



## UNM Wholesale Projected Income Policy

Projected Income or Hypothetical Income is not acceptable for qualifying purposes in a traditional sense. **UNM Wholesale's** policy is based on our fiduciary responsibility to our Brokers and Investors. Although it is and has been our policy to verify employment and to obtain one paystub matching the contractual income prior to closing the following may be acceptable on a case by case basis:

In the case of a Borrower whose start date is later than our closing date, **UNM Wholesale** views these scenarios as "**limited scope exceptions**" and at a minimum, the following parameters apply:

- **Please note that *UNM Wholesale's* policy pertinent to projected income supersedes that of the Agencies.**
- **Prior to submitting formal application and locking the loan, a conversation between the Broker and the Underwriter is recommended to discuss the specifics of the file.**
- **The Borrower must have a guaranteed irrevocable contract.**
- **The Borrower must receive a pay stub prior within five days of closing. It is the Broker's responsibility to follow up with the customer to obtain the pay stub.**
- **The Borrower must have sufficient funds to close plus reserves to cover all applicable liabilities listed on the 1003.**
- **Limited Scope exceptions will be based on the overall strength of the file and the risk involved. Typically lower LTV loans, loans with high credit scores, reserves, great employment history, etc. are those that will be viewed as potential exceptions.**

Much research has been completed with the Agencies and Investors to formulate this policy and understanding the complexity of this type of scenario is very important. In a sense, the basis for validating income used in the qualification is one that has to be completed accurately and a Borrower of this nature fits in a "grey area" in that **UNM Wholesale** is not permitted to qualify the Borrower based on the past employment (as we are aware the income will not reasonably continue for three years) and using projected income for a new position without validation can cross the line of misrepresentation.

As we continue to manage risk, this policy is designed to protect **UNM Wholesale**, the Broker and our Investors.