Be In Mortgage

Tax ID Max – EEP Exception Checklist

Loan Program:

- Details of the exception being requested: Must be on a word doc/PDF – List ***ALL*** exceptions

Loan Application – 1003:

- Must include completed 1003 with exception submission
- Intended sales price?
- Payment Shock?
- DTI?
- Down Payment?

Assets

- 1003 to reflect available cash to close – in your details of the exception be VERY specific on whether the borrower will have funds available AFTER close for reserves. How much?

Credit/Rental History: ****12-month VOR rent history is a requirement***

- Must include Credit Report with exception submission
- Review credit score
- Available tradelines? More than 12 months available?
- Note if there are any recent lates, collections and/or charge-offs
- If rental history is a compensating factor, a completed VOR is required.
  *Remember: If the borrower's ratios are 40/50%(or less) OR the payment showck is 125%(or less) ONLY the VOR is needed. Otherwise, proof of rent payment will be required with the VOR.
- If the exception pertains to rent history, a completed VOR and proof of rent payments (if applicable) must be provided – Do not forget the letter of explanation

Income:

<u>W-2 Wage Earner</u>
- 1003 should show complete job history
- Written VOE should be provided if it is a compensating factor

<u>12-Month Profit & Loss</u>
- YTD Audited Profit & Loss
- Current 3 Month's Bank Statements

Exceptions may be granted with strong compensating factors including (but not limited to):

- Two (2) months of housing expense reserves (in addition to the amount normally required by EEP); OR
- 43% PTI / 50%; OR

A combination of compensating factors as documented by the underwriter, which may include:

- Extended housing history documentation (24-48 months)
- Low payment shock (less than 50%)
- Time on the job (verifiable/documented >3 years)
- Reasonable equivalent to the above (UWer discretion)