

Jumbo Documentation Tips

1. For Self-Employed borrowers: YTD Profit and Loss (P&L) and balance sheet dated within 120 days of the Note date are required.
2. W-2 employees: 1 paystub with 30 days YTD earnings and 2 years W2
3. We no longer have to consider secondary self-employed losses for Wage Earners.
4. Tax Returns signatures: Personal tax returns do not need to be signed when third-party transcripts are provided (e.g. 4506C results) Business returns must be signed.
5. W2 transcript for Wage Earners. We only need 1040 transcripts when the tax returns are being used for qualification. Must have results from third party transcript vendor, no exceptions.
6. Signed 4506C form only required for business returns-results are not required in majority of cases.
7. Extension on tax returns (issue mainly comes up April 15th): if the amount owed on extension varies greatly from previous year, provide explanation.
8. Assets: all liquid assets disclosed must be documented with consecutive statements-large deposits documented.
9. All documents including assets are good for 120 days.
10. A verification of mortgage from the Lender/Servicer is required to document a history of 0x30 day late or missed payments in the last 12 months of the Note date for all financed residential one-to-four-unit properties. A credit supplement may be acceptable to document a mortgage history if credit vendor made direct contact with servicer and confirms "0x30 in last 12 months". "Paid as agreed" is not acceptable, nor can the rating come from an automated validation service.
11. If no mortgage history, then rental history for previous 12 months required. If living rent free, provide LOE to that effect.
12. Allow 72 hours for second signature after all conditions cleared-this is to insure underwriter has not missed any required documentation. It is not a re-underwrite.
13. Make sure all addresses listed on credit report are listed on application or provide LOE as to why they are not on the application- for example a P.O. BOX may be listed on credit report but may be a business address- just provide LOE.
14. Appraisal good for 120 days only. Recertification of value up to 180 days.
15. Loans over \$2,000,000 require 2 appraisals and SAR-. Correspondent may order 1 appraisal from their appraiser panel (if AIR Compliant) and 2nd must be ordered from one of Flagstar approved AMCs. Staff appraiser will review both appraisals after both received.
16. A Jumbo Desk Review (CDA or ARA) is required on the Jumbo Express program.
17. For AIR approved customers, please check that the appraiser is not ineligible by going to tpo.flagstar.com under the Search tab. Select the Eligible Appraiser tile to perform your search.

Resources:

[Submission Review Checklist Doc. 3204](#)

[Non-agency Underwriting Guidelines](#)

[Clear Capital & Consolidated Analytics Product Requirements Doc. 4910](#)

[Jumbo Express Doc. 5432](#)

[Jumbo 5/6, 7/6 & 10/6 ARM Doc. 5415](#)

[Jumbo Advantage Doc. 5427](#)

[5/6 SOFR ARM Disclosure \(2/1/5 Caps\) Doc. 3383](#)

[7/6 & 10/6 SOFR ARM Disclosure \(5/1/5 Caps\) Doc 3384](#)