

Full Doc Processing Checklist

Part I - Documentation Type		
Documentation Required	Required	
Loan Application: See Part II, Section 1		
Credit Report – Traditional Credit: See Part II, Section 2		
Credit Report – Non-Traditional Credit: See Part II, Section 3		
Verification of Rent – Non-Traditional Credit: See Part II, Section 4		
Verification of Mortgage – Non-Traditional Credit: See Part II, Section 5		
Verification of Employment – Full Doc: See Part II, Section 6		
Verification of Employment – Substitution Doc: See Part II, Section 7		
Alimony/Child Support: See Part II, Section 8		
Rental Income: See Part II, Section 9		
Self-Employed: See Part II, Section 10		
Verification of Bank Accounts or Investments – Full Doc: See Part II, Section 11		
Verification of Bank Accounts or Investments – Substitution Doc: See Part II, Section 12		
Verification of Gift Funds: See Part II, Section 13		
Sales Contract: See Part II, Section 14		
Appraisal: See Part II, Section 15		
Title: See Part II, Section 16		
Part II - Documentation Requirements		
Section 1: Loan Application	Required	Complete
1003: Complete, signed and dated by all borrowers qualifying for the loan and the loan originator. The loan originator must indicate how the application was taken.		
Section 2: Credit Report – Traditional Credit		
Credit Report: Based on data provided by at least two of the three national credit repositories: Equifax, Experian and TransUnion.		
Section 3: Credit Report – Non-Traditional Credit		
Non-Traditional Mortgage Credit Report prepared by a consumer credit agency or individual references directly from the borrower’s creditors. Note: A Non-Traditional Credit Report is only considered acceptable when the traditional credit report cannot be generated or provides less than the minimum required tradelines for all borrowers and must meet eligibility criteria.		
Section 4: Verification of Rent – Non-Traditional Credit		
VOR (Verification of Rent)		
<ul style="list-style-type: none"> ▪ Payment history from the management company which should provide the borrower’s most recent 12-month payment history OR ▪ The most recent 12 months of canceled checks or other evidence of timely payment of the rent. 		

Full Doc Processing Checklist (Page 2)

Section 5: Verification of Mortgage – Non-Traditional Credit	Required	Complete
<p>VOM (Verification of Mortgage)</p> <ul style="list-style-type: none"> ▪ A loan payment history from the mortgage servicer OR ▪ The borrower’s year-end mortgage account statement (provided it includes a payment receipt history), supplemented by the borrower’s canceled checks for the months that have elapsed since the statement was issued to support a 12-month payment history OR ▪ The borrower’s 12-month cancelled checks. 		
Section 6: Verification of Employment – Full Doc		
<p>VOE (Verification of Employment) that covers the previous two-year period and year-to-date earnings. Verbal VOE completed 10 days prior to closing.</p>		
Section 7: Verification of Employment – Substitution Doc		
<p>Verbal VOE completed ≤ 10 days prior to closing. The verification should be completed verbally by contacting a party within the HR department (not the owner) and the employer’s telephone number should be independently verified.</p>		
<p>Paystubs for the most recent 30-day pay period that reflect YTD earnings.</p>		
<p>W-2s for the prior two years for all jobs held.</p>		
<p>1040s for the prior two years for commissioned income > 25 percent.</p>		
Section 8: Verification of Alimony/Child Support Income		
<p>Written Legal Agreement or Court Decree (Divorce Decree or Separation Agreement) that states the amount of the award and that it will continue for at least three years after the date of the mortgage application.</p>		
<p>Evidence of Receipt of Funds</p> <ul style="list-style-type: none"> ▪ Deposit slips, court records, copies of signed federal income tax returns that were filed with the IRS (for alimony only as only alimony is claimed on the 1040s), OR ▪ Copies of the borrower’s bank statements that show the regular deposit of these funds to evidence 12 months’ receipt, OR ▪ Copies of cancelled checks that show 12-month receipt (for alimony only). 		
Section 9: Rental Income		
<p>Investment Property: When rental income is from other investment property owned, rental income can be documented by obtaining copies of two years’ tax returns, including the Schedule E, or copies of the current lease agreements. If the borrower has owned the properties for more than 12 months, the tax returns are required. Lease agreements may only be used (at 75 percent of lease amount) when the property was acquired subsequent to the most recently filed tax return.</p>		
<p>Conversion of Primary Residence: For purchase transactions where the borrower(s) intend to rent out their current home, please refer to Conversion of Primary Residence Guidelines (Arch MI Program Guidelines for conversion of Primary Residence).</p>		
<p>Rental Income from Subject Property: For a purchase transaction of a 2-unit property when 1 unit is not occupied by the borrower(s), obtain the appraiser’s opinion of fair market rent and, if applicable, copies of the current lease agreements.</p>		
<p>Please refer to the Rental Income Analysis Calculator (can be found on the Arch MI website) archmi.com/training/toolkits.</p>		

Full Doc Processing Checklist (Page 3)

Section 10: Self-Employed Borrower Income	Required	Complete
Personal and Business Tax Returns for the most recent two years.		
Profit and Loss Statement from end of most recent filed return to current quarter, if tax gap is more than 120 days.		
Please refer to the Tax Return Analysis Calculator (can be found on the Arch MI website) archmi.com/training/toolkits.		
Section 11: Verification of Bank Accounts or Investments – Full Doc		
VOD (Verification of Deposit).		
Section 12: Verification of Bank Accounts or Investments – Substitution Doc		
Bank Statements or Investment Portfolio Statements that cover activity in the accounts for the most recent two-month period (or, if account information is reported on a quarterly basis, for the most recent quarter) and, if applicable, copies of the most recent retirement account statement that is available.		
Section 13: Verification of Gift Funds		
Gift Letter (from a relative, domestic partner, fiancé or fiancée) signed by the donor. The letter must include: <ul style="list-style-type: none"> ▪ Dollar amount and funds transfer date. ▪ Statement that no repayment is necessary. ▪ Indicate the donor’s name, address, telephone number and relationship to the borrower. 		
Verification of transfer of funds (copy of the donor’s check or withdrawal slip and the borrower’s deposit slip, a copy of the donor’s check to the closing agent OR a settlement statement showing receipt of the donor’s check, etc.).		
Verification of receipt of gift funds <ul style="list-style-type: none"> ▪ Verified in borrower’s bank or escrow account, OR ▪ Copy of the cancelled gift check. 		
Section 14: Sales Contract		
Complete Sales Contract and all addenda (signed by the buyer, seller, listing agent and selling agent, if applicable).		
Section 15: Appraisal		
Complete Appraisal Form and all applicable addenda (signed by the appraiser).		
Section 16: Title		
Check chain of title , which should match the loan application, the appraisal information and if applicable, the sales contract.		

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