

Self Employed Borrowers:

The first thing that needs to happen on a self employed borrower is you have to have Barbara, processing or Underwriting calculate the income. In order to do this you need:

1. Complete 2 years federal tax returns, all pages, all personal and business.
2. 2 years W-2 if applicable, if they get any W-2 income, even if and especially if it is from their business.
3. A 100% complete and accurate URLA, especially the work history, schedule of RE, and assets

Once you have all that email scenariosw@usmortgage.com and ask to have income calculated. Please note you do not need a P & L to get this done, the P & L is used only to support the current income and it not included in the income calculation. We have to have it before submission because the YTD P & L must support the current income, if the P & L is lower then we use the P & L income, if it is higher we use the average off the taxes (the income Barbara or UW calculated) So we eventually have to have the P & L but we do not need it to get income calculated.

Borrowers never know their own income and especially self employed borrowers, all of the above must be done BEFORE anyone issues a Prequal to a borrower.