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To: Sales; Mortgage Support Center
Cc: Ops
Subject: FHA Identity of Interest
Attachments: Identity of Interest Housing.docx

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Good morning. We have had some questions regarding FHA Identity of Interest and what is required. I have attached a cheat sheet that advises what is needed in the case of an Identity of Interest situation to exceed the max 85% LTV. I will also list the definition of Identity of Interest below. Please feel free to contact me with any questions or concerns.

When applying for an FHA loan, the identity of interest means **there's a preexisting connection between the property's buyer and seller(s), such as a family or a business relationship**. This can refer to a transaction between a parent and child, a corporation and employee, or people related through other affiliations.

A borrower purchasing the house they are living in from the current owner/landlord would be seen as a business relationship and falls under the FHA definition of Identity of Interest.

Thanks,

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FHA Identity of Interest Housing Verification

Borrower Occupied:

Must verify occupancy of subject property by borrower for most recent 6 months prior to PURCHASE CONTRACT DATE.

- Lease Agreement
- Cancelled Rent Checks
- Utility Bill
- Driver's License
- Tax transcripts that were filed greater than 6 months prior
- Income award letter dated 6 months prior

Owner Occupied as Primary Residence: (Must show 6 months of history at subject property directly prior to purchase contract date)

- Driver's License
- Bank statement (Borrower cannot be a co-owner of account)
- Utility Bills (Management approval Required)

Manual Underwrite Additional Requirements:

Must verify rental payments for 12 months prior to NOTE DATE

- VOR from a 3rd party company
- Cancelled Rent Checks (Cannot accept VOR from property owner)
- Cancelled Rent checks from subject property for at least 6 months PLUS VOR for prior housing