



EARNEST MONEY CHEAT SHEET



USDA

Always required to be sourced if giving credit on CD.



VA*

MFS Policy – All earnest money to be sourced.



FHA*

If less than 1% of sales price and not used in qualifying, need copy of cancelled check or copy of cashier's check.



CONVENTIONAL*

If less than 2% of sales price and not used in qualifying, copy of cancelled check or copy of cashier's check.

PLEASE NOTE EARNEST MONEY MUST BE VERIFIED IF ON CD (VERIFIED MAY OR MAY NOT MEAN IT NEEDS TO BE SOURCED).

*If Earnest Money is used in qualifying, or last bank statement/VOD in file shows the borrower did not have sufficient funds to cover Earnest Money and Earnest Money clears after VOD/statement date, must source and show where Earnest Money cleared.

**Pay attention to the name(s) on Earnest Money checks. If name on check is not our borrower(s), must be treated/documentated as gift.

NOT INTENDED FOR DISTRIBUTION TO CONSUMERS.

