



Be In Mortgage-Equity Plus Second Mortgage Close End Seconds

Documentation Options			Additional Program Requirements
Full Doc 2Yr	1	Standard FNMA Documentation	NonQM and Agency Eligible
			Salaried: 2 years W2 and YTD paystub covering minimum 30 days.
			Self-Employed: 2 years tax returns, all schedules, YTD P&L or 3 months business bank statements to support continuance of tax return income.
Full Doc 1Yr	2	W-2 (12mo) Tax Returns (12mo)	NonQM and Agency Eligible
			Salaried: 1 year most recent W2 and YTD paystub covering minimum 30 days.
			Self-Employed: 1 year tax returns, all schedules, YTD P&L or 3 months business bank statements to support continuance of tax return income.
Bank Statement	3	Bank Statement (24mo, 12mo)	Personal & Business Combined or Business (12mo or 24mo)
			At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership)
			Asset Depletion allowed with Bank Statement documentation on Closed End Seconds only.
			Standard expense factors apply: 50% expense factor
			if business operates < standard expense factor, P&L or expense letter from CPA, CTEC (California Tax Education Council), or EA (Enrolled Agent) required
			Expense factor per the CPA/CTEC/EA letter must be reasonable
			Personal & Business Segregated (12mo or 24mo)
			Personal & Business Segregated (12mo or 24mo)
			At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership)
			Asset Depletion allowed with Bank statement documentation on Closed End Seconds only.
P & L Only	7	P & L (12 mo) [CPA, CTEC, EA]	Personal used to qualify, 2 months business to show business cash flows in order to utilize 100% of business related deposits in personal account (no expense factor)
			Self-employed (2yrs - 25% or greater ownership) P&L prepared by tax professional
			Qualifying income based on the net income reflected on P&L statement (multiplied by borrower's ownership percentage) / 12 months
1099	14	1099 (12mo)	1099 plus either: Current check/check stub or bank statement showing deposits from each 1099 payer (10% expense factor applied).
			Qualifying income = 1099 gross - 10% expense factor. Current check stub or bank statement deposits must support amounts consistent with 1099 levels
WVOE	15	FNMA Form 1005	WVOE FNMA Form 1005 completed by HR, Payroll, Company Officer plus 2 mos personal bank statements supporting wages, or WVOE from online data source (Work Number, etc.)
			Borrowers employed by a family owned or managed business are ineligible for WVOE documentation program