

Underwriter Preapproval Checklist		Process
Pull up file in Encompass and check for duplicate files.		Read comments in conversation log and check E-Folder for documents that may need to be placed in the file. Flip through all pages of file to familiarize yourself with it. Check UW Summary in Encompass to ensure file is submitted to UW.
Flip through all docs in file to familiarize yourself with the loan and review all docs in correspondence file		Verify that borrower(s) name(s), address, social security numbers match on all docs throughout the file and in Encompass.
View Borrower Summary-Processing section and 1003 in Encompass		Ensure sections are complete in Encompass and on hard copy of 1003
1003 page 1-Section I-Type of Mortgage and Terms of Loan		Ensure sections are complete in Encompass and on hard copy of 1003
1003 Page 1-Section II-Property Information and Purpose of Loan		Ensure all information in this section is complete and accurate
1003 Page 1-Section II-Borrower information		Check for a 2 year residence history-Years at present and previous address and mailing address complete
1003 Page 1-Section IV-Employment Information		Check years at present job, years employed in profession and years at previous and 2nd job(s)
1003 Page 2-Section V-Monthly Income & Combined Housing Expense Information/Other Income		Revise income on 1003, if applicable: Paystubs covering 30 days-Make sure year to date income is in line with hourly or salary and last 2 years W-2s. Check deductions on paystub for child support, separate maintenance, garnishments and loans and include in liabilities. Other income: Refer to guidelines for calculations and use for qualifying.
		If borrower is Self Employed -Ensure Year to Date Profit and Loss is signed and dated and is in line with income from tax returns
		If borrower has a second job enter Employer name/2nd job in Other income section
		If borrower has income other than employment income utilize drop down list in Encompass-refer to document checklist and guidelines to ensure proper documentation is in file
1003 Page 2-Section VI-Assets and Liabilities		Assets - Consecutive bank statements covering the most recent 60 days evidencing at least \$5000 in funds for deposit on P&S-Check for NSF fees and negative balances. Revise any other asset information, if applicable
		Liabilities - Verify liabilities on hard copy of credit report against liabilities in Encompass and calculate by hand and compare to Encompass and revise, if applicable.
		Enter child support, separate maintenance, garnishments separately on 1003 in Encompass
		Schedule of Real Estate Owned - Revise PITI and rental income information for all properties owned in Encompass if applicable.
1003 Page 3- Section VII Details of Transaction-		Verify that loan amount is correct in section O
1003 Page 3 Section VIII-Declarations-		Review sections a through m-If borrower(s) answered yes to anything in sections a through i, ensure that documentation supporting these is provided-make a note to UW in conversation log-Ensure Yes is checked for section l
		Permanent Resident Alien - If borrower checks yes to section k, condition for a copy of the front and back of the permanent resident alien card
		If borrower checks no to section j and k , There should be documentation in the file evidencing that the borrower is residing legally in the U.S.
1003 Page 3-Section IX-Acknowledgement and Agreement		Make sure that the borrower(s) have signed and dated this section
1003 Page 3 –Section X-Information for Government Monitoring Purposes		Ensure Borrower(s) ethnicity, race and sex are checked. Make sure that the Loan Originator has signed (if interview is face to face) and dated this section and that the LO name and license number and AURA name address and license numbers have populated. Also ensure that LO Identifier number and phone number has populated.
Credit Report		Credit Report-Ensure credit scores populated on Borrower Summary screen in Encompass and name, address and social security number matches 1003 and other docs in file. Ensure all monthly payments in report match those in Encompass, Check if there are inquiries in the last 120 days. Check public records. Red Flags Report- Check that the score is an Accept. If it is a refer or decline-check section on page that is a mismatch or OFAC hit and give file back to Processor to order applicable verifications before returning file to Underwriting.
Income		Income- Ensure all applicable income and asset docs are included. Consult checklist and guidelines. Ensure borrower(s) name, address and social security number match all docs in this section and throughout the file.
NSP Grants		<i>Ensure NSP Eligibility Form and Household affidavit are complete and accurate</i>
VOEs		Ensure all sections are complete and year to date income is in line with salary. Compare income with paystub and W-2S
4506-T Validation		Ensure all line numbers and amounts match tax return.

Underwriter Preapproval Checklist (continued)	Process
Purchase and Sales Agreement & Appraisal	Review P&S and all line items of appraisal. Ensure value is supported by sales comparables. Ensure appraisal information is entered in UW Summary page 2 of Encompass. Make a note of septic system, any repairs needed or safety hazards and condition accordingly. Need satisfactory Title V inspection if septic system.
Preliminary Title commitment	Review all pages. Check owners on title and check with attorney who sent title if any detrimental issues on title and condition accordingly.
Inspection	Check for code violations. If no violations, file can be passed on to negotiator. If violations, discuss file with Management.

PreApproval/Suspension/Denial	
Underwriter Preapproval	Complete cash to close worksheet and print for file to place behind 1008. Revise loan amount accordingly. Upload sheet into E-Folder. Enter comments on 1008 according to credit, income, assets and collateral and ensure there is a comment regarding benefit to borrower-lower payment and/or lower principle . Print revised 1008 and 1003 and upload to E-folder. Check file for DISCLOSURES and review them-check loan amount and fees . Condition for disclosures, if applicable. Click approved date and approval expiration date on UW summary. Give file to Processor to REDISCLOSE if loan amount changes. Upload preapproval in E-folder. Assign file to lead negotiator, date assigned, negotiation stage: ready for offer and Max offer amount on BCC Negotiations page in Encompass. Move file to offer folder. UW gives Preapproval to Processor who calls borrower to obtain conditions. One copy is mailed to borrower and one copy goes in file.
If file is not preapproved, complete Suspension Form	Complete letter and enter comments in conversation log. Upload letter to E-Folder in Encompass. Place UW name in Suspended by and check date suspended on page 1 of UW summary. Give file to Processor.
If file is a denial- Utilize Declined Application checklist	Check with MLO for any other information that may help approve. If no other info, complete denial in system, enter denied by and denied date in UW summary. See Denial checklist and complete all steps.