

## DU Underwriting Findings

### SUMMARY

<b>Recommendation</b>	<b>Approve/Eligible</b>		
<b>Primary Borrower</b>	Christine D Reigle-Pefley		<b>Co-Borrower</b>
<b>Lender Loan Number</b>	2019016967	<b>Casefile ID</b>	1406600770
<b>Submission Date</b>	05/31/2019 03:49PM	<b>Submitted By</b>	l571elne
<b>First Submission Date</b>	05/09/2019 09:54PM	<b>DU Version</b>	10.3
<b>Submission Number</b>	8		

### Mortgage Information

<b>LTV/CLTV/HCLTV</b>	60.00% / 60.00% / 60.00%	<b>Note Rate</b>	4.500%
<b>Housing Expense Ratio</b>	40.22%	<b>Loan Type</b>	Conventional
<b>Debt-to-Income Ratio</b>	41.19%	<b>Loan Term</b>	360
<b>Total Loan Amount</b>	\$410000.00	<b>Amortization Type</b>	Fixed Rate
<b>Sales Price</b>	\$0.00	<b>Loan Purpose</b>	Refinance
<b>Actual/Estimated Appraised Value</b>	\$690000.00	<b>Refi Purpose</b>	Cash-Out

### Property Information

<b>Property Address</b>	17643 SE 192nd Drive Renton, WA 98058	<b>Number of Units</b>	1
<b>Property Type</b>	Detached	<b>Occupancy Status</b>	Primary Residence

### RISK/ELIGIBILITY

- The risk profile of this loan casefile appears to meet Fannie Mae's guidelines.
- This loan casefile appears to meet Fannie Mae's eligibility requirements.
- This loan casefile has been underwritten as a cash-out refinance. This loan casefile is ineligible as a cash-out if the property was purchased (or acquired) by the borrower within the six months preceding the disbursement date of the new mortgage loan (unless eligible under the delayed financing exception), or the property is currently listed for sale. Refer to the Selling Guide for additional information.

### REPRESENTATIONS AND WARRANTIES

- The following message was issued by Collateral Underwriter:

Message ID	Message Text
FNM1102	Based on the CU results for the appraisal submitted under DocFileID 11012GE639 on 05/17/2019 02:01 PM this loan is not eligible for the enforcement relief on representations and warranties related to property value.

### FINDINGS

- The following risk factors represent strengths in the borrower's loan application:

## Combined Loan-to-Value Ratio

### VERIFICATION MESSAGES/APPROVAL CONDITIONS

- 6 This loan is subject to all lender specified conditions and must comply with all applicable federal, state, and local laws and regulations.
- 7 Based on the credit report obtained through DU, this loan casefile must close on or before 09/03/2019. All credit documents must be no more than four months old on the note date. Refer to the Selling Guide for guidelines on the age of the appraisal or property inspection report.
- 8 If there is a home equity line of credit secured against the subject property the maximum allowable HCLTV is 80 percent, verify the terms of the home equity line of credit for compliance with the Selling Guide, and calculate the HCLTV using the maximum credit limit of the equity line.
- 9 Loan Level Price Adjustments may be applied when this loan is delivered to Fannie Mae. Refer to the Selling Guide and Loan-level Price Adjustment (LLPA) Matrix on [fanniemae.com](http://fanniemae.com) for specific details.

### Credit and Liabilities

- 10 Include evidence of payoff of the following debts (other than 30 day accounts) in the loan file:

Borrower	Creditor	Account Number	Balance
Christine D Reigle-Pefley	NORTHWEST BANK	1010011151	14133.65
Christine D Reigle-Pefley	ALASKA USA FCU	18968630001	12485.00
Christine D Reigle-Pefley	WELLS FARGO HM MORTGAG	9360412662306	308908.88

- 11 The following liabilities are listed on the credit report with a 'closed' account status; however, there is still an outstanding balance. For each liability that is not already listed on the loan application, document that the account has been paid in full, or add the liability to the loan application and resubmit the case for underwriting.

Borrower	Creditor	Account Number	Balance
Christine D Reigle-Pefley	BANK OF AMERICA	4147342018919631	290.00

- 12 The payment history for the following mortgage(s) cannot be verified because they are either, not listed on the credit report, on the credit report, but not matched to the mortgage account on the 1003, or shown on the credit report as having an outstanding balance, but the payment history has not been reported in the last 6 months. Verify the payment history for the mortgage(s). If the mortgage is currently 60 days or more past due, or has been 60 days or more past due in the last 12 months, the loan casefile is ineligible for delivery to Fannie Mae.

Borrower	Creditor	Payment	Balance
Christine D Reigle-	NORTHWEST	659.00	14133.65

Pefley	BANK		
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- 13 The following collection and chargeoff accounts are shown on the credit report. These accounts do not need to be paid off prior to or at closing:

Borrower	Creditor	Account Number	Amount
Christine D Reigle-Pefley		1492519	462.00
Christine D Reigle-Pefley		2135125	104.00
Christine D Reigle-Pefley		1878821	200.00
Christine D Reigle-Pefley		5398328	144.00
Christine D Reigle-Pefley		5427034	143.00
Christine D Reigle-Pefley		5427434	143.00
Christine D Reigle-Pefley		5460450	181.00
Christine D Reigle-Pefley		5606525	208.00
Christine D Reigle-Pefley		4585387	258.00
Christine D Reigle-Pefley		5837517	137.00
Christine D Reigle-Pefley	STATE COLLECTION SERVI	46698849	145.00
Christine D Reigle-Pefley	STATE COLLECTION SERVI	48907332	496.00
Christine D Reigle-Pefley	CHASE CARD	438854002701	15512.00
Christine D Reigle-Pefley	CHASE CARD	432016100384	7308.00
Christine D Reigle-Pefley	BK OF AMER	4313070493908674	6688.00

### Employment and Income

- 14 Document Christine D Reigle-Pefley's income using a paystub and a W-2 from the prior year, or using a standard Verification of Employment (1005). The paystub must be dated no earlier than 30 days prior to the initial loan application date, include all year-to-date earnings, and include sufficient information to appropriately calculate income. Otherwise, additional documentation must be obtained. If a W-2 is not available from the prior year, the lender must determine if the income would still be acceptable per the Selling Guide. If a standard Verification of Employment (1005) will be obtained it must include all year-to-date earnings as well as prior year earnings if a W-2 is not being provided. Direct verifications provided by a third party employment verification vendor

are acceptable if completed in accordance with the Selling Guide.

- 15 Perform and document a verbal verification of employment for each borrower. For all borrowers who are not Self-Employed no more than 10 business days prior to the note date, or Self-Employed within 120 calendar days prior to the note date. Direct verification by a third party employment verification vendor is acceptable if completed within the same timeframes, and the information is not more than 35 days old (120 days old if self employed) as of the note date. If the borrower is in the military, obtain either a Military Leave and Earnings Statement within 31 calendar days prior to the note date or a verification of employment through the Defense Manpower Data Center (<https://mla.dmdc.osd.mil/mla/#/home>). Lenders also have the option of obtaining the verbal verification of employment after the note date (and prior to delivery of the loan to Fannie Mae), but when using this option must ensure compliance with the Selling Guide.
- 16 Obtain a completed and signed Form 4506-T for each borrower at or before closing. If all of a borrower's income has been validated through the DU validation service, a completed and signed Form 4506-T is not required for that borrower. Form 4506, Form 4506T-EZ, or Form 8821 may be used in lieu of Form 4506-T. Refer to the Selling Guide for additional information.
- 17 DU did not receive report data from the vendor(s) shown below.

Borrower	Vendor and Rep Type	Rep ID	Reason
Christine D Reigle-Pefley	The Work Number (VOI/VOE)	Missing	Report was not ordered, or vendor did not have report on the borrower, or report ID and borrower SSN do not match those provided to the vendor.

- 18 DU could not validate borrower employment shown below for the reason provided.

Borrower	DU Employer	Vendor and Rep Type	Rep ID	Vendor Match	Reason
Christine D Reigle-Pefley	Evergreen Escrow	Missing	Missing	Missing	No VOI/VOE report

- 19 DU could not validate borrower income shown below for the reason provided.

Borrower	DU Income Type	Vendor and Rep Type	Rep ID	Vendor Match	DU Reported Amount	Reason
Christine D Reigle-Pefley	Base Employment Income	Missing	Missing	Missing	\$6,999.20	No report received by DU

						that validates this income type
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## Assets

- 20 The balances of the following 30-day accounts listed on the loan application were included in the amount of reserves required to be verified. However, on transactions where reserves are not required to be verified, the 30-day account amount required to be verified will be reduced by any cash-out that the borrower will receive through the transaction. If the funds needed to payoff the account are not available due to the borrower paying off the 30-day account prior to loan closing, the lender must provide documentation that the account was paid in full, and omit the account from the online loan application in order for the balance to be excluded from the amount of reserves required to be verified. If the funds are not available and the account has not yet been paid off prior to closing, the lender must document that the borrower has sufficient assets from eligible sources to payoff the account.

Borrower	Creditor	Account Number	Balance
Christine D Reigle-Pefley	TIMEPAYMENT CORP	365719583657195	197.00

## Property and Appraisal Information

- 21 DU returned the following standardized address and census tract for the subject property: 17643 SE 192ND DR, RENTON, WA 98058-9615, 031906. This is the address that DU used in its property valuation and fieldwork recommendation. Regardless of the property fieldwork required by DU, if this address is not valid for the subject property, an appraisal based on an interior and exterior property inspection reported on Form 1004 is required for this transaction. If the subject property is located in a condominium project, the appraisal must be reported on Form 1073.
- 22 Obtain an appraisal based on an interior and exterior property inspection on Form 1004.

## OBSERVATIONS

- 23 This case was submitted to Desktop Underwriter version 10.3 by LDWholesale. The following information is associated with this loan: Casefile ID is 1406600770 and Submission number is 8. If the loan is delivered to Fannie Mae, the Casefile ID must be provided at delivery.
- 24 The following list of special feature codes is provided to assist you in determining which codes may be associated with this loan. Other codes may be required. Refer to the Special Feature Codes list on fanniemae.com for a comprehensive list.

Special Feature Code	Description
127	DU Loan
003	Cash-out Refinance

- 25 The following Credit Report is associated with this submission:

Borrower Name	Credit Agency	Credit Report ID	Credit Report
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			<b>Date</b>
Christine D Reigle-Pefley	ADVANTAGE CREDIT	5213448	05/03/2019

- 26 The following credit scores are included in the credit report:

<b>Borrower</b>	<b>Credit Scores</b>
Christine D Reigle-Pefley	600 632 646

- 27 DU has identified the following authorized user tradelines on the credit report:

<b>Creditor</b>	<b>Account Number</b>
BANK OF AMERICA	4313070426345184

- 28 The following sources of income were used in the underwriting analysis:

<b>Borrower</b>	<b>Income Type</b>	<b>Amount</b>
Christine D Reigle-Pefley	Base employment income	6999.20

- 29 Liabilities that have been marked "paid by close" in the application have not been added to required funds. For cash-out refinance transactions, all debts to be paid off using proceeds from the transaction must be included in Section VII, Details of Transaction - line D. Verify and document the funds needed to pay off accounts marked "paid by close."
- 30 Desktop Underwriter does not include cash back received from the transaction in the borrower's cash reserves calculation. Therefore, the amount of cash back, \$51579.47, has not been included in cash reserves.

## Underwriting Analysis Report

<b>Recommendation</b>	<b>Approve/Eligible</b>		
<b>Primary Borrower</b>	Christine D Reigle-Pefley	<b>Co-Borrower</b>	
<b>Lender Loan Number</b>	2019016967	<b>Casefile ID</b>	1406600770
<b>Submission Date</b>	05/31/2019 03:49PM	<b>Submitted By</b>	1571elne

### PROPERTY INFORMATION

<b>Property Address</b>	17643 SE 192nd Drive Renton, WA 98058	<b>Number of Units</b>	1
<b>Property Type</b>	Detached	<b>Occupancy Status</b>	Primary Residence

### MORTGAGE INFORMATION

<b>Loan Type</b>	Conventional	<b>LTV/CLTV/HCLTV</b>	60.00% / 60.00% / 60.00%
<b>Amortization Type</b>	Fixed Rate	<b>Loan Amount</b>	\$410000.00
<b>Balloon</b>	No	<b>Financed MI Amount</b>	\$0.00
<b>Community Lending</b>	No	<b>Total Loan Amount</b>	\$410000.00
		<b>Sales Price</b>	

Payment Frequency	Monthly		\$0.00
Lien Type	First Mortgage	Actual/Estimated Value	Appraised Value
			\$690000.00
Amt. Subordinate Fin.	\$0.00	P&I	\$2077.41
Loan Purpose	Refinance	Note Rate	4.500%
Refi Purpose	Cash-Out	Qualifying Rate	4.500%
Owner Existing Mtg.		Bought Down Rate	0.00%
Buydown	No	Term (Months)	360

INCOME		QUALIFYING RATIOS	
Base	\$6999.20	Housing Expense	40.22%
Commission	\$0.00	Debt-to-Income	41.19%
Bonus	\$0.00		
Overtime	\$0.00	EXPENSE RATIOS	
Other	\$0.00	Including ≤ 10 Mos.	44.01%
Positive Net Rental	\$0.00	With Undisclosed Debt	41.19%
Subj. Pos. Cash Flow	\$0.00		
Total	\$6999.20		

PROPOSED MONTHLY PAYMENT			
First P&I (Qualifying)	\$2077.41	Negative Net Rental	\$0.00
Second P&I	\$0.00	Subj. Neg. Cash Flow	\$0.00
Hazard Insurance	\$105.33	All Other Payments	\$68.00
Taxes	\$632.29	Total Expense Payment	\$2883.03
Mortgage Insurance	\$0.00		
HOA Fees	\$0.00	Present/Principal Housing Payment	\$2670.47
Other	\$0.00		
Total Housing Payment	\$2815.03		

FUNDS			
Total Available Assets	\$0.00	Cash Back	\$51579.47
Funds Required to Close	\$0.00	Net Cash Back	\$51579.47
Reserves Required to be Verified	\$0.00	Excess Available Assets, not required to be verified by DU	\$0.00
Total Funds to be Verified	\$0.00		

The recommendation for this case is: Approve/Eligible





## CU Findings

- 1 The messages below were issued by Collateral Underwriter and the Uniform Collateral Data Portal for the appraisal submitted under DocFileID 11012GE639 on 05/17/2019 02:01 PM. These messages are the result of an automated analysis and were not prepared by a state-licensed or a state-certified appraiser. Lenders remain responsible for the appraisal report in accordance with the Fannie Mae Selling Guide, must analyze CU Findings in context of the appraisal report to determine an appropriate course of action, may not use CU Findings to interfere with the independent judgment of the appraiser, and may not encourage appraisers to provide inaccurate or otherwise misleading conclusions to conform with automated output from CU. CU Findings may not be used as the lender's basis for accepting or rejecting the appraisal, may not be used as basis for a credit decision, do not need to be cleared, do not impact the DU risk assessment, and do not impact the lender's ability to deliver the associated loan to Fannie Mae.

### COLLATERAL UNDERWRITER MESSAGES

- 2 Collateral Underwriter issued the following Risk Score and submission status message(s):

Message ID	Message Text
FNM1000	The Collateral Underwriter Risk Score is 3 on a scale of 1 to 5 where 5 indicates highest potential collateral risk. A score of 999 indicates no Collateral Underwriter Risk Score available.
FNM1007	The Fannie Mae UCDP Submission Status is Successful.

- 3 Collateral Underwriter issued the following Risk Flag message(s):

Message ID	Message Text
FNM1002	There is a heightened risk of appraisal quality issues.

- 4 Collateral Underwriter issued the following Adjustments message(s):

Message ID	Message Text
FNM0640	The appraiser's net adjustments for the comparable sales are materially different from the model net adjustments.

NOTICE: The DU Underwriting Findings report does not constitute an approval or denial of the loan application. Lenders must comply with all laws and regulations, including those related to privacy and nonpublic personal information, when handling the DU Findings Report.