



Entering 30 – Day Accounts in Encompass



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

Entering 30-Day Accounts in Encompass

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.

The screenshot displays the Encompass software interface. At the top, the 'Forms' menu is open, showing a list of forms: 'MM Borrower Summary - Origination', '1003 URLA - Lender', '1003 URLA Part 1', '1003 URLA Part 2', '1003 URLA Part 3' (highlighted in blue), '1003 URLA Part 4', and '1003 URLA Continuation'. A red circle highlights the 'Forms' menu, and another red circle highlights '1003 URLA Part 3'. A red arrow points from this menu item to the '1003 URLA Part 3' form below. The form has a title bar '1003 URLA Part 3' and a 'Co-Borrower Total' field. Below this is a section titled '2c. Liabilities - Credit Cards, Other Debts and Leases That You Owe - Borrower and Co-Borrower'. This section contains checkboxes for 'Borrower' and 'Co-Borrower', each with a 'Does not apply' option. To the right of these checkboxes are three buttons: 'Order Credit', 'View Credit', and 'Import Liabilities'. A red circle highlights the 'Show all VOL' button, which is located to the right of the '2c. Liabilities' section title.

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

Other Debts and Leases That You Owe - Borrower and Co-Borrower

Quick Entry - VOL

Show all VOL

Creditor	Type	Balance	Months	Payment	Exclude Mon. Pay	To Be Paid Off
Amex	Open 30 Days Charge Ac	5,000.00		5,000.00	N	N

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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.

Quick Entry - VOL

Creditor	Type	Balance	Months	Payment	Exclude Mon. Pay	To Be Paid Off
Amex	Open 30 Days Charge Ac	5,000.00		5,000.00	N	Y

Debt Information

Factor for Revolving Debt:

No. Months to exclude from installment debts:

☒ Will be paid off (*)

Purpose:

UCD Payoff Type: Open 30-Day Charge Account

☒ This Debt is NOT secured to Subject Property?

☐ Keep HELOC Open after Pay Off

☐ Exclude from URLA Liabilities Total

☐ Resubordinated Indicator

☐ Subject Property

Current Lien Position:

Proposed Lien Position:

Balance: 5,000.00

Months Left:

Payment: 5,000.00

Credit Limit:

☐ Payment includes Taxes and Insurance

Prepayment Penalty:

Payoff Amount: 5,000.00

Energy Efficient Debt

☐ PACE Loan

☐ Energy Improvement

CALCULATION

TOTAL DUE FROM BORROWER(s) (Line H)

LESS TOTAL MORTGAGE LOANS (Line K) AND TOTAL CREDITS (Line N)

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.

610,385.50
- 546,355.00
= 64,030.50

Before

CALCULATION

TOTAL DUE FROM BORROWER(s) (Line H)

LESS TOTAL MORTGAGE LOANS (Line K) AND TOTAL CREDITS (Line N)

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.

615,385.50
- 546,355.00
= 69,030.50

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)

LESS TOTAL MORTGAGE LOANS (Line K) AND TOTAL CREDITS (Line N)

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.

610,385.50
- 546,355.00
64,030.50

Before

CALCULATION

TOTAL DUE FROM BORROWER(s) (Line H)

LESS TOTAL MORTGAGE LOANS (Line K) AND TOTAL CREDITS (Line N)

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.

615,385.50
- 546,355.00
69,030.50

After

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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.

Quick Entry - VOL

Creditor	Type	Balance	Months	Payment	Exclude Mon. Pay	To Be Paid Off
Amex	Open 30 Days Charge Ac	5,000.00		5,000.00	Y	N

Debt Information

Factor for Revolving Debt

No. Months to exclude from installment debts

☐ Will be paid off (*)

Purpose

UCD Payoff Type

☐ This Debt is NOT secured to Subject Property?

☒ Exclude from URLA Liabilities Total

☐ Resubordinated Indicator

Balance

Months Left

Payment

Credit Limit

☐ Payment includes Taxes and Insurance

Prepayment Penalty

Payoff Amount

Energy Efficient Debt

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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



M/I TITLE AGENCY



M/I TITLE, LLC



M/I FINANCIAL, LLC
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TransOhio Residential Title



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