

Pre-UW the Prequal:

Loans that qualify for this program:

- Sub 620 Score
- Borrowers with income increases of 20% or greater within the last 6 months or year
- Union Employed Borrowers
- Self-employed Borrowers
- Borrowers with varying Commission income
- 3 or more job changes within the last two years
- Borrowers with a Job gap of 4 months or more
- FHA Identify of Interest Transactions

Steps for the Loan Officer:

1. Make your decision for Reg B purposes.
Reminder that a decision, either approved (PR) or denied, must be made on any application once credit has been pulled. We will only Pre-UW loans that are marked as a "PR" and have a valid prequalification Letter uploaded to each file!
2. LO will complete URLA and run the AUS.
3. LO will need to upload a signed borrower's auth, DataVerify, credit report, AUS. File will not be pre-UW on that alone. We will need further information to underwrite.
4. LO will need to provide paystubs for W-2 employee and tax returns for self-employed borrowers.
5. If the LO would like assets reviewed also, they will need to be uploaded.
6. LO will register loan.
7. LO will email OOT@flanagansstatebank.com advising the file is ready for Pre-UW of the pre-qual.
8. ***If you are a branch that does not use pre-processing, or do not need VOE's because you meet the other income documentation requirement; upload your documentation in Imageflow, label correctly, final file, and the mark the file Modified w/Conditions. Your Processor may need to assist you with this.***

Steps for the ordering team / Processor:

1. Our team will order a VOE if it is necessary to offer a proper income determination. Please note that in these situations our team will email each LO advising that this may take a few days before the VOE is procured and then moved to Modified w/Conditions Status (underwriting).
2. Once income information has been obtained, our team will move the loan to a Modified w/Conditions Status.
3. ***Reminder - If you are a branch that does not use pre-processing, or do not need VOE's because you meet the other income documentation requirement; upload your documentation in Imageflow, label correctly, final file, and the mark the file Modified w/Conditions. Your Processor may need to assist you with this.***

Steps for our underwriting department:

1. Underwriter will: review credit and income. IF no assets are in file, underwriter will change assets in URLA to gift funds to make sure the file would still be eligible if gift funds were used. Underwriter will also make sure grant is setup correctly if grant funds are entered on the URLA. Once done reviewing the Underwriter will change the status to "Initial Approval subject to credit/conditions".
2. If only paystubs and w-2s are available, then only base income will be calculated. For calculation of Overtime, bonus, or other income would require a VOE Or a prior year end paystub to calculate.
3. Underwriter will provide informational conditioning only. Examples of these conditions are as follows:

"Income documentation supports a qualifying income of \$\$\$ per month. Updated documentation must continue to support this income for final approval"

"Credit has been reviewed for (manual or AUS approval) underwriting. Current credit provide with ratios of XX/XX has received aus approval (or meets manual underwriting guidelines"

"Asset documentation provided has been reviewed and is eligible for use for funds to close. Current reserves required are \$\$\$"

"FYI Documentation in the file reflected XXX, this may cause the requirement of additional documentation at time of full underwriting"

After approval, if you would like to get a start on transcripts, please remail the OOT team and they will order transcripts. Please make sure borrower's email is in the URLA and notify the borrower they will be getting an email from Partner's requesting an e-signature.