

DU Underwriting Findings

SUMMARY

Recommendation	Approve/Eligible		
Primary Borrower	Franklin D Rully		Co-Borrower
Lender Loan Number	600125335	Casefile ID	1406947183
Submission Date	06/04/2019 02:30PM	Submitted By	l571elne
First Submission Date	05/07/2019 03:27PM	DU Version	10.3
Submission Number	6		

Mortgage Information

LTV/CLTV/HCLTV	75.00% / 75.00% / 75.00%	Note Rate	4.500%
Housing Expense Ratio	28.14%	Loan Type	Conventional
Debt-to-Income Ratio	36.03%	Loan Term	360
Total Loan Amount	\$138750.00	Amortization Type	Fixed Rate
Sales Price	\$190500.00	Loan Purpose	Purchase
Actual/Estimated Appraised Value	\$185000.00	Refi Purpose	

Property Information

Property Address	225 Murcia Drive, Unit 203 Jupiter, FL 33458	Number of Units	1
Property Type	Condominium	Occupancy Status	Primary Residence

RISK/ELIGIBILITY

- 1 The risk profile of this loan casefile appears to meet Fannie Mae's guidelines.
- 2 This loan casefile appears to meet Fannie Mae's eligibility requirements.
- 3 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

- 4 The following message was issued by Collateral Underwriter:

Message ID	Message Text
FNM1101	Based on the CU results for the appraisal submitted under DocFileID 11012HHCH4 on 05/24/2019 10:43 AM this loan is eligible for the enforcement relief on representations and warranties related to property value.

POTENTIAL RED FLAGS

- 5 Based on information provided on a prior submission, it appears that the subject property address and/or Doc File ID have been modified. As a reminder, the DU loan

casefile ID is unique to an individual mortgage loan. The same casefile ID may not be used to underwrite more than one mortgage loan in DU. If a new loan is being originated, a new DU loan casefile must be created. The data associated to the existing loan casefile must then be updated to reflect the final terms of the loan it was originally used to underwrite.

FINDINGS

- 6 The following risk factors represent strengths in the borrower's loan application:
Combined Loan-to-Value Ratio

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 09/06/2019. 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.

Employment and Income

- 11 Document Franklin D Rully'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.
- 12 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.

- 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 did not receive report data from the vendor(s) shown below.

Borrower	Vendor and Rep Type	Rep ID	Reason
Franklin D Rully	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.

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

Borrower	DU Employer	Vendor and Rep Type	Rep ID	Vendor Match	Reason
Franklin D Rully	Jupiter Medical Center	Missing	Missing	Missing	No VOI/VOE report

- 16 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
Franklin D Rully	Base Employment Income	Missing	Missing	Missing	\$4,246.67	No report received by DU that validates this income type

Assets

- 17 Verify assets totaling \$38759 from the liquid assets listed on the 1003. Refer to the Selling Guide for additional information.
- 18 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.

- 19 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.

Property and Appraisal Information

- 20 This property is located in a condominium project. A limited review can be performed if the property is in an established project, and the property is not ineligible as defined in the Selling Guide. If the property is not in an established condominium project 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. Refer to the Selling Guide for additional information.
- 21 Desktop Underwriter returned the following standardized address and census tract for the subject property: 225 MURCIA DR APT 203, JUPITER, FL 33458-2759, 000215.

OBSERVATIONS

- 22 This case was submitted to Desktop Underwriter version 10.3 by LDWholesale. The following information is associated with this loan: Casefile ID is 1406947183 and Submission number is 6. 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
Franklin D Rully	AVANTUS	38632623	05/06/2019

- 26 This loan casefile may be eligible towards Fannie Mae's Low-Income Purchase Goal. This goal includes owner-occupied, purchase, conventional mortgages where the total qualifying income is equal to or less than 80% of AMI where the property is located.
- 27 This loan casefile may be eligible towards Fannie Mae's Low-Income Areas Purchase Goal. This goal includes owner-occupied, purchase, conventional mortgages with properties located in a low-income area census tract, or a minority census tract or a designated disaster area census tract where the total qualifying income is equal to or less than 100% of AMI.

28 The following credit scores are included in the credit report:

Borrower	Credit Scores
Franklin D Rully	711 713 764

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

Borrower	Income Type	Amount
Franklin D Rully	Base employment income	4246.67

30 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
Franklin D Rully	Checking Account	Chase Bank	90165.30

Underwriting Analysis Report

Recommendation	Approve/Eligible	Co-Borrower	
Primary Borrower	Franklin D Rully	Casefile ID	1406947183
Lender Loan Number	600125335	Submitted By	1571elne
Submission Date	06/04/2019 02:30PM		

PROPERTY INFORMATION

Property Address	225 Murcia Drive, Unit 203 Jupiter, FL 33458	Number of Units	1
Property Type	Condominium	Occupancy Status	Primary Residence

MORTGAGE INFORMATION

Loan Type	Conventional	LTV/CLTV/HCLTV	75.00% / 75.00% / 75.00%
Amortization Type	Fixed Rate	Loan Amount	\$138750.00
Balloon	No	Financed MI Amount	\$0.00
Community Lending	No	Total Loan Amount	\$138750.00
Payment Frequency	Monthly	Sales Price	\$190500.00
Lien Type	First Mortgage	Actual/Estimated Appraised Value	\$185000.00
Amt. Subordinate Fin.	\$0.00	P&I	\$703.03
Loan Purpose	Purchase	Note Rate	4.500%
Refi Purpose		Qualifying Rate	4.500%
Owner Existing Mtg.		Bought Down Rate	0.00%
Buydown	No	Term (Months)	360

INCOME

Base \$4246.67

QUALIFYING RATIOS

Housing Expense 28.14%

Commission	\$0.00	Debt-to-Income	36.03%
Bonus	\$0.00		
Overtime	\$0.00	EXPENSE RATIOS	
Other	\$0.00	Including ≤ 10 Mos.	36.03%
Positive Net Rental	\$0.00	With Undisclosed Debt	36.03%
Subj. Pos. Cash Flow	\$0.00		
Total	\$4246.67		

PROPOSED MONTHLY PAYMENT

First P&I (Qualifying)	\$703.03	Negative Net Rental	\$0.00
Second P&I	\$0.00	Subj. Neg. Cash Flow	\$0.00
Hazard Insurance	\$56.83	All Other Payments	\$335.00
Taxes	\$226.19	Total Expense Payment	\$1530.05
Mortgage Insurance	\$0.00		
HOA Fees	\$209.00	Present/Principal Housing Payment	\$1850.00
Other	\$0.00		
Total Housing Payment	\$1195.05		

FUNDS

Total Available Assets	\$90165.30	Cash Back	\$0.00
Funds Required to Close	\$38759.72	Net Cash Back	\$0.00
Reserves Required to be Verified	\$0.00	Excess Available Assets, not required to be verified by DU	\$51405.58
Total Funds to be Verified	\$38759.72		

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 11012HHCH4 on 05/24/2019 10:43 AM. 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 2 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.

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.