



Loan Submission Checklist FORTRESS DD Bank Statements

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**
le dependent(s), years school, complete schedule of REO etc
- Qualifying income is determined by the lower or the income disclosed on the 1003 or the Newfi Bank Statement Analysis form
- Valid ID for all borrowers
- Document 12 month 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
- Verify two years existence of active business
- 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:

- 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

INCOME

W2 Borrower or co/borrower

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

SELF-EMPLOYED:

Personal Bank Statements:

- Borrower must be 100% owner
- 12 or 24-months of Personal Bank Statements
- [Newfi Bank Statement Analysis Excel Form](#)
- 2 months of business bank statements covering the most recent time period, reflecting activity and transfers to the personal account

Business and Co-mingled (Personal) Bank Statements:

- Borrower(s) must own at least 50% of the business**
- Net income from the bank statement analysis must be multiplied by the borrower’s ownership percentage

LOAN SUBMISSION CHECKLIST

FORTRESS DD

Bank Statement Loan

Page 2

3 EXPENSE RATIO OPTOINS:

Option 1 Fixed Expense Ratio:

- 2 or 24 months of bank statements
- [Newfi Bank Statement Analysis Excel Form](#)
- [Business Narrative Form](#) completed by (non-relative) employee of the business or a third party with direct knowledge of the borrower business

Option 2 Business Expense Statement letter:

- 12 or 24 months bank statements
- [Newfi Bank Statement Analysis Excel Form](#)
- An Expense Statement specifying business expenses (minimum expense ratio is 10%) as a percent of the gross annual sales/revenue, prepared and signed by either a CPA/accountant, IRS Enrolled Agent or Tax preparer AND documentation showing evidence of the preparers business

Option 3 Third Party Prepared P & L Statement:

- 12 or 24 months of bank statements
- [Newfi Bank Statement Analysis Excel Form](#)
- CPA, EA or tax professional prepared P & L that must cover the same 12 or 24 months signed by both borrower and preparer
- Average monthly gross revenue P & L average monthly net deposits on bank statements must be within 10%**
- Proof of State license for CPA, Accountant, IRS Enrolled Agent or Tax preparer**

THE FOLLOWING BROKER UPFRONT DISCLOSURES ARE REQUIRED

- Anti-Steering Disclosure-Required on LPC transactions only - available at newfiwholesale.com/resources
- 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