Entering 30 – Day Accounts in Encompass

M/I FINANCIAL, LLC
A Subsidiary of M/I Homes, Inc.

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When the AUS findings are reflecting a 30-Day account, you will need to complete the following steps in order to have the debt omitted.

22 The balances of the following 30-day accounts listed on the loan application were included in the amount of reserves required to be verified. However, on transactions where reserves are not required to be verified, the 30-day account amount required to be verified will be reduced by any cash-out that the borrower will receive through the transaction. If the funds needed to payoff the account are not available due to the borrower paying off the 30-day account prior to loan closing, the lender must provide documentation that the account was paid in full, and omit the account from the online loan application in order for the balance to be excluded from the amount of reserves required to be verified. If the funds are not available and the account has not yet been paid off prior to closing, the lender must document that the borrower has sufficient assets from eligible sources to payoff the account. (MSG ID 2641)

BORROWER	CREDITOR	ACCOUNT NUMBER	BALANCE
Alice Kristens DNUfor L10 Firstimer	Amex	******5555	$5,000.00

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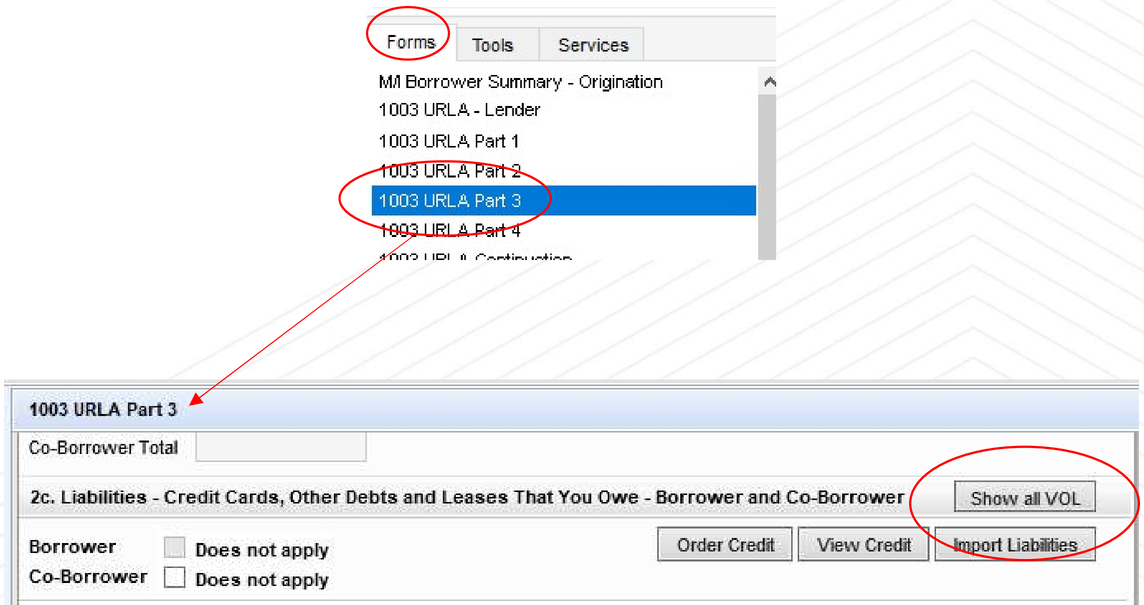
In Forms, 1003 URLA Part 3, go into Liabilities/Section 2C and press the Show All VOL button.



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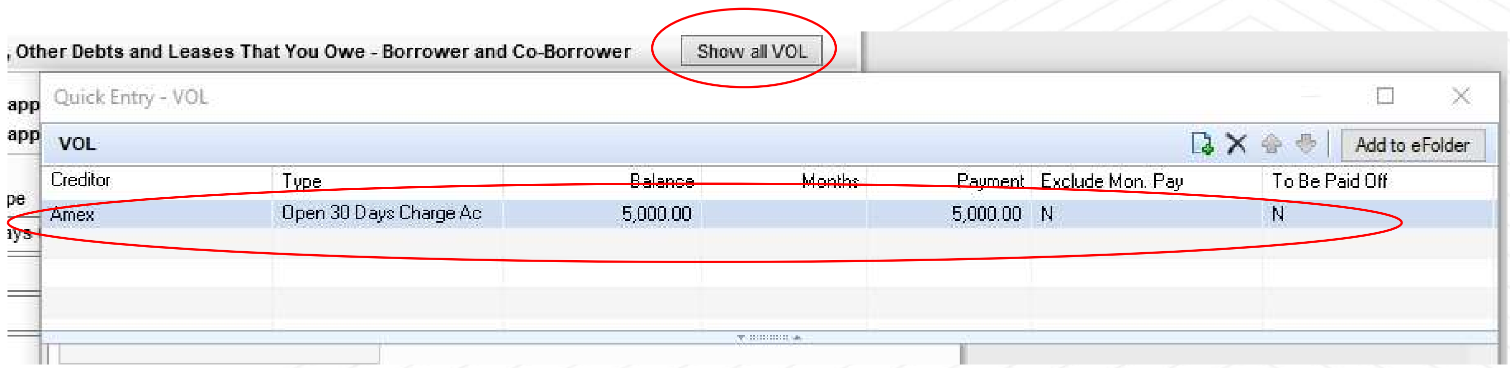
Press the Show all VOL, click on the 30-Day debt so it is highlighted.



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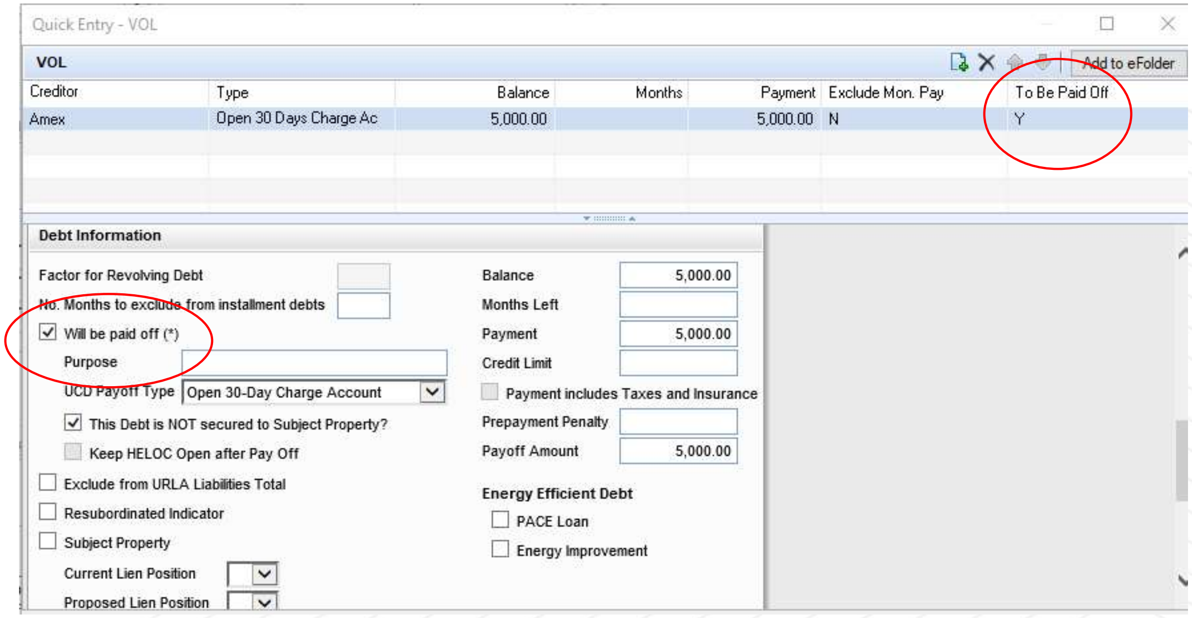
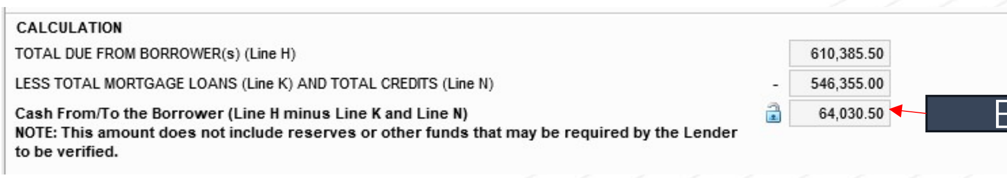
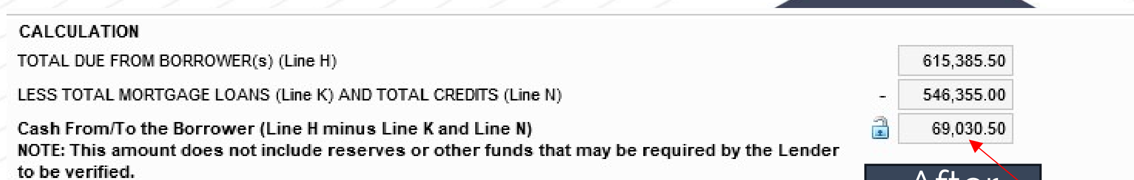
When you open the debt, mark the debt to be paid off.
You will need to re-run the DU so it will reflect the balance of the debt as apart of the funds to close.





Before



After

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When the debt is marked to be paid off, and a new DU is run, you will get the following findings.

Credit and Liabilities

13 Include **evidence of payoff** of the following debts (other than 30 day accounts) in the loan file: (MSG ID 0225)

BORROWER	CREDITOR	ACCOUNT NUMBER	BALANCE
Alice Kristens DNU5 Firstimer	Amex	******1234	$5,000.00

CALCULATION

TOTAL DUE FROM BORROWER(s) (Line H)		610,385.50
LESS TOTAL MORTGAGE LOANS (Line K) AND TOTAL CREDITS (Line N)	-	546,355.00
Cash From/To the Borrower (Line H minus Line K and Line N) **NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.**		64,030.50

Before

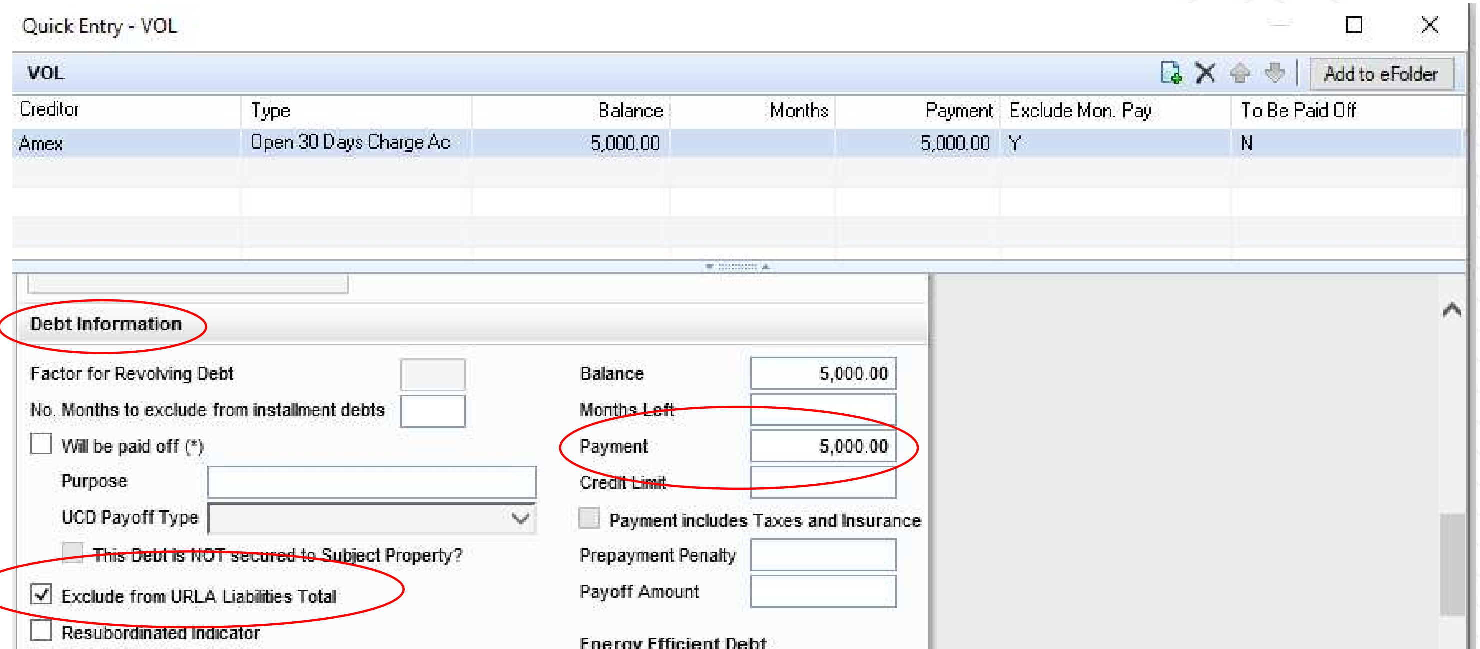
CALCULATION

TOTAL DUE FROM BORROWER(s) (Line H)		615,385.50
LESS TOTAL MORTGAGE LOANS (Line K) AND TOTAL CREDITS (Line N)	-	546,355.00
Cash From/To the Borrower (Line H minus Line K and Line N) **NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.**		69,030.50

After

Entering 30-Day Accounts in Encompass

Go back into show all VOL, Scroll Down to the Debt Information area, enter the payment, unmark to will be paid off, and omit the debt from totals.



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Once the debt is corrected rerun AUS and the findings will be corrected to omitted.

Credit and Liabilities

15 The following **accounts** listed on the loan application **were omitted** from the underwriting calculations.

- For each liability that belongs to the borrower, provide documentation that supports the omission.
- If any of these accounts will be paid prior to or at closing, those accounts must be marked paid by closing (not omitted) and the loan casefile must be resubmitted to DU.

(MSG ID 0248)

BORROWER	CREDITOR	ACCOUNT NUMBER	BALANCE
Alice Kristens DNUfor L10 Firstimer	Amex	******5555	$5,000.00

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M/I TITLE AGENCY

M/I TITLE, LLC

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TransOhio Residential Title

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