

## DU Underwriting Findings

### SUMMARY

Recommendation	Approve/Eligible		
Primary Borrower	Lisette Montague		Co-Borrower
Lender Loan Number	103330336	Casefile ID	1406947261
Submission Date	06/10/2019 07:31PM	Submitted By	l411rcxa
First Submission Date	05/07/2019 03:30PM	DU Version	10.3
Submission Number	12		

### Mortgage Information

LTV/CLTV/HCLTV	90.00% / 90.00% / 90.00%	Note Rate	4.000%
Housing Expense Ratio	47.20%	Loan Type	Conventional
Debt-to-Income Ratio	47.56%	Loan Term	360
Total Loan Amount	\$513000.00	Amortization Type	Fixed Rate
Sales Price	\$0.00	Loan Purpose	Refinance
Actual/Estimated Appraised Value	\$570000.00	Refi Purpose	Limited Cash-Out

### Property Information

Property Address	16313 Sandy Ridge Court Woodbridge, VA 22191	Number of Units	1
Property Type	Planned Unit Development(PUD)	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.
- This loan casefile has been underwritten as a limited cash-out refinance. Review the short-term financing guidelines if the first mortgage being paid off with this transaction was originated less than six months prior to the disbursement date of the new mortgage loan, and determine whether this transaction is still eligible for delivery as a limited cash-out refinance. Ensure that the property is currently not listed for sale. Refer to the Selling Guide for additional information.
- Based on the qualifying income and HomeReady income guidelines for the area in which the property is located this loan casefile may be eligible as a HomeReady mortgage loan, and the lender may choose HomeReady as the Community Lending product and resubmit the loan casefile to DU.

### 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 11012GHB90 on 05/19/2019 10:05 PM

this loan is not eligible for the enforcement relief on representations and warranties related to property value.

## FINDINGS

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

## VERIFICATION MESSAGES/APPROVAL CONDITIONS

- 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 09/07/2019. 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 95 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](http://fanniemae.com) for specific details.
- 11 Mortgage insurance is required. The lender may either obtain mortgage insurance coverage of at least 12% with an MI loan-level price adjustment or obtain mortgage insurance coverage of 25%. Refer to the Loan-level Price Adjustment Matrix on [fanniemae.com](http://fanniemae.com). Verify the mortgage insurance premium is accurately reflected in the loan application.
- 12 The FIPS code provided on the loan application was 51153900801. Because this FIPS code was used to derive the county and loan limit used to determine the loan's eligibility, the lender must document the subject property is located in the specified county.

## Credit and Liabilities

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

Borrower	Creditor	Account Number	Balance
Lisette Montague	PENNYMAC	8001807950	510354.71

- 14 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.

<b>Borrower</b>	<b>Creditor</b>	<b>Payment</b>	<b>Balance</b>
Lisette Montague	PENNYMAC	3276.16	510354.71

### **Employment and Income**

- 15 VA benefit income for Lisette Montague must be verified with a VA letter or distribution form. If this income is not from retirement or long term disability, it cannot be used for qualifying unless it will continue for at least three years (not applicable to DU Refi Plus loan casefiles). Education benefits may not be used for qualifying purposes.
- 16 If the Social Security income for Lisette Montague is classified as retirement or disability income from the borrower's own Social Security Account, obtain either proof of current receipt, or the Social Security Administration's (SSA) award letter. If the Social Security income is for Survivor Benefits, retirement, or disability for the benefit of another, verify the income with all of the following documents: a copy of the SSA award letter, proof of current receipt, and any additional documentation required to confirm a three-year continuance. Supplemental Security Income must be verified with a copy of the SSA award letter and proof of current receipt. Refer to the Selling Guide for additional information.
- 17 Document regular and continued receipt of retirement, government annuity, or pension income for Lisette Montague with one of the following documents: letters from the organization providing the income, retirement award letters, federal tax returns, IRS W-2 or 1099 forms, or bank statement. Documentation of three-year continuance is not required. For loan casefiles that are not underwritten as DU Refi Plus, if retirement income is paid in the form of a monthly distribution from a 401(k), IRA, SEP or Keogh retirement account, document three year continuance of income from the date of the mortgage application. Documentation of asset ownership must be in compliance with the Allowable Age of Documents policy.
- 18 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.
- 19 DU did not receive report data from the vendor(s) shown below.

<b>Borrower</b>	<b>Vendor and Rep Type</b>	<b>Rep ID</b>	<b>Reason</b>
Lisette Montague	Equifax (Tax Transcript)	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.

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

Borrower	DU Employer	Vendor and Rep Type	Rep ID	Vendor Match	Reason
Lisette Montague	Retired	Missing	Missing	Missing	No Base, Bonus, Overtime, or Commission income entered in DU

- 21 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
Lisette Montague	Social Security/Disability Income	Missing	Missing	Missing	\$1,921.00	No report received by DU that validates this income type
Lisette Montague	VA Benefits	Missing	Missing	Missing	\$1,892.61	No report received by DU that validates this income type
Lisette Montague	Pension/Retirement Income	Missing	Missing	Missing	\$3,263.96	No report received by DU that validates this income type

### Assets

- 22 Verify assets totaling \$7223 from the liquid assets listed on the 1003. Refer to the Selling Guide for additional information.
- 23 A miscellaneous other credit has been entered in Section VII of the loan application. Verify that the minimum borrower contribution is made for the transaction. Verify that contributions by others do not exceed the limits permitted in the Selling Guide. All credits applied in this section must be eligible and documented according to the requirements of the Selling Guide.



- 24 If depository assets are needed to support the amount of funds required and reserves, verify these assets with a verification of deposit or bank statements covering a two-month period, refer to the Selling Guide for guidance on evaluating un-sourced large deposits, and direct verifications provided by a third party asset verification vendor are acceptable if completed in accordance with the Selling Guide.
- 25 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
Lisette Montague	AMERICAN EXPRESS	- 3499914001017883	534.00

### Property and Appraisal Information

- 26 DU returned the following standardized address and census tract for the subject property: 16313 SANDY RIDGE CT, WOODBRIDGE, VA 22191-4451, 900801. 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.
- 27 Obtain an appraisal based on an interior and exterior property inspection on Form 1004.
- 28 This loan casefile was underwritten as a high-balance mortgage loan and must meet all the terms and conditions specified in the Selling Guide. The high-cost area loan limit of \$726525.00 was used for the property based on a FIPS code of 51153900801.
- 29 This property is located in a PUD project. Determine that the PUD project meets the underwriting requirements of the applicable project classification. Refer to the Selling Guide for more information.

### OBSERVATIONS

- 30 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 1406947261 and Submission number is 12. If the loan is delivered to Fannie Mae, the Casefile ID must be provided at delivery.
- 31 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](http://fanniemae.com) for a comprehensive list.

Special Feature Code	Description
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808	High-Balance Mortgage Loan
127	DU Loan
007	Limited Cash-out Refinance

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

Borrower Name	Credit Agency	Credit Report ID	Credit Report Date
Lisette Montague	CoreLogic Credco	113371045230000	05/07/2019

- 33 This loan casefile may be eligible towards Fannie Mae's Low-Income Refinancing Goal. This goal includes owner-occupied, refinance, conventional mortgages where the total qualifying income is equal to or less than 80% of AMI where the property is located.

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

Borrower	Credit Scores
Lisette Montague	809 809 820

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

Borrower	Income Type	Amount
Lisette Montague	Pension retirement income	3263.96
Lisette Montague	VA benefits (non-education)	1892.61
Lisette Montague	Social Security income	1921.00

- 36 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
Lisette Montague	Savings Account	Ally Bank	42554.94

## Underwriting Analysis Report

<b>Recommendation</b>	<b>Approve/Eligible</b>		
<b>Primary Borrower</b>	Lisette Montague		
<b>Lender Loan Number</b>	103330336	<b>Co-Borrower Casefile ID</b>	1406947261
<b>Submission Date</b>	06/10/2019 07:31PM	<b>Submitted By</b>	l41lrcxa

### PROPERTY INFORMATION

<b>Property Address</b>	16313 Sandy Ridge Court Woodbridge, VA 22191	<b>Number of Units</b>	1
<b>Property Type</b>	Planned Unit Development(PUD)	<b>Occupancy Status</b>	Primary Residence

**MORTGAGE INFORMATION**

Loan Type	Conventional	LTV/CLTV/HCLTV	90.00% / 90.00% / 90.00%
Amortization Type	Fixed Rate	Loan Amount	\$513000.00
Balloon	No	Financed MI Amount	\$0.00
Community Lending	No	Total Loan Amount	\$513000.00
Payment Frequency	Monthly	Sales Price	\$0.00
Lien Type	First Mortgage	Actual/Estimated Appraised Value	\$570000.00
Amt. Subordinate Fin.	\$0.00	P&I	\$2449.14
Loan Purpose	Refinance	Note Rate	4.000%
Refi Purpose	Limited Cash-Out	Qualifying Rate	4.000%
Owner Existing Mtg.		Bought Down Rate	0.00%
Buydown	No	Term (Months)	360

**INCOME**

Base	\$0.00
Commission	\$0.00
Bonus	\$0.00
Overtime	\$0.00
Other	\$7077.57
Positive Net Rental	\$0.00
Subj. Pos. Cash Flow	\$0.00
Total	\$7077.57

**QUALIFYING RATIOS**

Housing Expense	47.20%
Debt-to-Income	47.56%

**EXPENSE RATIOS**

Including ≤ 10 Mos.	55.10%
With Undisclosed Debt	47.56%

**PROPOSED MONTHLY PAYMENT**

First P&I (Qualifying)	\$2449.14	Negative Net Rental	\$0.00
Second P&I	\$0.00	Subj. Neg. Cash Flow	\$0.00
Hazard Insurance	\$105.77	All Other Payments	\$25.00
Taxes	\$546.25	Total Expense Payment	\$3365.79
Mortgage Insurance	\$149.63		
HOA Fees	\$90.00	Present/Principal Housing Payment	\$3366.16
Other	\$0.00		
Total Housing Payment	\$3340.79		

**FUNDS**

Total Available Assets	\$42554.94	Cash Back	\$0.00
Funds Required to Close	\$6689.81	Net Cash Back	\$0.00
Reserves Required to be Verified	\$534.00	Excess Available Assets, not required to be verified by DU	\$35331.13
Total Funds to be Verified	\$7223.81		

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 11012GHB90 on 05/19/2019 10:05 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 Comparables message(s):

Message ID	Message Text
FNM0797	The appraiser-provided comparables are materially different than the model-selected comparables.

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.