

**Income Documentation****Expected Income (TOTAL and Manual)**

Expected Income refers to income from cost-of-living adjustments, performance raises, a new job, or retirement that has not been, but will be received within 60 Days of mortgage closing.

- The Mortgagee may consider Expected Income as Effective Income except when Expected Income is to be derived from a family-owned business.
- Required Documentation - The Mortgagee must verify and document the existence and amount of Expected Income with the employer in writing and that it is guaranteed to begin within 60 Days of mortgage closing. The documentation can either be a contract for employment or a note on letterhead from the employer that is signed and dated. Whichever document is used should include the terms of the employment and start date. A trailing document will be required for a Verbal VOE and paystub. If the borrower's first payment is due prior to the borrower's first payment date the borrower will be required to have reserves to cover their monthly expense for that time period.

For expected Retirement Income, the Mortgagee must verify the amount and that it is guaranteed to begin within 60 Days of the mortgage closing.

- Income is calculated in accordance with the standards for the type of income being received. The Mortgagee must also verify that the Borrower will have sufficient income or cash Reserves to support the Mortgage Payment and any other obligations between mortgage closing and the beginning of the receipt of the income.