

Entering REO



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

1003 URLA Part 3 - REO

To insure the REO section is accurately completed, open 1003 URLA Part 3, Property You Own.

Forms Tools Services

- MI Borrower Summary - Origination
- VA Management
- 1003 URLA - Lender
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- 1003 URLA Part 2
- 1003 URLA Part 3**
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- 2015 Itemization
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- Affiliated Business Arrangements
- State-Specific Disclosure Information

Section 3: Financial Information - Real Estate

Borrower I do not own any real estate

Co-Borrower I do not own any real estate

Property You Own - Borrower and Co-Borrower

| | |
|-----------------|--|
| Owned by | Borrower |
| Foreign Address | <input type="checkbox"/> |
| Street Address | 4430 Douglas Ave East |
| Unit Type | <input type="checkbox"/> Unit # <input type="text"/> |
| City | Higley |
| State | AZ |
| Zip | 85236 |
| Country | US |

Subject Property

Property is used as **Primary Residence**

Property will be used as **Investment**

Other Description

Property Value **200,000.00**

Property Status **R**

Ins, Taxes, Association Dues

For Investment Property Only

Monthly Rental Income

Net Monthly Rental Income **-892.00**

Mortgage Loans on this Property Does not apply

Link Liabilities

Additional Property - Borrower and Co-Borrower



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Section 3: Financial Information - Real Estate

Borrower I do not own any real estate
Co-Borrower I do not own any real estate
Property You Own - Borrower and Co-Borrower

X

Quick Entry - VOM

VOM

| Property Is | Address | Source |
|-------------------|---|-----------|
| Primary Residence | 4430 Douglas Ave East, Higley, AZ 85236 | Encompass |

Property information

| | | |
|--|----------------------------------|--|
| Foreign Address | <input type="checkbox"/> | <input type="checkbox"/> Subject Property |
| Street Address | 4430 Douglas Ave East | Property is used as <input type="button" value="Primary Residence"/> |
| Unit Type | <input type="button" value="▼"/> | Property will be used as <input type="button" value="Investment"/> |
| Unit # | | Other Description <input type="text"/> |
| City | Higley | <input checked="" type="checkbox"/> Include in Export (deselect if this is duplicated asset) |
| State | AZ | Number of Units <input type="text"/> |
| Zip | 85236 | |
| Country | US | |
| <input type="button" value="Attach/Show Liens"/> | | <input type="checkbox"/> Does Not Apply |
| | | Mortgage Balance <input type="text" value="92,000.00"/> |
| | | Present Market Value <input type="text" value="200,000.00"/> |
| | | Mortgage Payment <input type="text" value="892.00"/> |



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Using the Attach/Show Liens button, you can select the mortgage that needs to be attached to the property.

| | | | |
|--|---|----------------------|-----------|
| <input type="button" value="Attach/Show Liens"/> | <input type="checkbox"/> Does Not Apply | Mortgage Balance | 92,000.00 |
| Present Market Value | 200,000.00 | Mortgage Payment | 892.00 |
| Property Status | R | Gross Rental Income | |
| Type of Property | Single Family | Taxes, Ins, Expenses | |
| Purchase Price | | Percentage of Rental | |
| Date Acquired | // | Participation % | |
| Pending Sale Date | // | Net Income / Loss | -892.00 |
| Year Built | | | |
| Comments | | | |

Import Mortgage From Liability

| Lien Holder / | Balance | Payment | Type |
|--|-----------|---------|-------------|
| <input type="checkbox"/> AMERICAN BANK | 15,443.00 | 296.00 | Installment |
| <input type="checkbox"/> NISSAN MOTOR | 11,025.00 | 282.00 | Installment |
| <input checked="" type="checkbox"/> WESTAR LOAN SERV | 92,000.00 | 892.00 | Mortgage |

If you do not see the liability for this mortgage, add the liability to the VOL worksheet first. Or, if this property is owned free and clear, click OK without selecting a liability.

Link Liabilities Net Monthly Rental Income -892.00

Additional Property - Borrower and Co-Borrower

1003 URLA Part 3 - REO

If you discover there is another property that needs to be entered, use the Plus to add the information as needed.

The screenshot shows a software interface for managing real estate information. On the left, a sidebar lists various forms and services, with '1003 URLA Part 3' selected. The main window is titled 'Quick Entry - VOM' and contains fields for 'Borrower Total' and 'Co-Borrower Total'. Below this is 'Section 3: Financial Information - Real Estate'. Under 'Property You Own - Borrower and Co-Borrower', there are fields for 'Owned by' (set to 'Borrower'), 'Foreign Address' (unchecked), 'Street Address' (4430 Douglas Ave East), 'Unit Type' (dropdown), 'City' (Higley), 'State' (AZ), 'Zip' (85236), and 'Country' (US). There is also a section for 'Mortgage Loans on this Property' with a 'Link Liabilities' button. The 'Additional Property - Borrower and Co-Borrower' section is partially visible. On the right, a 'VOM' (Verification of Mortgage) window is open, showing 'Property Is' (Primary Residence) and 'Address' (4430 Douglas Ave East, Higley, AZ 85236). The 'VOM is for' dropdown is set to 'Borrower'. The 'From' section includes fields for 'Title', 'Phone', and 'Fax', with checkboxes for 'Print user's name' and 'Print user's job title'. The 'Property Information' section includes fields for 'Street Address' (4430 Douglas Ave East), 'Unit Type' (dropdown), 'Unit #' (dropdown), and 'Other Description' (dropdown). A red circle highlights the 'Add to eFolder' button in the top right corner of the VOM window.

1003 URLA Part 3 - REO

Property Status meanings:

| | | | | |
|----------------------|---|----------------------|-------------------------------------|-----------|
| Attach/Show Liens | <input type="checkbox"/> Does Not Apply | Mortgage Balance | <input type="button" value="Open"/> | 92,000.00 |
| Present Market Value | <input type="text" value="200,000.00"/> | | | |
| Property Status | <input type="button" value="R"/> | Gross Rental Income | <input type="text"/> | |
| Type of Property | <input type="button" value="Single Family"/> | Taxes, Ins, Expenses | <input type="text"/> | |
| Purchase Price | <input type="text"/> | | | |
| Date Acquired | <input type="text" value="11"/> | | | |
| Pending Sale Date | <input style="width: 100px; text-align: right; padding-right: 20px; border: 1px solid #ccc; border-radius: 5px;" type="text" value="11"/> <input type="button" value="Calendar"/> | | | |
| Year Built | <input type="text"/> | | | |
| Comments | <input type="text"/> | | | |

| | |
|----------------------|--|
| Attach/Show Liens | <input type="checkbox"/> Does Not Apply |
| Present Market Value | <input type="text" value="S"/> <input type="text" value="PS"/> |
| Property Status | <input type="text" value="R"/> |
| Type of Property | <input type="text" value="H"/> |
| Purchase Price | <input type="text" value="Single Family"/> |

- S = Sold
- PS = Pending Sale
- R = Rental
- H = Held (retained)

If your mortgage statement does not have the taxes and insurance escrowed, please enter this information as a total on the Taxes, Ins, Expenses line (property taxes, homeowner's insurance, and HOA dues).

Utilize your 1038 rental income worksheet for your calculations and enter corresponding information in REO screen, as required (Gross rental, % participation, etc.).

Refer to the Underwriting Guidelines for further clarifications on calculating the income.



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Helpful Hint:
When you are
entering your REO
and using Property
will be used as,
Other, you must fill
in Other Description.

If you do not, the
URLA will not print
as apart of the loan
package and you
will receive an error.

This can be entered
through 1003 URLA
Part 3 or VOM, both
under forms.

The image shows two side-by-side screenshots of software interfaces. The top screenshot is titled 'Section 3: Financial Information - Real Estate' and shows the 'Property You Own - Borrower and Co-Borrower' section. It includes fields for 'Owned by', 'Foreign Address', 'Street Address', 'Unit Type', 'City', 'State', and 'Zip'. On the right, there are dropdowns for 'Subject Property', 'Property is used as', 'Property will be used as', and 'Other Description'. The 'Property will be used as' dropdown is set to 'Other', and the 'Other Description' field is empty, highlighted with a red box. The bottom screenshot is titled 'Property Information' and shows similar fields for address, unit type, and property status. It also includes dropdowns for 'Subject Property', 'Property is used as', 'Property will be used as', and 'Other Description'. The 'Property will be used as' dropdown is set to 'Other', and the 'Other Description' field is empty, highlighted with a red box. Both screenshots have a red box around the '1003 URLA Part 3' and 'VOM' buttons in the bottom left corner.

Error will
look like this:

The image shows a 'Form Failure Report' window. It displays a correlation ID (0b1dbe59-1051-4d82-8631-3641e417da80) and a message: 'The following documents could not be returned at this time'. Below this, it lists a document named 'GURLA20_S' with a failure reason: 'URLA Form Failed: VOM Property Information Section - Please complete Other descri'. A red arrow points from the text 'Error will look like this:' to this failure message.

B3/2nd Borrower Pair Retained Property Without A Mortgage

Open the application for B3, go into M/I Borrower Summary-Origination, and go into the current address area.

Press the housing paper and pencil.



Input their current monthly housing expenses into the quick entry for the REO related expenses to be added to the debt ratio.

| | Present | Proposed |
|---------------------|----------|----------|
| Rent | | |
| First Mortgage PMI | 1,713.62 | |
| Other Financing PMI | | |
| Hazard Ins | 54.92 | |
| Supplemental Ins | | |
| Real Estate Taxes | 279.16 | |
| Mortgage Insurance | 131.69 | |
| HOA Dues | 249.83 | |
| Other | 0.00 | |
| Total | 2,429.22 | |

Additional Information

No matter what the loan type, the Information Ribbon at the top of the page in encompass will always show the housing ratio for all borrowers – even if it is a government loan. This does not prevent the correct ratio from appearing on the 92900LT, VA Loan Analysis or calculating in AUS.



Front End Housing Ratios Should Include:

Conventional

- Primary Residence – Full PITIA of the subject property.*
- Primary Residence with Non-Occupant Co-Borrower(NOCB) – All primary housing expenses for our borrower (subject PITIA) and the primary residence of the NOCB.*
- Second Home/Investment Properties: The primary housing expense for our borrower(s). Subject property will be counted as part of DTI.

*Additional properties owned by occupant/NOCB will be counted in DTI (subject to rental income adjustment, as applicable).

FHA & VA

- Housing Ratio will consist of subject PITIA only, regardless of NOCB's housing expense which will be counted as part of the DTI.



M/I TITLE AGENCY



M/I TITLE, LLC



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TransOhio Residential Title



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