

When the income pertains to the borrower's spouse employed by a different organization, and such income is reported to the loan application, the partner's earnings require direct confirmation from their place of employment as to whether the income is stable to consider the partner's present income when evaluating the mortgage application. Any earnings that are not intended for qualification purposes must be subtracted from the borrower's liquidity stream.

Investment Returns

Income reported on Schedule B of IRS Form 1040, including taxable interest and dividends, can potentially be considered as stable income when they've been documented for a minimum of 24 months. Nevertheless, the borrower is utilizing the asset to pay interest or dividends as the origin of funds for the initial payment or settlement costs.

expenses.

Non-recurring taxable interest or dividend income should be excluded from the borrower's cash flow calculation.

Interest income from tax-exempt sources can be considered stable income provided the borrower has the steady anticipated to persist. Should this prove true, the borrower's cash flow

can be augmented by incorporating this revenue stream.

Tax Refunds from State and Municipal Governments

State and local tax refunds, credits, or offsets subject to taxation should be excluded from calculations involving earnings as they were already reported on the prior year's tax filings. Consequently, the cash flow of the borrower requires appropriate adjustment.

Spousal Support Income

Spousal support payments can be considered as eligible income provided they fulfill the criteria outlined in B3-3.1-09, Additional Income Sources. Any payments that are derived from the applicant's gross earnings as documented on their federal tax return (Form 1040).

Retirement Account Withdrawals, Pension Payments, Annuity Income, and Social Security Payouts

Revenue derived from Individual Retirement Account (IRA) payouts, pension plans, annuity payments, and Social Security benefits can be considered as income sources, for detailed criteria.

The tax-free component of this regular income should be incorporated into the borrower's cash flow calculation. Earnings derived from these income streams can be adjusted upward to account for general inflation. If income from these origins be classified as non-recurring, the should be subtracted from the borrower's available funds.

Jobless Benefits

outlined in B3-3.1-09, Additional Income Sources. Any declared unemployment benefits that are found

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Jobless benefits can potentially be counted as eligible income, provided they fulfill the necessary criteria.

Three
six
nine■The
goose
drank
wine■The
monkey
chewed
tobacco
on
the
streetcar
line■The
line
broke,
the
monkey
got
choked■And
they
all
went
to
heaven
in
a
little
rowboat