



FLANAGAN *State Bank*



## Important Announcement

4/11/2015

This announcement includes notices regarding updates for Flanagan State Bank's Correspondent and Wholesale Accounts.

**This will reference:**

2015 Tax Transcripts

General Ordering of Transcripts

New FHA ID #

Underwriting Notes

Vendor Screen

### **2015 Tax Transcripts**

FSB will make this effective immediately:

In order to use 2015 income to qualify, all borrowers must be able to have their income verified with transcripts from the IRS. In the event 2015 income is not available from the IRS, we require our underwriters to proceed by following the steps below to calculate qualifying income:

- 2015 income must still be provided via unverified tax returns or other documentation necessary to determine business or income continuation
- Examine 2015 income to determine that income is stable or increasing. (see important note below for decreasing income)
- 2014 income as verified by tax returns and IRS tax transcripts will be substituted for 2015 income in order to qualify

FSB generally requires 2 years of tax transcripts as a requirement for all loan products. If 2015 is not available, 2013 and 2014 will be required and used for qualification.

Important note: Significant declining income will likely result in a denial even when the 2015 tax returns cannot be verified with the 4506T. Approval for loans with significant declining income can only be granted once the returns are validated with the IRS and the question of income stability has been satisfied.

### **General Ordering of Transcripts**

Is now done by the TPO Account through Old Republic. Please be sure you have your Old Republic log in credentials that are available through FSB. FSB will continue to pay for transcripts on files that are uploaded to our system and close with us. However, the LO/Processor will now have all ordering rights and will be required to upload to the file in Mortgagebot when available. This will keep the process fast and efficient for our accounts. To review the full process, please visit [www.fsbtpo.com](http://www.fsbtpo.com) and under Forms & Tools click on the instructions for ordering the tax transcripts located to the right of the page. To receive log in credentials for your office, please complete a branch set up form and email it to [tpoinfo@flanagansstatebank.com](mailto:tpoinfo@flanagansstatebank.com).

### **New FHA ID**

Flanagan has a new FHA ID that will streamline everything to our Paw Paw location making us more efficient than ever on FHA loans. Our new FHA ID is 2760600034. Please use this for all future FHA loans.

### **Underwriting Notes**

This section contains notes from our Underwriting Team and Operations Department.

- Please do not contact the Underwriter. Our turn times are starting to increase and to keep them from increasing dramatically, we ask that you direct all questions you may have regarding loan approvals and conditions to your Inside Account Executives. Pam Clement ([pamclement@flanagansstatebank.com](mailto:pamclement@flanagansstatebank.com)) and Toni Pierce ([tonipierce@flanagansstatebank.com](mailto:tonipierce@flanagansstatebank.com)) are available to assist with all your questions and can answer the majority of your questions quickly and faster than the underwriters. They will make sure you have the information you need to move your files as quickly as we can.
- Please check our matrix's for any updates as FHA and USDA have updated their manuals recently. These are available at [www.fsbtpo.com](http://www.fsbtpo.com) under Forms & Tools
- Please lock your rate prior to your final submission. We have experienced delays in files due to this not occurring prior to sending the file to USDA or issuing the CTC.

### **Vendor Screen**

In a step towards faster issuing of the CD, we will be asking for this screen to be completed prior to the locking of your loan. This will allow us to take the first steps toward issuing a CD faster and once this screen is completed properly in a consistent manner on each file, we will be able to implement the next stage of issuing the CD's faster.

Under Forms & Docs within a file, please click on Vendor Info. When in the screen enter the information for the following:

Listing Realty Co  
Listing Agent  
Selling/Buyers Realty Co  
Selling/Buyers Agent  
Title Company/Settlement Agent

If any other vendors are known at this time, you may enter their information, as well. Important to note that LICENSE NUMBERS if applicable in your state are REQUIRED to be filled in. This information will transfer directly to the CD, thus the importance of full and complete information.

To edit the information, click the paper/pencil Icon and fill in the date fields. Once complete, hit save/close.

If you have any questions regarding this information, please feel free to contact your Account Executive.

Sincerely,

Flanagan State Bank TPO Division Management