8821/4506 ² .
		Gaps: Explanation of employment gap > 60 days.
		Alimony/Child Support: Most recent 3 months' bank statements or cancelled checks and evidence of 3-year continuance.
Asset Information		
		Reserves: Verify all reserves submitted to Loan Prospector.
		Funds Required to Close: If Sales Price > Appraised Value and down payment and closing costs > 4% of Appraised Value, verify source.
		Depository Accounts: Most recent statement(s) for each account.
		Sale of Home: Executed HUD-1 or equivalent closing statement. If relocation, obtain buyout agreement.
Loan Processing Remarks		
		Form 6393: No VA Automatic underwriter signature required.
		Data Integrity Certification: Signed by Mortgagee Representative.
Credit Report Processing Information		
		Credit Reports: Either infile or merged report(s) from CRC via Loan Prospector OR infile, merged or RMCR outside of Loan Prospector.
		Correct Information: Confirm identifying information on Loan Prospector submission is correct and credit-reporting agency accessed correct credit.
		Debt: Include all debts on credit report, alimony, child support, separate maintenance, negative rent, mortgage debt, installment debt through payroll deduction, significant debt ³ .
		Contingent Mortgage Debt: Transfer of title and assumption or divorce agreement. Do not count debt in Borrower's ratios.
		Past Due Mortgage/Significant Debt: Reverify if > 90 days ⁴ .
		Judgments: Evidence of payment or repayment plan with history of timely repayments.
		Significant Inaccuracy on Infile Credit Report: Order RMCR, merged credit report or third party documentation to clarify.
		Resubmit if data changes, CAIVRS shows Fed Del/Lien, or credit report >120 days.

¹ No W-2(s) required for Accept if all of the following: a) employer phone contact verifies present employer \geq 2 years; b) Borrower not self-employed or commissioned; c) qualifying monthly income calculated using current base pay only; d) Borrower signs IRS Form 8821/4506, or equivalent. W-2(s) for most recent tax year are not required if current employer confirms 1-year history, only base pay is used to qualify and Borrower signs IRS Form 8821/4506.

² No business tax returns required for Accept if all of the following: a) Borrower self-employed in business for past 5 years; b) individual tax returns reflect increase in self-employment income for past 2 years; c) funds for down payment and/or closing costs not from business; d) loan is purchase or no cash-out refinance.

³ Refer to the *VA Lender's Handbook* for debt with <10 months remaining.

⁴ Perform manual downgrade if verification shows >90 days past due.

Refer Loan Prospector® VA Processing Worksheet

Ordered	Received	Requirements
Warranties		
		Credit: Determine Borrower's willingness to pay.
		Ratios: Warrant program ratios.
Employment Information		
		Current: Most recent YTD pay stub documenting 1 full month's earnings.
		Not on Active Duty: VOE, verbal, or electronic employment verification.
		Not on Active Duty: Most recent 2 years' W-2(s) or complete IRS Form 8821/4506 or electronic verification.
		Not on Active Duty: Commission income >25% - 2 years' individual federal tax returns or complete IRS Form 8821/4506.
		Self-employed: Most recent 2 years' signed individual federal income tax returns for self-employed Borrower or complete IRS Form 8821/4506.
		Self-employed: Most recent 2 years' signed federal business tax return(s) for each business for self-employed Borrower or complete IRS Form 8821/4506.
		Self-employed: Balance sheet and YTD P&L statement ¹ .
		Gaps: Explanation of employment gap > 30 days.
		Alimony/Child Support: Most recent 3 months' bank statements or cancelled checks and evidence of 3-year continuance.
Asset Information		
		Reserves: Verify all reserves submitted to Loan Prospector.
		Funds Required to Close: If Sales Price > Appraised Value, verify source of funds for down payment and closing costs.
		Depository Accounts: Most recent 2 months' statement(s) for each account.
		Sale of Home: Executed HUD-1 or equivalent closing statement. If relocation, obtain buyout agreement.
Loan Processing Remarks		
		Form 6393: VA Automatic underwriter signature required.
Credit Report Processing Information		
		Credit Reports: Either infile or merged report(s) from CRC via Loan Prospector OR infile, merged or RMCR outside of Loan Prospector.
		Correct Information: Confirm identifying information on Loan Prospector submission is correct and credit-reporting agency accessed correct credit.
		Debt: Include all debts on credit report, alimony, child support, separate maintenance, negative rent, mortgage debt, installment debt through payroll deduction, significant debt ² .
		New Debt: Include new debt from material inquiries in total monthly debt within last 90 days.
		Contingent Mortgage Debt: Transfer of title and assumption or divorce agreement. Do not count debt in Borrower's ratios.
		Mortgage Debt: Most recent 12-month payment history.
		Rental Reference: Most recent 12-month rental history.
		Derogatory Credit: Explain.
		Past Due Mortgage/Significant Debt: Reverify if > 90 days.
		Judgments: Evidence of payment or repayment plan with history of timely repayments.
		Significant Inaccuracy on Infile Credit Report: Order RMCR, merged credit report or third-party documentation to clarify.
		Resubmit if data changes, CAIVRS shows Fed Del/Lien, or credit report >120 days.

¹ No balance sheet or YTD P&L required on Accept. Not required on Refer if any of the following: a) individual and business income directly from IRS before closing on IRS Form 8821/4506, or equivalent; b) origination date ≤7 months from business' fiscal year; c) Borrower is de minimus self-employed.

² Refer to the *VA Lender's Handbook* for debt with <10 months remaining.