



# Loan Submission Checklist

## FORTRESS DD

### 1099 Income

Borrower Name \_\_\_\_\_ Loan Number \_\_\_\_\_

Is there anything we need to know about the loan?

#### Required for Initial Credit File

- Credit Report
- Initial signed 1003 by MLO including HMDA Demographic addendum - MUST BE COMPLETE  
(Ie dependent(s), years school, complete schedule of REO etc.)
- Qualifying income is determined by the lower of the calculated income from 1099 (s) or income disclosed on the 1003 application
- Valid ID for all borrowers
- Document 12 months housing history (if not reported on credit report, cancelled check, mtg/rental statements including rental History etc. A VOM/VOR by a private party must be supported by cancelled checks
- Cell Phone Consent Form –available at: [Resource Center](#)
- Occupancy Certification Form –available at: [Resource Center](#)
- Preliminary Title Report/Title Commitment on refinance (on purchase, ok to follow) – Not required at time of submission in FL, NJ, and PA
- REO: Hazard Insurance Dec Page, Property Tax Bill, Mortgage Statement, and HOA statement for each property owned
- Copy of the lease(s) for the rental property and
- Two months proof of receipt of rental income and deposits into a separate bank account. Rental deposits to the business income analysis are not eligible
- Signed purchase contract with all addendums and counteroffers
- Purchase Contact Sheet available at [Resource Center](#)

#### ASSETS

- 2 months Personal Bank statements for down payment, closing and reserves any large deposits must be sourced
- Cash-out proceeds allowed to satisfy reserve requirement for LTV <=65%
- Business funds may be used for down payment and reserves with the following:
- Borrower must be the sole proprietor or 50% owner of Business

#### USE OF BUSINESS FUNDS

- Business Expense Coverage Method:** Most Recent Business Bank statement for income documentation. Take the ending balance, then SUBTRACT the transactions down payment, Subtract the transactions closing cost, Subtract the reserves, ADD the funds available in the personal account(s) to determine the funds available for business expense coverage. The funds available for the business expense coverage must be a positive number and reflect a minimum of two months of average expenses as reflected on the Profit and Loss Statement or as determined by using the expense factor **OR**
- Balance Sheet Method:** The balance Sheet for the business (signed and dated by the borrower) must reflect positive working capital. Working capital is the sum of the current assets, less current liabilities. The result represents the maximum amount of business funds available to use for the down payment, closing costs, and reserves

#### W2 BORROWER:

- Most recent paystubs reflecting 30 days and YTD earnings
- Two years W2

#### SELF-EMPLOYED 1099

- 2 years or 1 year 1099(s)
- Use Fixed expense ratio of 10%
- YTD documentation to support continued receipt of income from same source
- Verify two years existence of active business



**LOAN SUBMISSION CHECKLIST**

**FORTRESS DD**

**1099 INCOME**

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**THE FOLLOWING BROKER UPFRONT DISCLOSURES ARE REQUIRED**

- Anti-Steering Disclosure-Required on LPC transactions only - available at [Resource Center](#)
- CALIFORNIA ONLY –Comparison of Sample Mortgage Features (Required on interest only loans)
- COLORADO ONLY - Net Tangible Benefit Disclosure – also signed by broker
- FLORIDA ONLY - Conflict of Interest Disclosure - *(required if broker has a conflict of interest as defined in FL Stat. 494.0023)*
- GEORGIA ONLY – Temporary Authority to Operate (a mortgage lender or mortgage broker sponsoring a mortgage loan originator who is unlicensed but operating as a mortgage loan originator must disclose in writing to each applicant that the mortgage loan originator has temporary authority to operate)
- ILLINOIS ONLY – Borrower Information Document
- ILLINOIS ONLY – Description of Required Documentation
- ILLINOIS ONLY – Loan Brokerage Agreement and Disclosure Statement
- MARYLAND ONLY – Broker Finder’s Fee Agreement Disclosure
- NEW JERSEY ONLY – Mortgage Broker Service Agreement Disclosure
- NEW JERSEY ONLY – Mortgage Fee Itemization Disclosure
- NEW JERSEY ONLY – Application Disclosure
- OHIO ONLY – Acknowledgment of Receipt of Home Mortgage Loan Information
- OHIO ONLY – Business Relationship Disclosure Notice (if applicable)
- TEXAS ONLY – Texas Mortgage Company Disclosure
- TEXAS ONLY – Disclosure of Multiple Roles in a Real Estate Transaction (when the Broker is acting as both the Real Estate Agent and the Mortgage Broker)
- Electronic signatures require E-signature certification form

