

# Jumbo AUS FAQs

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## 1. Borrowed Funds

### Can borrowed funds be used as reserves?

- Secured borrowed funds cannot be used as reserves.

## 2. Business Funds

### Does moving business funds in to a personal account make them personal funds and would they still be sourced and treated as business funds?

- Moving business funds in to a personal account does not make them personal funds. They would still be sourced and treated as business funds.
- Even if you are not using income from Self-Employment to qualify, you may still need to review and determine how the use of funds will affect the business that could potentially impact overall ability to repay.

### Do we allow closing in the name of an LLC on any of the programs?

- We do not allow closing in the name of an LLC on any of the programs.

### If the title is currently vested in an LLC, will they need to take it out prior to application?

- If it is currently in an LLC, they will need to take it out prior to application if they can.

### If they cannot take it out prior to application, will they need to remove prior to or at closing?

- If they cannot they will need to remove prior to or at closing.
- The borrower must sign a letter indicating they do not intend to put back in to LLC post closing.

## 3. Refinance to Buy Out an Owner's Interest

### Would we follow FNMA on the requirements?

- We would follow FNMA on the requirements.

### Can there be no cash out to borrower?

- There can be no cash out to the borrower. The disbursement to the spouse must be on the final CD, and the Divorce agreement must have the verbiage for the buyout.

## 4. Hazard/Flood Insurance

### Should we follow Fannie for coverage requirements?

- Follow Fannie for coverage requirements.

## 5. Seasoning date

### Do we go by the note date for all seasoning requirements?

- We go by note date for all seasoning requirements unless otherwise specified in guidelines.

## 6. Max Borrowers

### What is the max number of borrowers the system can take?

- Our system will only take 5

## 7. Recast

### What are the requirements to allow for a recast?

- The recast requirements can be located in the Special Products Seller Guide.

## 8. LoanBeam

### Can LoanBeam be used?

- LoanBeam can be used as a tool when underwriting income. Seller is still responsible for calculating the income appropriately and income documentation requirements listed in guides will still apply.

## 9. DU reps/warrants

### Is there relief for DU Day 1 Certainty?

- There is no relief for DU Day 1 Certainty.

## 10. Use of Third Party Vendors for Verification

### Is it ok to use Accountchek?

- Use of Fannie Mae approved third party vendors, such as AccountChek is allowed.

## 11. Properties with Solar Panels

### Should we follow Fannie Mae Guidelines?

- Yes, follow Fannie Mae Guidelines.

## 12. Docusign

### Is it ok to use Docusign?

- It is ok to use Docusign, however, we currently not allow the Note to be eSigned. Please review the Special Products Seller Guide for additional information