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# Registering, Disclosing & Submitting a Loan in Octane Procedure

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## Document Information

<b>Scope</b>	<b>Production - Wholesale</b> Broker Loan Officer Broker Loan Officer Assistant Broker Processor Contract Processor
<b>Governing Policy</b>	<a href="#">Compliance   Mortgage Origination Policy</a>
<b>Tools and Systems</b>	<a href="#">Octane</a>

## Overview

This procedure provides step-by-step guidance for **Broker Loan Officers, Assistants, and Processors** on how to register, disclose, and submit a loan to underwriting within the Octane loan origination system.

## Registering a Loan

Follow the steps below to add a loan file in Octane.

1. Access and sign into [Octane](#).
2. From the left menu, click **Add Loan**.
3. In the **Loan Create Method** field, select one of the following upload options:
  - **Loan Data File Import** (Preferred) - Select this method to upload the FNMA 3.4 file. Once selected, complete the following steps.
    - a. Select the **Application Type**.
      - **TBD/Preapproval Only** transactions are not eligible for Cardinal Complete™.
    - b. Enter **My Role**.

- o If the **Broker Processor** is uploading the loan, the processor's designated role within Cardinal Complete™ will be '**CFW | Broker Processor**', diverging from the conventional 'Transaction Coordinator' role.
- c. Leave the **Processor** field as **Unassigned**.
- d. Enter the **Compensation Type**.
- e. Select the applicable **Credit Service**.
- f. Import **Loan Data File** by choosing a file or drag and drop.
- g. If you wish to submit a Cardinal Complete transaction and utilize Cardinal's processing team, proceed to the [Cardinal Complete™ Broker Guide](#).
  - o In Cardinal Complete™, select **None**.
- h. Click **Add Loan**.

**Add Loan**

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Loan Create Method

Application Type \*

My Role

Processor

Compensation Type \*

Credit Service ?

Import Liabilities ?

Loan Data File \* ?  or drag and drop.

**Cardinal Complete**

Cardinal Complete Type ?

Cardinal Complete Pricing ?

Borrower Communication Handling ?

- **Manual** - Select this method to manually enter the Application details into Octane. Once selected, complete the following steps.
  - a. Select the **Loan Purpose**.
  - b. In **Construction**, use the boolean to select **Yes** or **No**.
  - c. Select the **Application Type**.
    - **TBD/Preapproval** transactions are not eligible for Cardinal Complete™.
  - d. Enter **My Role**.
    - If the **Broker Processor** is uploading the loan, the processor's designated role within Cardinal Complete™ will be '**CFW | Broker Processor**', diverging from the conventional 'Transaction Coordinator' role.
  - e. Leave the **Processor** field as **Unassigned**.
  - f. Enter the **Compensation Type**.
  - g. Select the applicable **Credit Service**.
  - h. Enter the **Borrower** details.
  - i. Enter the **Subject Property** details.
  - j. Enter the **Loan Terms**.
  - k. If you wish to submit a Cardinal Complete transaction and utilize Cardinal's processing team, proceed to the [Cardinal Complete™ Broker Guide](#).
    - In Cardinal Complete™, select **None**.
  - l. Click **Add Loan**.

## Reviewing the Loan Ribbon

Once a loan has been created in Octane, the system will automatically assign a **loan number**, which is displayed in the **top-right corner** of the Loan Ribbon.

The **Loan Ribbon** provides a quick snapshot of key loan information, including:

- **Property Address**
- **Loan Purpose** (e.g., *Purchase for Primary Residence*)
- **Loan Amount**
- **Loan-to-Value (LTV) Ratio**
- **Debt-to-Income (DTI) Ratio**

You can **click on any teal colored field** displayed in the ribbon to access more detailed calculations and underlying data.

Octane												
		Support		Announcements		Notices <span style="color: red;">🔔</span>		Recent ▾		Loan Search <input type="text"/>		
	<b>Testco, Todd and Julie Tester</b> 10155 Jensine Street Juneau, AK 99801	<span style="background-color: red; color: white; padding: 2px;">Test</span> <span style="background-color: red; color: white; padding: 2px;">Ineligible</span>	Purp RT PR	Lien, Amount, Rate & Program 1st    \$67,000    5.000%    C30FNMA			Eff. Fund 03/08/22	LTV / CLTV 13.400 / 13.400% DTI 4.048 / 5.048% Eff. Score 747 Actual		Mo. Pymt \$647.73 Cash to Bor \$684.78 APR 5.199%	Lock None	Loan No. 1401569805

## Reissuing Credit

Once a loan is added in Octane, the **Reissue Credit Details** screen will automatically appear within the **Terms** screen. This screen allows users to reissue a credit report for a borrower or, if unavailable, an estimated credit score. Follow the steps below to reissue a credit report for a borrower in Octane.

### Credit Reissue - Initial

1. In the **Service** column, select the **Credit Provider** from which the credit report was initially obtained.
2. In the **Report ID** column, input the **Credit Report ID** or **Reference Number** associated with the report.

- If the reissue is **successful**, the screen will close automatically, and the **Eff. Score** will populate in the loan banner.
- If the reissue is unsuccessful, an error message will appear.

**Note:** If a credit report has **not yet been obtained**, enter the **estimated credit score** in the **Est. Credit Score** column to proceed.

Reissue Credit Details				
Application 1	Service	Report ID	-OR-	Est. Credit Score
David Delinquent (B1)	Credco	<input type="text"/>		<input type="text"/>
Debbie Delinquent (C1)	Credco	<input type="text"/>		n/a
Delinquent, David... (B1, C1)	Credco	<input type="text"/>		n/a

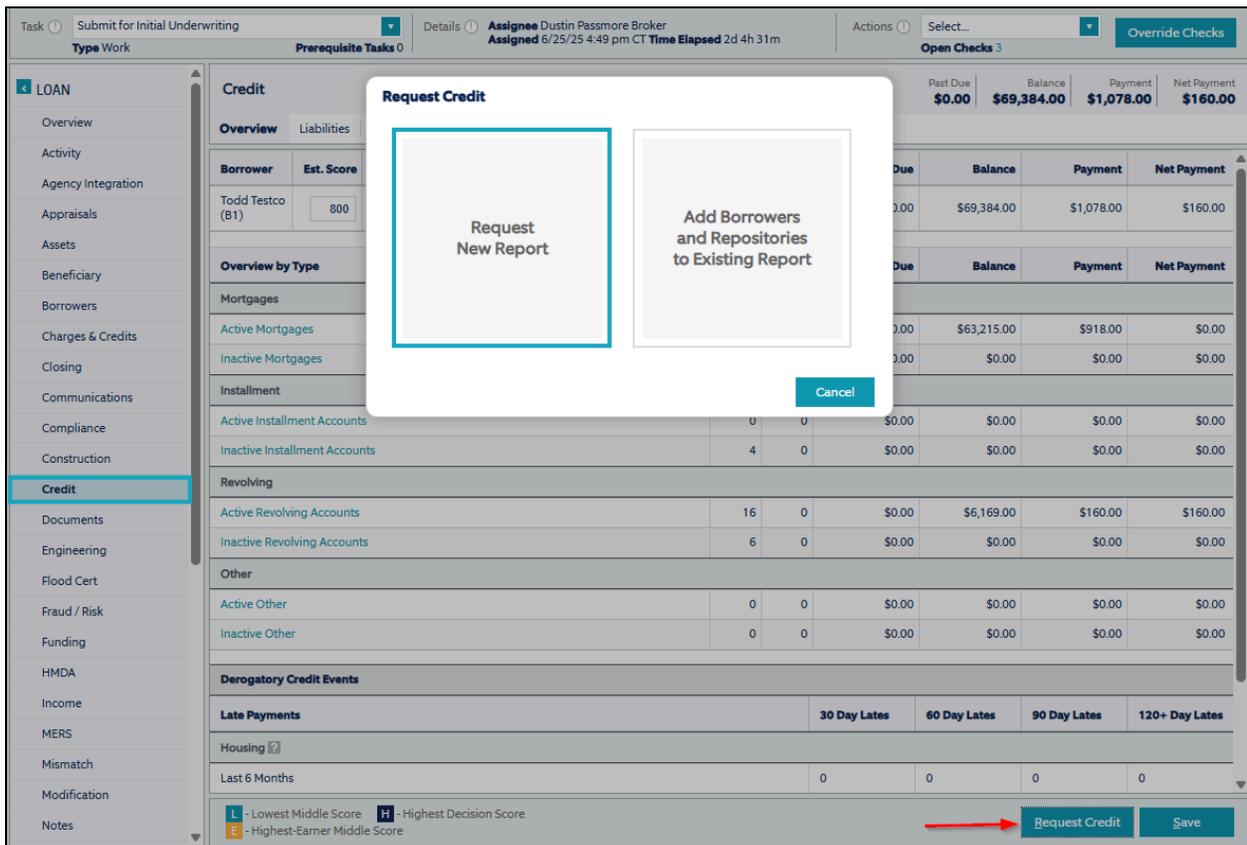
**Note:** Once the credit report request is completed and imported into Octane, the user can review it in the **Archived Reports** tab within the **Credit** screen. The **Archived Reports** tab also displays any errors that occurred during the processing of the credit request (if applicable).

- Access a full copy of the report by clicking **Report**.

### Credit Reissue - Subsequent

After the initial credit reissue, follow the steps below to try again after an error or to reissue a new credit report.

1. Use the left menu to navigate to the **Credit** screen.
2. On the **Overview** tab, click **Request Credit** in the bottom right-hand corner. The **Request Credit** pop-up window will appear.
3. Click **Request New Report** to reissue credit for the loan.



The screenshot shows the 'Credit' overview screen for a loan. A 'Request Credit' pop-up window is displayed in the center, with two options: 'Request New Report' (highlighted with a blue border) and 'Add Borrowers and Repositories to Existing Report'. A red arrow points to the 'Request Credit' button at the bottom right of the main screen.

Past Due	Balance	Payment	Net Payment
\$0.00	\$69,384.00	\$1,078.00	\$160.00
\$0.00	\$63,215.00	\$918.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$6,169.00	\$160.00	\$160.00
\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00

4. Select the applicant's name, then click **Options**.
5. Enter the **Options** applicable to the loan scenario.
  - a. In **Service**, select the **Credit Report Provider**.
  - b. In **Type**, select **Reissue**.
  - c. In **Credit Report ID**, enter the **Credit Report ID** for the borrower(s).

- d. In **Repositories**, ensure all three options are selected.
- e. In **Import**, verify that the Boolean value reads **'Yes'**.

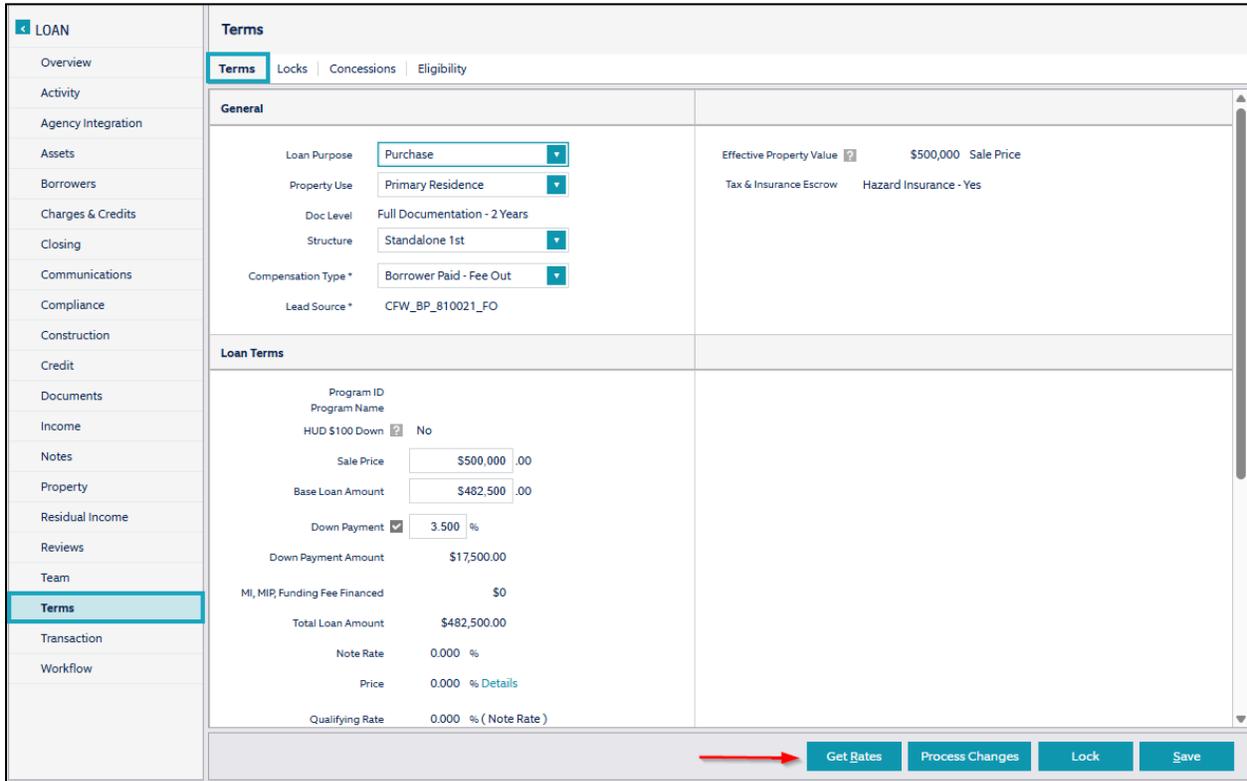
The screenshot shows the 'Request New Report' interface. On the left, under 'Application 1', the 'Alice Firsttimer (B1)' application is selected with a checkmark, and an 'Options' button is visible. The main area is titled 'Alice Firsttimer (B1) options'. It contains a 'Service' dropdown menu set to 'Advantage Credit', a 'Type' section with 'New' selected, and a 'Credit Report ID' field containing '123456'. To the right, there are two columns: 'Repositories - Select All' with checkboxes for 'TransUnion', 'Equifax', and 'Experian', all of which are checked; and an 'Import' section with radio buttons for 'Yes' (selected) and 'No'.

- 6. Click **Submit**.

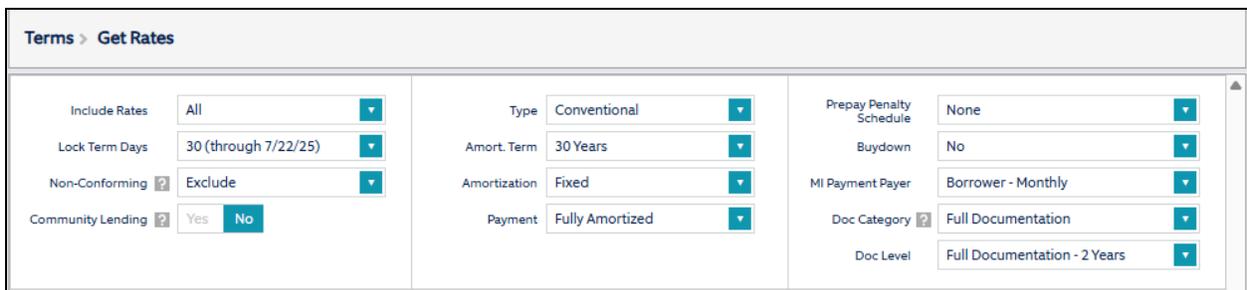
## Selecting a Loan Program

After the credit reissue is successful, the **Terms** screen will appear. Follow the steps below to select the product and interest rate.

- 1. Review and update all drop-down menus to match the desired loan teams.
- 2. Click **Get Rates**. A rate sheet will appear showing all available rates according to the terms input on the previous screen.



3. Review and update all dropdown boxes to match the desired search terms.



1. Click **Find Rates** at the bottom of the screen.
2. A rate sheet will display with available programs and rates based on the terms entered.
3. Choose the desired **Program** from the list by clicking the radio button.
4. Click **Choose Selected**.

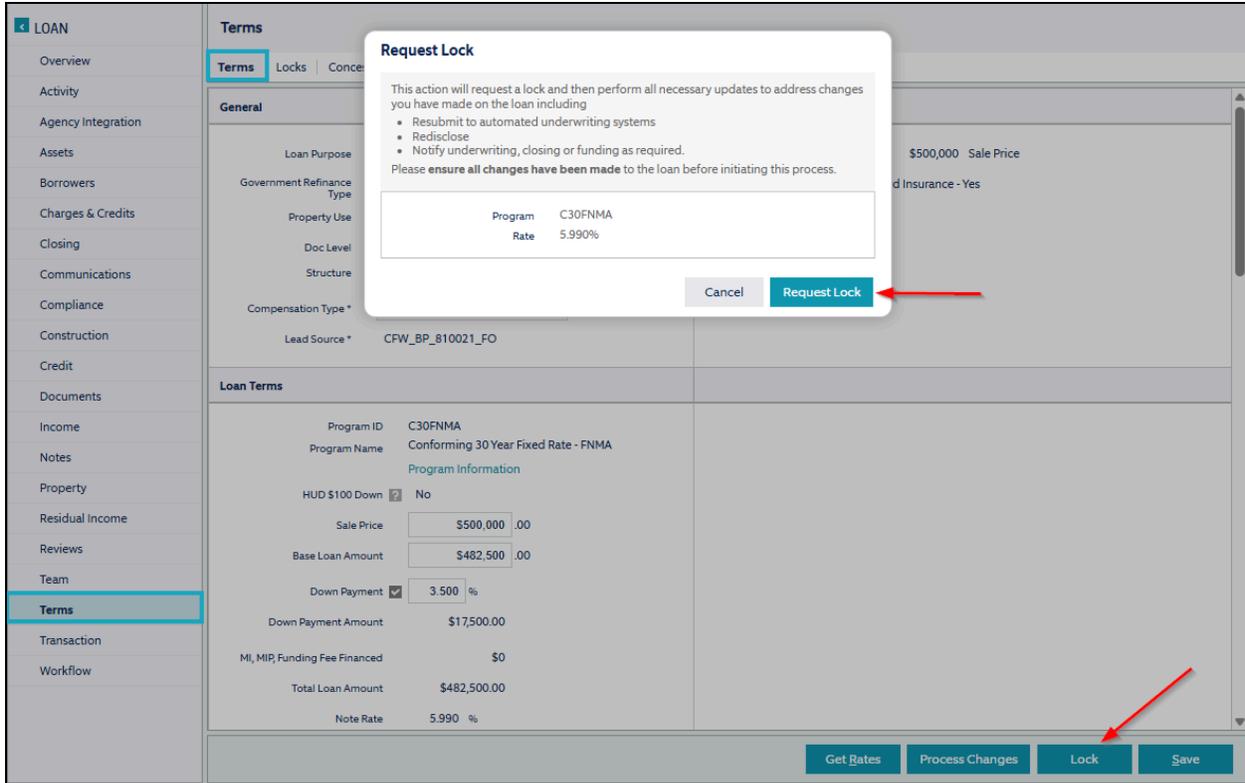
Loan Results						
Choose	Program ID	Note Rate	Price	Charge/Credit for Interest Rate	Payment	Rate Sheet
C30FNMA (Conforming 30 Year Fixed Rate - FNMA)						
<input type="radio"/>	C30FNMA	5.000%	94.423%	\$26,910.47	\$2,591	<a href="#">Rate Sheet</a>
<input type="radio"/>	C30FNMA	5.125%	94.970%	\$24,271.20	\$2,628	<a href="#">Rate Sheet</a>
<input type="radio"/>	C30FNMA	5.250%	95.785%	\$20,338.82	\$2,665	<a href="#">Rate Sheet</a>
<input type="radio"/>	C30FNMA	5.375%	96.420%	\$17,274.95	\$2,702	<a href="#">Rate Sheet</a>
<input type="radio"/>	C30FNMA	5.500%	97.031%	\$14,326.87	\$2,740	<a href="#">Rate Sheet</a>
<input type="radio"/>	C30FNMA	5.625%	97.559%	\$11,779.27	\$2,778	<a href="#">Rate Sheet</a>
<input type="radio"/>	C30FNMA	5.750%	98.214%	\$8,618.90	\$2,816	<a href="#">Rate Sheet</a>
<input type="radio"/>	C30FNMA	5.875%	98.761%	\$5,979.62	\$2,855	<a href="#">Rate Sheet</a>
<input checked="" type="radio"/>	C30FNMA	5.990%	99.242%	\$3,658.80	\$2,890	<a href="#">Rate Sheet</a>
<input type="radio"/>	C30FNMA	6.000%	99.280%	\$3,475.45	\$2,893	<a href="#">Rate Sheet</a>
<input type="radio"/>	C30FNMA	6.125%	99.747%	\$1,222.17	\$2,932	<a href="#">Rate Sheet</a>
<input type="radio"/>	C30FNMA	6.250%	100.174%	-\$838.10	\$2,971	<a href="#">Rate Sheet</a>

5. You may now choose to **Request a Lock** or proceed to **Disclosure Preparation**.

## Locking a Loan

Refer to the [Lock Policy](#) for additional details on locking loans in Octane.

1. In Octane, use the left menu to navigate to the **Terms** screen.
2. Click **Lock** in the bottom right-hand corner.
3. Review the details, then click **Request Lock**. Once the lock request has been processed, the system will automatically update with the locked terms.



4. Select the **Locks** tab to view the lock details.

**NOTE:** The Locks tab can be viewed at any point in the process to reference the lock terms of any current, expired, or extended locks.

## Disclosing a Loan

It is important to ensure all required information is entered accurately before sending initial disclosures. Follow the steps below to confirm the loan is ready for disclosure.

### Charges & Credits

1. From the left-hand menu, navigate to the **Charges & Credits** screen.
2. On the **Charges** tab, review all fees that will be disclosed to the borrower for accuracy.

3. Confirm whether any additional items (e.g., **credit report fee**, **VOE charge**, etc.) need to be added.

**Note:** All title fees are pulled from Cardinal's preferred title vendor. If the borrower selects a different title company, fees will be updated upon receipt of that company's fee sheet.

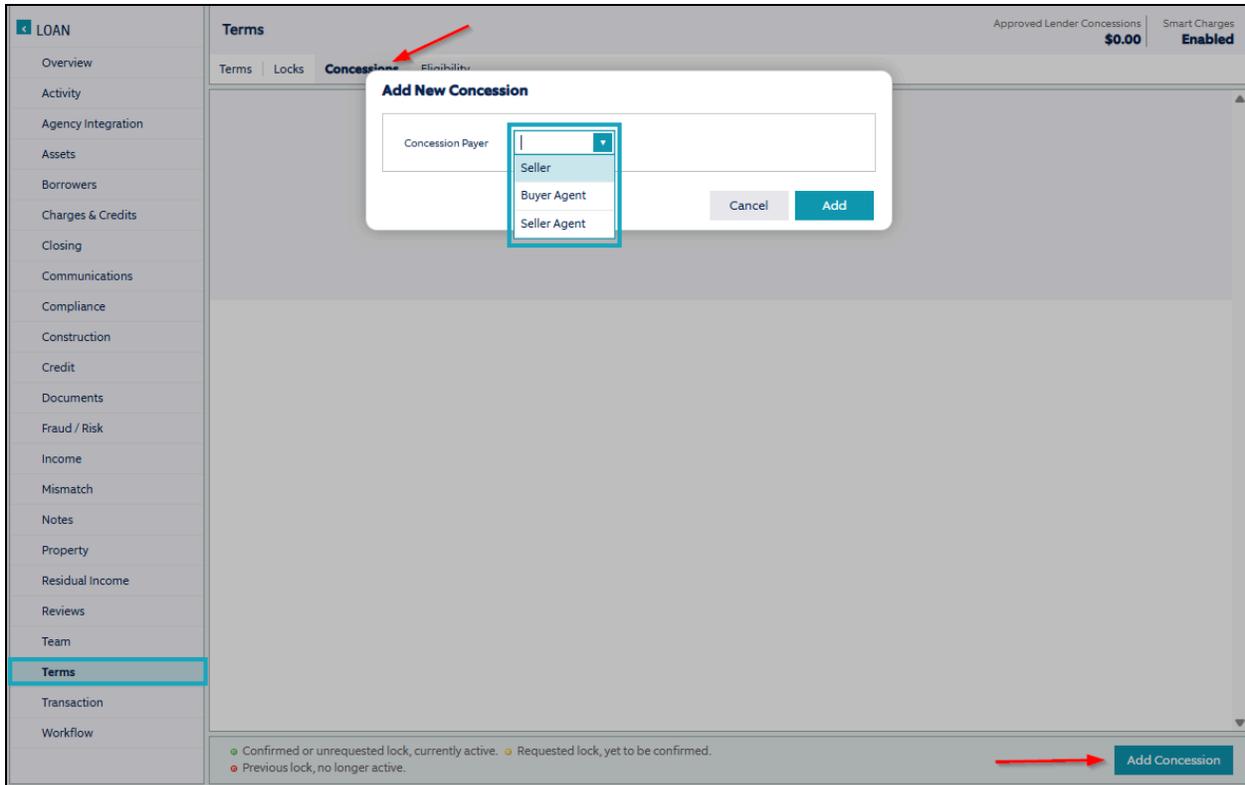
4. Click the **Escrow Selection** tab.
5. Confirm tax and insurance applicability, and verify the correct **escrow selection** has been made.
6. Click **Save**.

## Adding a Concession

This section provides guidance on how to input concessions in Octane as outlined in the purchase contract.

1. From the left menu, navigate to the **Terms** screen.
2. Select the **Concessions** tab.
3. Click **Add Concession** to open the modal where new concessions can be added.
4. In the **Concession Payer** field, use the drop-down menu to select one of the following:
  - If the concession is being paid by the buyer's agent, select **Buyer Agent Concession**.
  - If the concession is being paid by the seller's agent, select **Seller Agent Concession**.
  - If the concession is being paid by the seller, select **Seller**

**Note:** These options will only be available if the TRID loan purpose is set to Purchase.



5. Enter the total amount of the concession being provided as listed in the purchase contract.
  - a. Specify which specific charges the concession is to be applied against, if applicable.
6. Click **Save** to record the concession details.

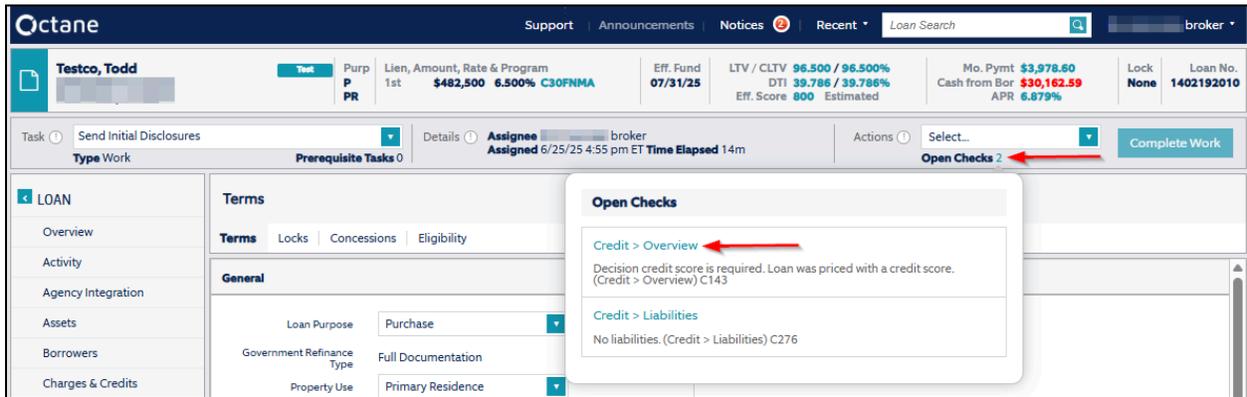
## Task Bar - Clear Open Checks

The Task Bar displays all outstanding items that need to be completed on the loan. If there are any tasks assigned, they will appear in this section. If there are no outstanding tasks at a given time, the message “There are no tasks assigned to any performers at this time” will be displayed.

Before a task can be completed, all Open Checks must be cleared.

1. Click on the number next to **Open Checks** to view and clear necessary items that are required to issue initial disclosures.

**Note:** Clicking the hyperlink for any open check will direct you to the corresponding screen where the issue can be resolved.



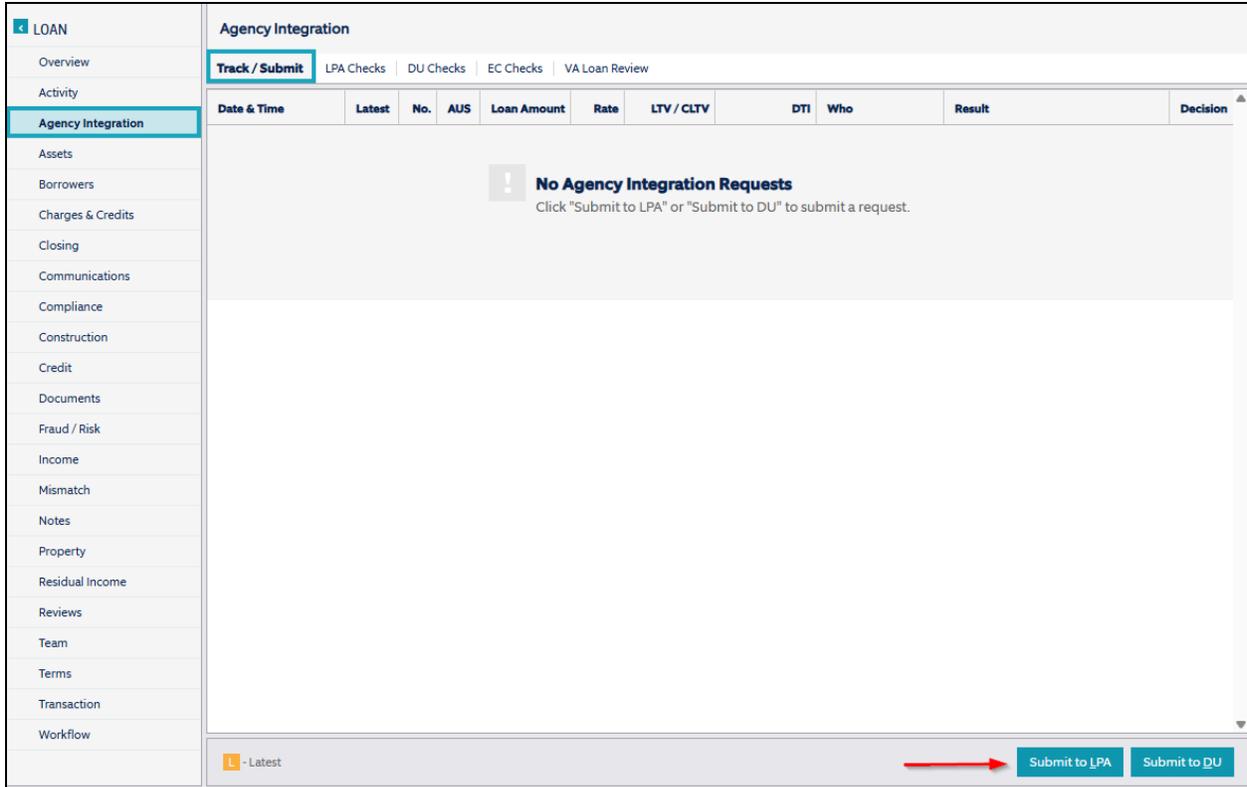
## Send Initial Disclosures Task

Once all loan checks are cleared, the initial disclosures can be issued..

1. From the **task bar**, click the **down arrow** to display task actions.
2. Select **Send Disclosures**.
3. A pop-up screen will appear asking, **“Do you want to complete this task?”** Select **Yes**.

## Running AUS

1. From the left-hand menu, navigate to the **Agency Integration** screen.
2. Click on the **LPA Checks** and **DU Checks** tabs to review any **critical checks** that must be cleared prior to running LPA or DU.
3. Once all critical checks have been resolved, go to the **Track/Submit** tab.
4. Submit to **LPA** or **DU** by selecting the appropriate button at the bottom of the screen.



The screenshot shows the 'Agency Integration' screen. The left-hand menu includes 'LOAN', 'Overview', 'Activity', 'Agency Integration', 'Assets', 'Borrowers', 'Charges & Credits', 'Closing', 'Communications', 'Compliance', 'Construction', 'Credit', 'Documents', 'Fraud / Risk', 'Income', 'Mismatch', 'Notes', 'Property', 'Residual Income', 'Reviews', 'Team', 'Terms', 'Transaction', and 'Workflow'. The 'Agency Integration' section is active, showing a 'Track / Submit' tab with sub-tabs for 'LPA Checks', 'DU Checks', 'EC Checks', and 'VA Loan Review'. A table header is visible with columns: 'Date & Time', 'Latest', 'No.', 'AUS', 'Loan Amount', 'Rate', 'LTV / CLTV', 'DTI', 'Who', 'Result', and 'Decision'. The main content area displays a message: 'No Agency Integration Requests. Click "Submit to LPA" or "Submit to DU" to submit a request.' At the bottom right, there are two buttons: 'Submit to LPA' and 'Submit to DU'. A red arrow points to the 'Submit to LPA' button.

5. To view the full AUS findings report:

- Click the date and time hyperlink
- Click **View PDF**.

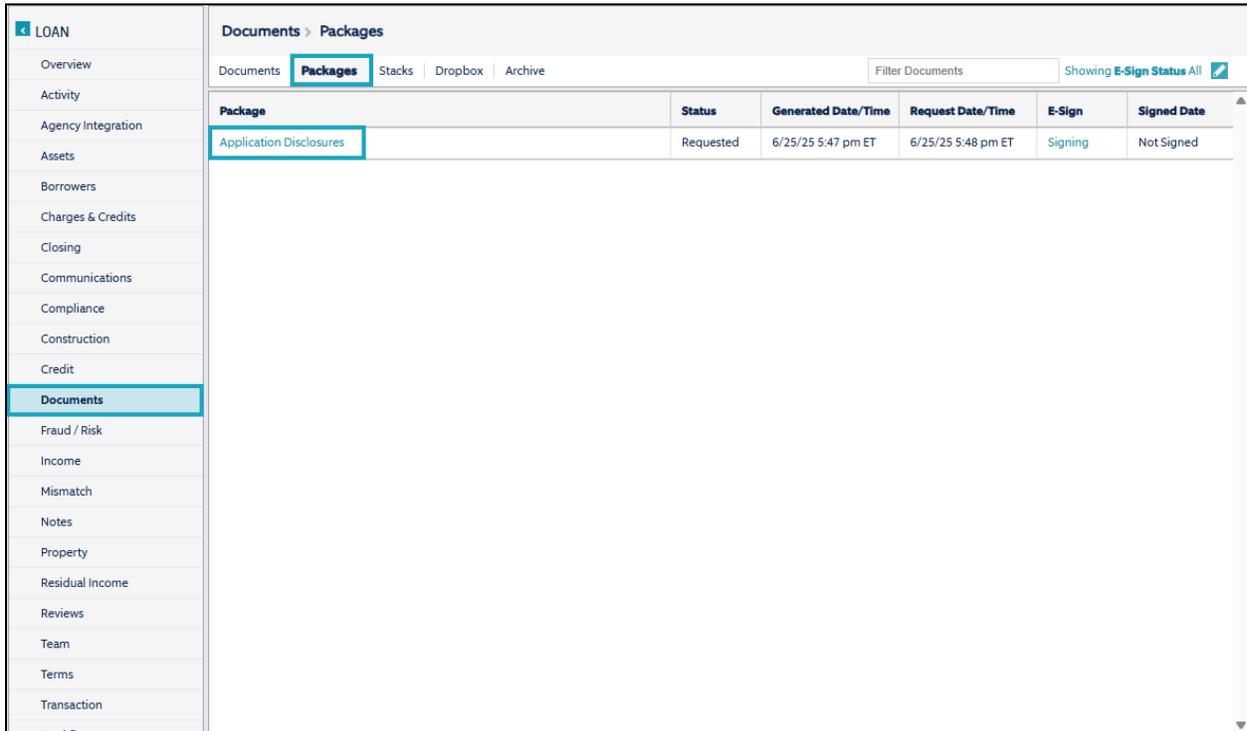
**Note:** All AUS results (including previous submissions) can be accessed from the **Agency Integration** screen at any point during the loan process.

## Completing LO E-signatures

Once the **Send Disclosures** task action has been completed, the **Application Disclosure package** will be generated and made available in Octane.

1. From the left-hand menu, navigate to the **Documents** screen, then select the **Packages** tab.

2. Locate the **Application Disclosure** package in the list and click the package name.



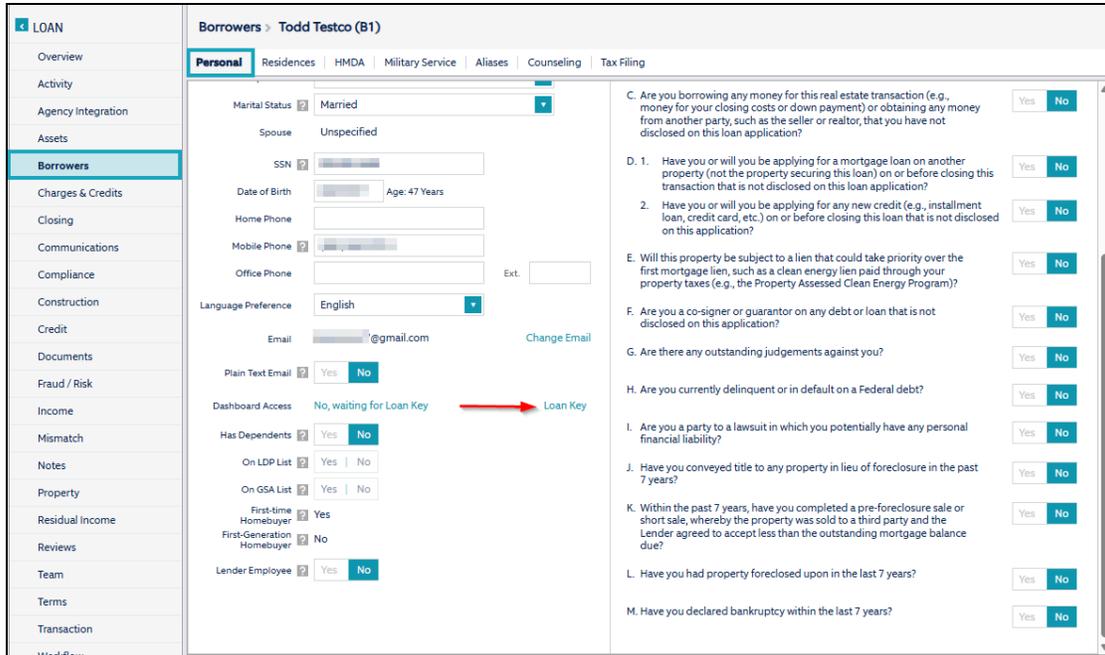
3. A screen will appear displaying all documents included in the initial disclosure package.
4. In the bottom-right corner, click **E-Sign**.
5. A **DocuSign** window will launch, guiding the assigned Loan Officer through the required signature fields.
6. Once all required signatures have been applied, click **Complete** within the DocuSign window.
7. A confirmation message will display, indicating all signature fields have been successfully completed.

This finalizes the Loan Officer’s portion of the e-signing process.

## Borrower Dashboard Activation & Loan Key

Once initial disclosures have been issued in Octane, the borrower will receive an **Octane credentials activation email**. After activating their account, the borrower will log into the **Borrower Dashboard** and complete the steps below:

1. Click on the **subject property** address.
2. **Consent** to conduct business electronically when prompted. This step is required to proceed with e-signing.
3. **Enter the Loan Key** to access the loan file:
  - a. **Borrower:** If the cell phone number is provided in Octane:
    - i. Click **Resend Loan Key**.
    - ii. Look for a text with the **Loan Key**.
  - b. **Broker:** If they are not receiving the Loan Key via Text
    - i. In Octane, navigate to the **Borrowers** screen.
    - ii. Click the **Personal** tab.
    - iii. The Loan Key is located in the **bottom-left corner** of the screen.
      1. Provide the Loan Key to the borrower via text, email, or verbally.



4. Once the Loan Key is entered, the borrower will gain access to their loan file. Octane will update the **Borrowers** screen to reflect that **Dashboard Access** is active.
5. The borrower will then:
  - a. Click **Go to Loan**.
  - b. Select the **To-Do** tab.
  - c. Review and e-sign the **initial disclosure package**.

Resource: [Borrower | Octane eSign Video Tutorial Link](#)

## Submitting a Loan to Underwriting

### Uploading Submission Documents

1. In Octane, use the left menu to navigate to the **Documents** screen.
2. Select the **Dropbox** tab.

3. Drag and drop all documents as listed per program requirements.

**Note:** Documents can also be organized into the appropriate folders during the initial upload process.

4. Proceed to the applicable subsection below to determine the required documents for different loan programs/transactions.

### Conventional and Jumbo

Refer to the table below for the required documents for Conventional and Jumbo loan programs/transactions.

**Important:** Review all subsections in **gray** for additional documentation requirements.

#### Conventional and Jumbo

##### All Transactions

The following documentation must be submitted:

- Credit Report
  - Must be valid and unexpired
  - Must include the correct legal name for each borrower
  - Must include the correct Social Security Number for each borrower
  - If the borrower's name on the credit report differs from the legal name and requires a new credit report, the file is ineligible for AUS submission until new credit is obtained.
- Uniform Residential Loan Application (FNMA 1003) - Initial

##### Income Documentation Requirements

Required documents apply to all loans where an income source is used to qualify the loan or as outlined with AUS and investor requirements.

- If the income source is a wage earner, one or more of the following income document(s) options must be submitted for all borrowers:
  - Pay stubs or written verification of employment (covering the most recent 30 days of earnings)
  - W-2s for the last two years, or a minimum, per AUS findings  
**Note:** W-2 transcripts can be used instead of a W-2 form.
- If the income source is retired or another income type, one or more of the following income document(s) options must be submitted for all borrowers, as outlined within the automated

underwriting findings:

- A statement from the organization providing the income
- Retirement award letter or benefit statement
- Asset or bank account statement evidencing receipt of income
- Most recent federal personal income tax return
- The most recent IRS 1099 form
- If the income source is self-employed, all of the following documentation must be submitted for all borrowers for all businesses:
  - Profit & Loss Statement, per specific product guidelines
  - Two years of personal tax returns, or a minimum, per AUS findings
  - Two years of IRS Form 1099s (as applicable)
  - Two years of business tax returns if the ownership percentage is greater than or equal to 25 percent, or minimum, per AUS findings (all schedules and extensions, including any applicable K1s)

**Note:** For Conventional loans\*, documenting income or losses from self-employed business sources is not required when:

  - A borrower is qualified using only income that is not derived from self-employment, and
  - Self-employment is a secondary and separate source of income (or loss).

Examples of income not derived from self-employment include salary and retirement income.

*\* For Jumbo loan products, refer to specific guidelines on documentation required on self-employment when it is a secondary source of income.*

**Purchase**

- All documents listed under the **All Transactions** section
- Purchase contract with addendums (if applicable)

**Refinance**

- All documents from the **All Transactions** section
- No additional requirements

**FHA**

Refer to the table below for the list of required documents for FHA transactions.

**Important:** Review all subsections in **gray** for additional documentation requirements.

**FHA**

**All FHA Transactions**

- Credit Report
  - Must be valid and unexpired
  - Must include the correct legal name for each borrower
  - Must include the correct Social Security Number for each borrower
  - If the borrower's name on the credit report differs from the legal name and requires a new credit report, the file is ineligible for AUS submission until new credit is obtained
- Uniform Residential Loan Application (FNMA 1003) - Initial

**Income Documentation Requirements**

Required documents apply to all FHA loans where an income source is used to qualify for the loan.

- If the income source is a wage earner, one or more of the following income document(s) options must be submitted for all borrowers:
  - Pay stubs or written verification of employment (covering the most recent 30 days of earnings)
  - W-2s for the last two years, or a minimum, per AUS findings  
**Note:** W-2 transcripts can be used in lieu of a W-2 form.
- If the income source is retired or other income type, one or more of the following income document(s) options must be submitted for all borrowers, as outlined within automated underwriting findings:
  - A statement from the organization providing the income
  - Retirement award letter or benefit statement
  - Asset or bank account statement evidencing receipt of income
  - Most recent federal personal income tax return
  - Most recent IRS 1099 Form
- If the income source is self-employed, all of the following documentation must be submitted for all borrowers for all businesses:
  - Profit & Loss Statement covering the time frame required, per FHA guidelines
  - Two years of personal tax returns, or a minimum, per AUS findings
  - Two years of IRS Form 1099 (as applicable)
  - Two years of business tax returns if the ownership percentage is greater than or equal to 25 percent or minimum, per AUS findings (all schedules and extensions, including any applicable K1s)

**Note:** Documenting income or losses from self-employed business sources is always required for FHA loans, regardless of whether a borrower's primary income source is other than self-employment.

**FHA Purchase**

- Requirements from the **All FHA Transactions** section
- Requirements from the applicable **Income Documentation Requirements** section
- Purchase contract with addendums (if applicable)
- Credit report for non-borrowing spouse in a community property state
  - Community property states: AK, AZ, CA, ID, LA, NV, NM, TX, WA, WI

#### FHA Refinance

- Requirements from the **All FHA Transactions** section
- Requirements from the applicable **Income Documentation Requirements** section
- Mortgage statement
- Credit report for non-borrowing spouse in a community property state
  - Community property states: AK, AZ, CA, ID, LA, NV, NM, TX, WA, WI
- Mortgage Note - For loans being refinanced within one year from the date of closing

#### FHA Streamline Credit and Non-Credit Qualifying

- Requirements from the **All FHA Transactions** section
- Requirements from the applicable **Income Documentation Requirements** section
- Mortgage statement
- Credit report for non-borrowing spouse in a community property state
  - Community property states: AK, AZ, CA, ID, LA, NV, NM, TX, WA, WI
  - Not required for Non-Qualifying FHA Streamline Loans
- Mortgage Note - For loans being refinanced within one year from the date of closing

#### FHA 203(k) Purchase

- Requirements from the **All FHA Transactions** section
  - The FHA Case Number is manually assigned and is dependent on the consultant assignment (if applicable).
- Requirements from the applicable **Income Documentation Requirements** section
- Purchase contract with addendums (if applicable)
- Credit report for non-borrowing spouse in a community property state
  - Community property states: AK, AZ, CA, ID, LA, NV, NM, TX, WA, WI

#### FHA 203(k) Refinance

- Requirements from the **All FHA Transactions** section
- Requirements from the applicable **Income Documentation Requirements** section
- Mortgage statement

- Credit report for a non-borrowing spouse in a community property state
  - Community property states: AK, AZ, CA, ID, LA, NV, NM, TX, WA, WI
- Mortgage Note - For loans being refinanced within one year from the date of closing

## VA

Refer to the table below for the list of required documents for VA transactions.

**Important:** Review all subsections in **gray** for additional documentation requirements.

VA
<p><b>All VA Transactions</b></p> <ul style="list-style-type: none"> <li>• Credit Report               <ul style="list-style-type: none"> <li>◦ Must be valid and unexpired</li> <li>◦ Must include the correct legal name for each borrower</li> <li>◦ Must include the correct Social Security Number for each borrower</li> <li>◦ If the borrower's name on the credit report differs from the legal name and requires a new credit report, the file is ineligible for AUS submission until new credit is obtained.</li> </ul> </li> <li>• Uniform Residential Loan Application (FNMA 1003) - Initial</li> </ul>
<p><b>Income Documentation Requirements</b></p>
<p>Required documents apply to all VA loans where an income source is being used to qualify for the loan.</p> <ul style="list-style-type: none"> <li>• If the income source is a wage earner, one or more of the following income document(s) options must be submitted for all borrowers:               <ul style="list-style-type: none"> <li>◦ Pay stubs (covering the most recent 30 days of earnings)</li> <li>◦ W-2s for the last two years, or a minimum, per AUS findings  <b>Note:</b> W-2 transcripts can be used instead of a W-2 form.</li> <li>◦ Written verification of employment</li> </ul> </li> <li>• If the income source is retired or another income type, one or more of the following income document(s) options must be submitted for all borrowers, as outlined within automated underwriting findings:               <ul style="list-style-type: none"> <li>◦ A statement from the organization providing the income</li> <li>◦ Retirement award letter or benefit statement</li> <li>◦ Asset or bank account statement evidencing receipt of income</li> <li>◦ Most recent federal personal income tax return</li> </ul> </li> </ul>

- Most recent IRS 1099 Form
- If the income source is self-employed, all of the following documentation must be submitted for all borrowers for all businesses:
  - Profit & Loss Statement, per VA guidelines
  - Two years of personal tax returns, or a minimum, per AUS findings
  - Two years of IRS Form 1099 (as applicable)
  - Two years of business tax returns if the ownership percentage is greater than or equal to 25% or minimum, per AUS findings (all schedules and extensions, including any applicable K1s)

**Note:** Documenting income or losses from self-employed business sources is not required for VA loans when:

- A borrower is qualified using only income that is not derived from self-employment and
- Self-employment is a secondary and separate source of income (or loss).

Examples of income not derived from self-employment include salary and retirement income.

#### VA Purchase

- Requirements from the **All VA Transactions** section
- Requirements from the applicable **Income Documentation Requirements** section
- Purchase contract with addendums (if applicable)
- Credit report for non-borrowing spouse in a community property state
  - Community property states: AK, AZ, CA, ID, LA, NV, NM, TX, WA, WI

#### VA Refinance

- Requirements from the **All VA Transactions** section
- Requirements from the applicable **Income Documentation Requirements** section
- Mortgage statement
- Credit report for non-borrowing spouse in a community property state
  - Community property states: AK, AZ, CA, ID, LA, NV, NM, TX, WA, WI
- Mortgage Note - For loans being refinanced within one year from the date of closing

#### VA IRRRL Credit and Non-Credit Qualifying

- Requirements from the **All VA Transactions** section
- Requirements from the applicable **Income Documentation Requirements** section (Credit Qualifying Loans only)
- Mortgage statement
- Credit report for non-borrowing spouse in a community property state
  - Community property states: AK, AZ, CA, ID, LA, NV, NM, TX, WA, WI
  - Not required for Non-Qualifying Interest Rate Reduction Loans

- Mortgage Note - For loans being refinanced within one year from the date of closing

## USDA

Refer to the table below for the list of required documents for USDA transactions.

**Important:** Review all subsections in **gray** for additional documentation requirements.

USDA
<p><b>All <u>USDA</u> Transactions</b></p> <ul style="list-style-type: none"> <li>• Credit Report           <ul style="list-style-type: none"> <li>○ Must be valid and unexpired</li> <li>○ Must include the correct legal name for each borrower</li> <li>○ Must include the correct Social Security Number for each borrower</li> <li>○ If the borrower's name on the credit report differs from the legal name and requires a new credit report, the file is ineligible for GUS submission until new credit is obtained.</li> </ul> </li> <li>• Uniform Residential Loan Application (FNMA 1003) - Initial</li> </ul>
Income Documentation Requirements
<p>Required documents apply to all USDA loans where an income source is being used to qualify for the loan.</p> <ul style="list-style-type: none"> <li>• If the income source is a wage earner, one or more of the following income document(s) options must be submitted for all borrowers:           <ul style="list-style-type: none"> <li>○ Pay Stubs (covering the most recent 30 days of earnings)</li> <li>○ W-2s for the last two years, or a minimum, per AUS findings <b>Note:</b> W-2 transcripts can be used in lieu of a W-2 form.</li> <li>○ Written verification of employment</li> </ul> </li> <li>• If the income source is retired or another income type, one or more of the following income document(s) options must be submitted for all borrowers, as outlined within automated underwriting findings:           <ul style="list-style-type: none"> <li>○ A statement from the organization providing the income</li> <li>○ Retirement award letter or benefit statement</li> <li>○ Asset or bank account statement evidencing receipt of income</li> <li>○ Most recent federal personal income tax return</li> <li>○ Most recent IRS 1099 Form</li> </ul> </li> </ul>

- If the income source is self-employed, all of the following documentation must be submitted for all borrowers for all businesses:
  - Profit & Loss Statement, per USDA guidelines
  - Two years of personal tax returns, or a minimum, per GUS findings
  - Two years of IRS Form 1099 (as applicable)
  - Two years of business tax returns if the ownership percentage is greater than or equal to 25% or minimum, per GUS findings (all schedules and extensions, including any applicable K1s)
  - Three months of Business Asset Statements

**Note:** Documenting household income or losses from all sources is required for all household residents 18 years or older for all USDA loans, regardless of whether their income is being used to qualify.

#### USDA Purchase

- Requirements from the **All USDA Transactions** section
- Requirements from the applicable **Income Documentation Requirements** section
- Purchase contract with addendums (if applicable)

#### USDA Streamlined

- Requirements from the **All USDA Transactions** section
- Requirements from the applicable **Income Documentation Requirements** section
- Mortgage statement
- Mortgage Note - For loans being refinanced within one year from the date of closing

#### USDA Streamlined Assist

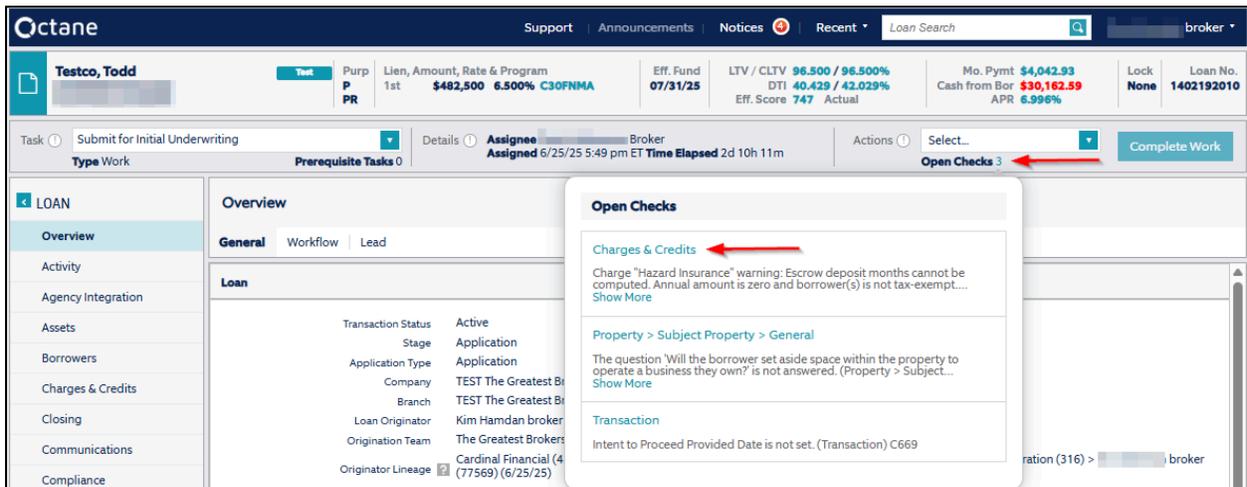
- Requirements from the **All USDA Transactions** section (GUS is not used)
- Requirements from the applicable **Income Documentation Requirements** section
- Mortgage statement
- Mortgage Note - For loans being refinanced within one year from the date of closing

## Task Bar - Clear Open Checks

Before the **Submit for Initial Underwriting** task can be completed, all Open Checks must be cleared.

1. Click on the number next to **Open Checks** to view and clear necessary items that are required to issue initial disclosures.

**Note:** Clicking the hyperlink for any open check will direct you to the corresponding screen where the issue can be resolved.



The screenshot shows the Octane interface for a loan. At the top, there's a navigation bar with 'Support', 'Announcements', 'Notices', and 'Recent'. Below that, a task bar shows 'Submit for Initial Underwriting' with a dropdown arrow and 'Open Checks 3' with a red arrow pointing to it. A pop-up window titled 'Open Checks' is displayed, listing three items: 'Charges & Credits' (with a red arrow pointing to it), 'Property > Subject Property > General', and 'Transaction'. The background shows loan details for 'Testco, Todd' with a loan amount of \$482,500 and a rate of 6.500%.

## Submit for Initial Underwriting Task

Once all loan checks are cleared, the loan can be submitted to underwriting.

4. From the **task bar**, click the **down arrow** to display task actions.
5. Select **Submit to underwriting**.
6. A pop-up screen will appear asking, **“Do you want to complete this task?”** Select **Yes**.

## References

Reference List
<a href="#">Company   Third-Party Origination Lock Policy</a>

## Revision History

*Revision History is to be used as a reference only and will only provide a summary of document changes. For complete versioning, refer to the Google Docs versioning functionality, which is the system of record. Versioning has been captured as of 10.1.20.*

Date	Version	Description	Approver
6.25.2025	V1	Initial Publication	Karl Benjamin