

DU Underwriting Findings

SUMMARY

Recommendation	Approve/Eligible		
Primary Borrower	Richard Leon Majors	Co-Borrower	
Lender Loan Number	400340160	Casefile ID	1405893165
Submission Date	05/08/2019 06:48PM	Submitted By	l411rinn
First Submission Date	04/26/2019 07:19PM	DU Version	10.3
Submission Number	5		

Mortgage Information

LTV/CLTV/HCLTV	97.00% / 97.00% / 97.00%	Note Rate	4.875%
Housing Expense Ratio	19.22%	Loan Type	Conventional
Debt-to-Income Ratio	34.24%	Loan Term	360
Total Loan Amount	\$205640.00	Amortization Type	Fixed Rate
Sales Price	\$212000.00	Loan Purpose	Purchase
Actual/Estimated Appraised Value	\$212000.00	Refi Purpose	

Property Information

Property Address	28730 Desert Princess Drive Cathedral City, CA 92234	Number of Units	1
Property Type	Condominium	Occupancy Status	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.

REPRESENTATIONS AND WARRANTIES

- The following message was issued by Collateral Underwriter:

Message ID	Message Text
FNM1101	Based on the CU results for the appraisal submitted under DocFileID 11012D5973 on 04/26/2019 07:27 PM this loan is 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:
Housing Expense Ratio

VERIFICATION MESSAGES/APPROVAL CONDITIONS

- Asset verification information was received for the borrower(s) from the vendor(s) shown below using the associated Reference Number(s). Based on this report, the loan must close on or before the earliest date provided. All credit documents must be no

more than four months old on the note date.

Borrower	Vendor	Reference #	Report Date	Close By Date
Richard Leon Majors	FormFree	e27ff66f-3aa2-451f-b2a8-34259b361e65	04/17/2019	08/17/2019

- 6 Verify that the terms of the leasehold estate comply with the requirements of the Fannie Mae Selling Guide. The property must be in an area where the use of leasehold estates have received market acceptance.
- 7 This loan is subject to all lender specified conditions and must comply with all applicable federal, state, and local laws and regulations.
- 8 Based on the credit report obtained through DU, this loan casefile must close on or before 08/17/2019. 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.
- 9 If there is a home equity line of credit secured against the subject property the maximum allowable HCLTV is 97 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.
- 10 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 for specific details.
- 11 Mortgage insurance is required. The lender may either obtain mortgage insurance coverage of at least 18% with an MI loan-level price adjustment or obtain mortgage insurance coverage of 35%. Refer to the Loan-level Price Adjustment Matrix on fanniemae.com. Verify the mortgage insurance premium is accurately reflected in the loan application.

Employment and Income

- 12 Document Richard Leon Majors'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.
- 13 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.
- 14 DU received data from the vendor report(s) shown below. All credit documents must be

no more than four months old on the note date.

Borrower	Vendor and Rep Type	Rep ID	Rep Date	Exp Date
Richard Leon Majors	The Work Number (VOI/VOE)	6820741692	04/17/2019	08/17/2019
Richard Leon Majors	FormFree (Asset)	e27ff66f-3aa2-451f-b2a8-34259b361e65	04/17/2019	08/17/2019

- 15 DU validated borrower employment shown below. The specified report(s) is acceptable documentation to support this employment.

Borrower	DU Employer	Vendor and Rep Type	Rep ID	Vendor Match	Close-By Date
Richard Leon Majors	Riverside Transit Agency	The Work Number (VOI/VOE)	6820741692	RIVERSIDE TRANSIT AGENCY	04/27/2019

- 16 DU could not validate borrower income shown below because the income calculated from the specified report(s) is less than the amount entered in DU.

Borrower	DU Income Type	Vendor and Rep Type	Rep ID	Vendor Match	DU Reported Amount	Calculated Amount
Richard Leon Majors	Base Employment Income	The Work Number (VOI/VOE)	6820741692	RIVERSIDE TRANSIT AGENCY	\$12,070.93	\$10,436.21

Assets

- 17 Verify assets totaling \$6449 from the liquid assets listed on the 1003. Refer to the Selling Guide for additional information.
- 18 Earnest money is listed as an other credit on the details of transaction. If the deposit is used to make any part of the borrower's minimum contribution that must come from his or her own funds, the source of funds for the deposit must be verified.
- 19 Assets of \$6449 have been validated using asset account information. The asset report is acceptable documentation to support these assets. If the actual amount of funds required to close is greater than the Funds Required to Close specified in DU, document sufficient liquid assets to cover the additional amount.

Property and Appraisal Information

- 20 This property is located in a condominium project. Conduct a review of the project utilizing the Lender Full Review process, either manually or with Condo Project Manager (CPM). Ensure that the project meets the underwriting requirements of the applicable project classification as defined in the Selling Guide. If the property is a detached condo, or is in a condo project consisting of only 2 to 4 units, a project review

is not required. Determine if the property is located in a state in which specific project review type guidelines apply and confirm the loan casefile complies with those guidelines. If the condo project requires a Fannie Mae project approval through the Project Review Eligibility Service (PERS), confirm there is a valid Fannie Mae PERS approval when one is required. Refer to the Selling Guide for additional information.

- 21 Desktop Underwriter returned the following standardized address and census tract for the subject property: 28730 DESERT PRINCESS DR, CATHEDRAL CITY, CA 92234-3500, 941200.

OBSERVATIONS

- 22 This case was submitted to Desktop Underwriter version 10.3 by LOANDEPOT.COM, LLC. The following information is associated with this loan: Casefile ID is 1405893165 and Submission number is 5. If the loan is delivered to Fannie Mae, the Casefile ID must be provided at delivery.
- 23 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

- 24 Based on the data entered, this loan casefile has been identified as a First Time Homebuyer case. Correctly identify the borrower as a First Time Homebuyer at delivery. Refer to the Selling Guide Glossary for additional information on the identification of a first time homebuyer.

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

Borrower Name	Credit Agency	Credit Report ID	Credit Report Date
Richard Leon Majors	CoreLogic Credco	113326840150000	04/17/2019

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

Borrower	Credit Scores
Richard Leon Majors	716 730 772

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

Borrower	Income Type	Amount
Richard Leon Majors	Base employment income	12070.93

- 28 The following assets were counted towards available funds. With the exception of cash on hand, all available funds greater than the amount required to close have been added to cash reserves.

Borrower	Asset Type	Institution Name	Amount
Richard Leon	Checking Account	Alliant CU (Online)	4299.00

Majors		Banking,Chicago	
Richard Leon Majors	Savings Account	Alliant CU (Online Banking,Chicago	7779.00

Underwriting Analysis Report

Recommendation	Approve/Eligible		
Primary Borrower	Richard Leon Majors	Co-Borrower	
Lender Loan Number	400340160	Casefile ID	1405893165
Submission Date	05/08/2019 06:48PM	Submitted By	1411rinn

PROPERTY INFORMATION

Property Address	28730 Desert Princess Drive Cathedral City, CA 92234	Number of Units	1
Property Type	Condominium	Occupancy Status	Primary Residence

MORTGAGE INFORMATION

Loan Type	Conventional	LTV/CLTV/HCLTV	97.00% / 97.00% / 97.00%
Amortization Type	Fixed Rate	Loan Amount	\$205640.00
Balloon	No	Financed MI Amount	\$0.00
Community Lending	No	Total Loan Amount	\$205640.00
Payment Frequency	Monthly	Sales Price	\$212000.00
Lien Type	First Mortgage	Actual/Estimated Value	\$212000.00
Amt. Subordinate Fin.	\$0.00	P&I	\$1088.26
Loan Purpose	Purchase	Note Rate	4.875%
Refi Purpose		Qualifying Rate	4.875%
Owner Existing Mtg.		Bought Down Rate	0.00%
Buydown	No	Term (Months)	360

INCOME

Base	\$12070.93
Commission	\$0.00
Bonus	\$0.00
Overtime	\$0.00
Other	\$0.00
Positive Net Rental	\$0.00
Subj. Pos. Cash Flow	\$0.00
Total	\$12070.93

QUALIFYING RATIOS

Housing Expense	19.22%
Debt-to-Income	34.24%

EXPENSE RATIOS

Including ≤ 10 Mos.	34.24%
With Undisclosed Debt	34.24%

PROPOSED MONTHLY PAYMENT

First P&I (Qualifying)	\$1088.26	Negative Net Rental	\$0.00
Second P&I	\$0.00	Subj. Neg. Cash Flow	\$0.00
Hazard Insurance	\$32.50	All Other Payments	\$1813.00

Taxes	\$244.71	Total Expense Payment	\$4133.33
Mortgage Insurance	\$149.09		
HOA Fees	\$640.00	Present/Principal Housing Payment	\$1000.00
Other	\$165.77		
Total Housing Payment	\$2320.33		

FUNDS

Total Available Assets	\$12078.00	Cash Back	\$0.00
Funds Required to Close	\$6449.25	Net Cash Back	\$0.00
Reserves Required to be Verified	\$0.00	Excess Available Assets, not required to be verified by DU	\$5628.75
Total Funds to be Verified	\$6449.25		

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 11012D5973 on 04/26/2019 07:27 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 1 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 Data Discrepancy message(s):

Message ID	Message Text
FNM0446	The subject was excluded from data discrepancy computations due to a missing unit number.

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.