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

Encompass®

M/I Financial Encompass Branch Underwriter Standard Operating Procedures

Contents

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Branch Underwriting Procedures

A branch underwriter's principal duty is to ensure that all loans originated are processed and closed in accordance with MIF and secondary market lending guidelines and regulations. In addition, the branch underwriter will oversee the Loan Specialists to ensure that the loan specialist completes the loan review, submits the loan to the branch underwriter for approval, and prepares the loan for closing for all M/I Homes borrowers, and is done in accordance with M/I Financial LLC policy and procedures. They will ensure that the Loan Specialists verify all information provided on the loan application including checking employment status, assets, and outstanding debts. They will monitor the loan specialist's day-to-day activity to ensure they work closely with the borrower to obtain any missing or additional documentation that is needed to comply with lending guidelines and regulations. In addition, the branch underwriter will set the appropriate expectation about the loan process so that we may successfully complete the sale of the M/I Home while maintaining a high degree of customer service our borrowers expect and deserve.

The branch underwriter will be responsible for ensuring that every loan they approve for Clear to Close (CTC) contains all verified and validated data that makes the loan acceptable for sale to the intended investor.

Service Level Agreements:

Cursory Review – Cursory review to be completed within 2 business days of loan approval.

Branch UW Review – Branch underwriting review to be completed within 2 business days of the processing milestone completion for conditional review.

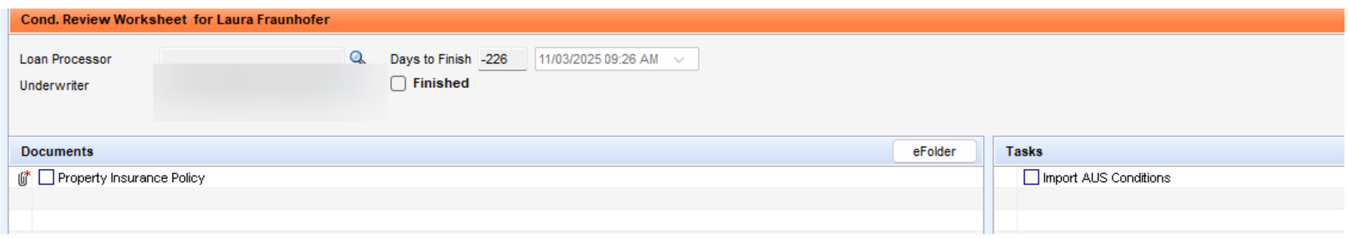
Clear to Close – Clear to close documentation to be reviewed within 1 business day of conditional review milestone completion for clear to close.

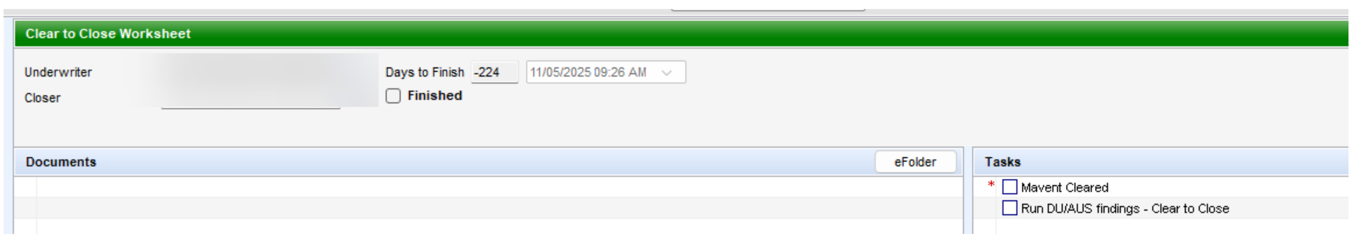
Milestones:

Application Finished	**11/06/25**
Submittal	11/13/25
Cond. Approval	11/16/25
Processing	11/19/25
Cond. Review	11/24/25
Clear to Close	11/26/25
Ready for Docs	11/28/25
Docs Out	11/29/25
Funding	12/03/25

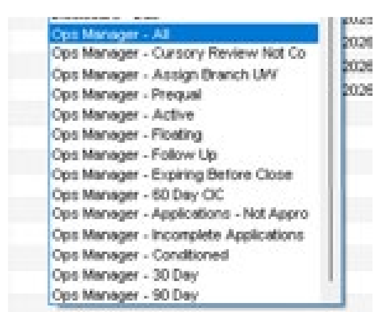
The branch underwriter will primarily work in the Conditional Review and Clear to Close milestones.

Milestone Tasks are required to be completed prior to "Finishing" the Milestone.





Pipeline Views:

	The Pipeline is the starting point for underwriting, viewing, and managing loans. Branch Underwriter's pipeline views consist of: **All** – entire pipeline **Cursory Review Not Completed –** Initial loan review has not been completed. **Assign Branch UW –** Processors finish processing milestone and if branch underwriter is not assigned.	

	Prequal – Loan started not complete. **Active –** Loans in Application, Submittal, Conditional Approval, Processing, Conditional Review, CTC, Ready for Docs, and Docs out. **Floating –** Active loans not locked or loans with rate lock expired alert. **Follow Up** – Loans with new Alerts, Conversation and Task follow up. **Expiring Before Close –** Lock will expire prior to closing. **60 Day CIC –** Loans closing in the next 90 days, LE days >60 from closing. **Applications Not Approved –** Loans pending approval. **Incomplete Applications –** Active loans without Corporate UW approval, no NOIA due date present, not withdrawn. **Conditioned** – Loans where last finished milestone is Conditional Approval **Processor 30-Day** – Est Closing date within 30 days **Processor 60-Day** – Est Closing date within 60 days	

Underwriting Stages:

Not Reviewed - This stage is the Prequalification and application milestones of the loan application and has not been approved by corporate underwriting.

Initial Approval - This stage indicates that the loan has been approved by corporate underwriting.

BM Review 1 - This stage indicates that a Branch Manager, Operations Manager, or Team Lead has done a full file review, and has cleared completed conditions at the time. This stage will occur when a file is being reviewed for closing within 30 to 60 days. This stage should NOT be used if the Branch Manager has only completed a cursory review prior to "Submit to Processing."

BM Review 2 - This stage indicates that a second full file review has been done, but the loan still requires more than standard 10-day items. This could be an indicator of a challenging loan and would suggest further inquiry with the branch about how the loan is progressing.

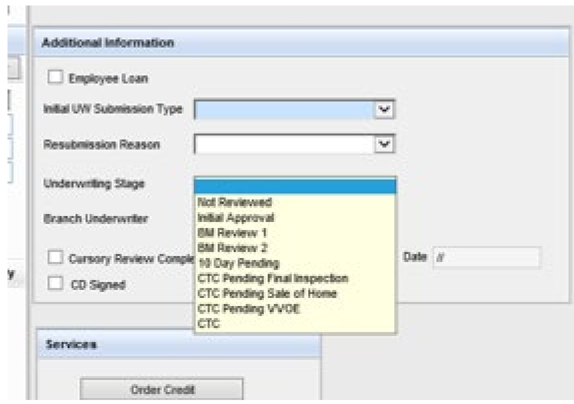
10 Day Pending - This stage indicates that <u>only</u> 10-day items are pending review and approval.

CTC Pending Final Inspection - All conditions have been cleared to close except for receipt of a final inspection.

CTC Pending Sale of Home - All conditions have been cleared to close except for receipt of documentation of a sale of a home.

CTC Pending VVOE - All conditions have been cleared to close except the 5-day verbal verification of employment.

CTC - The loan has been cleared to close.

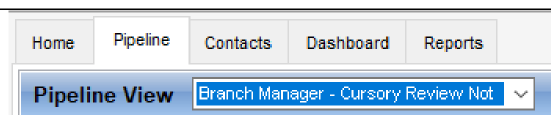


Branch Underwriter Review

Loan Review: Cursory Review Requirements

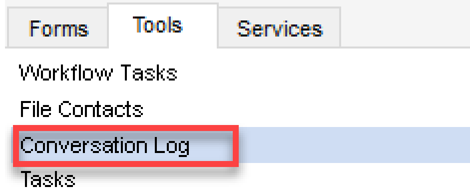
The goal of the cursory review is to ensure we have a properly structured loan that qualifies before it goes to processing. The purpose of the review is to ensure that the loan application has been taken, validated income documentation has been received from the borrower, AUS (DU/LP) has been run and underwriting approval has been entered in the system by the corporate underwriting department. This will ensure that the loan is ready to be moved to processing and the Loan Officer has completed all origination steps necessary.

This is an especially crucial step on Automated Approval loans.

	To complete cursory review, you will need to address the following: • URLA: Structure and accuracy • Credit • AUS Findings • Income validation • Cond Review (add conditions, as required) • DRIVE Report review.	
	Open the **Cursory Review Not Complete** pipeline view and select a loan requiring review. Double click on the loan to open.	

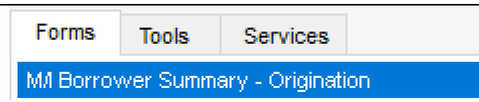
Once the loan is open, go to **Tools > Conversation Log** to review loan comments.

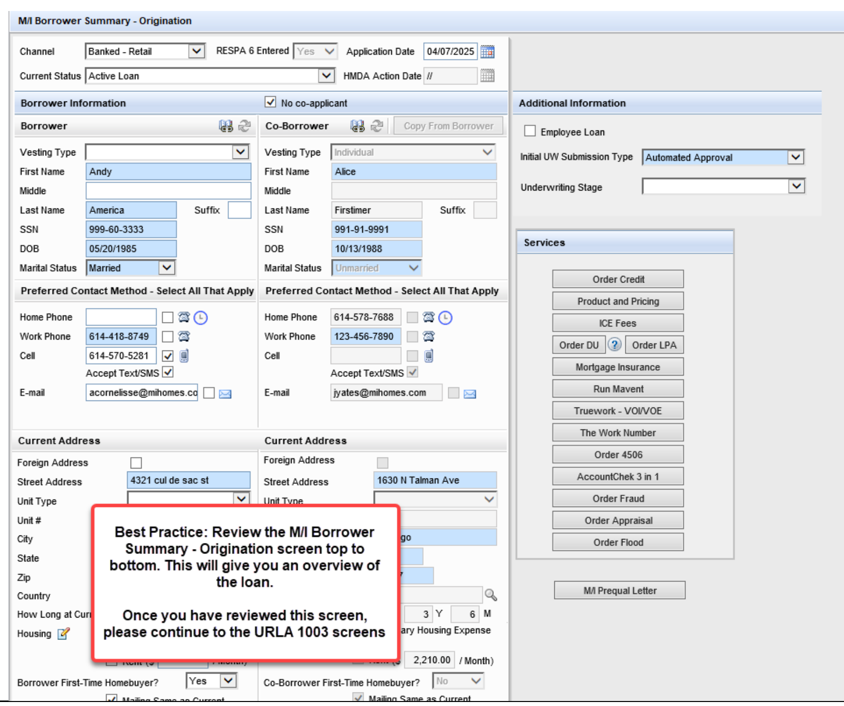
The conversation log section is used to keep everyone informed and document what is going on with the loan and conversations with the buyer. Review the comments prior to the review of the file to familiarize yourself with the loan. The Loan Officer will comment on any concerns or issues regarding the following: Income, assets, credit, high and medium findings on the DRIVE report and any other issue that should be addressed by the Loan Specialist prior to issuing the loan commitment letter.

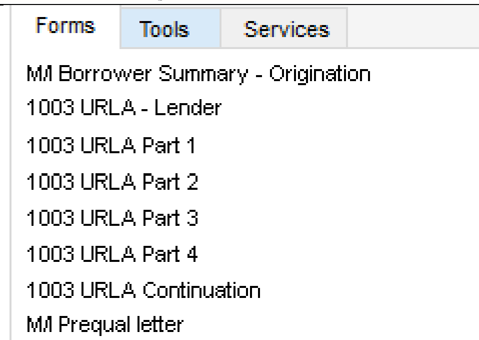
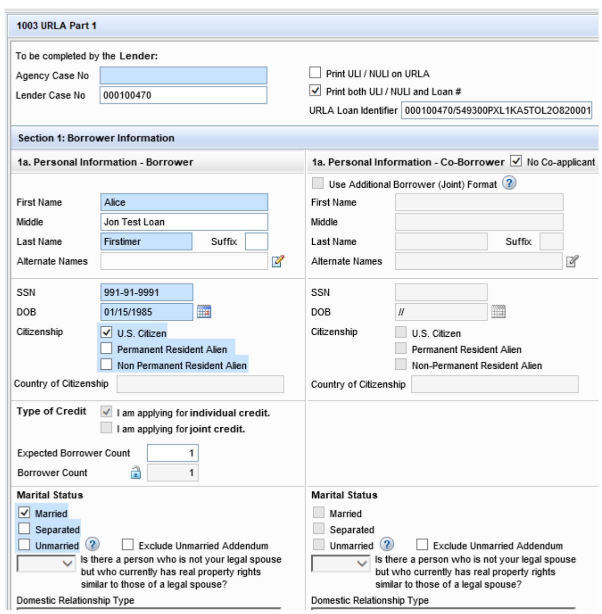


Go to **M/I Borrower Summary Origination** to begin your overview of the loan file.

The M/I Borrower Summary - Origination screen needs to be reviewed completely as it provides an overview of the loan.





	Then, go to all the 1003 URLA Forms to review the loan details: **1003 URLA – Part 1** **1003 URLA – Part 2** **1003 URLA – Part 3** **1003 URLA – Part 4** **1003 URLA – URLA Continuation** **1003 URLA – Lender**	 Review the loan application for completeness and irregularities. Check employment start dates, employer addresses, present housing payments, military status, and unmarried status, which are often where irregularities can be found.
	1003 URLA Part 1 Screen – Review for accuracy for the borrower's information. Note that all blue fields indicate a required field that needs to be completed. Check present monthly housing payments, military status, marital status, and Citizenship. Review for accuracy against any eFolder documentation, make note of missing items that would need to be addressed by the Loan Specialist.	

1003 URLA Part 2
Review information for completeness:

- Employer - check start dates, addresses.
- Income including income from other sources.
- Confirm full two years employment history
- Review for employment by a family member.

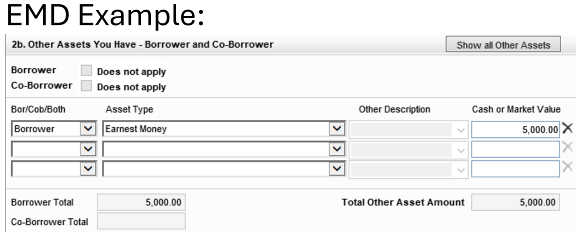
If Borrower is self-employed, confirm the percentage of ownership is correct.

Review for accuracy against any eFolder documentation, make note of missing items that would need to be addressed by the Loan Specialist.

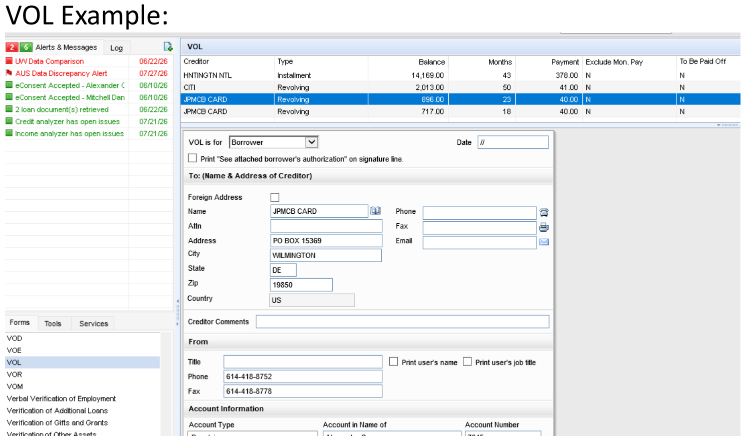
1003 URLA – Part 3
Review Information for Accuracy:

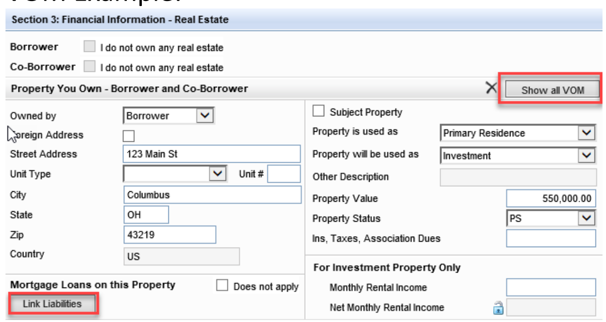
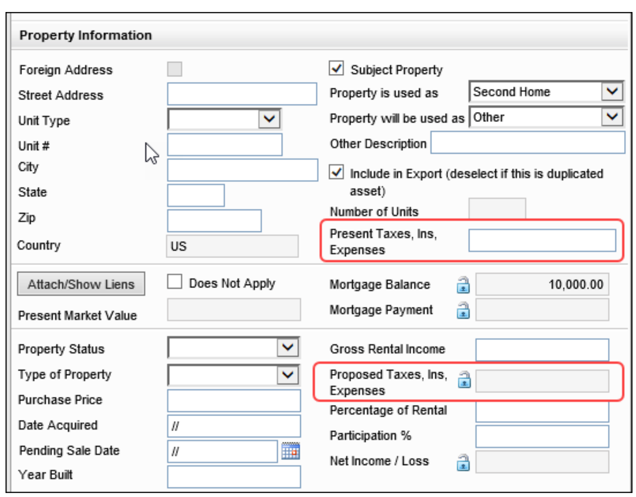
Section 2: Financial Information – Assets and Liabilities
2a. Assets – Bank Accounts, Retirement and Other Accounts
2b. Other Assets You Have, EMD,
Review the net proceeds
2c. Liabilities – Credit cards, other debts and leases use the **Show All VOL** button to see all the liabilities and make changes. Check the student loan payments are correct. If no payment listed, .5% or 1% should be listed along with the remaining months.

EMD Example:



VOL Example:



	2d. Other Liabilities and Expenses (child support/alimony) Section 3: Financial Information – Real Estate: ▪ **Financial Information-Real Estate –** Use **Show All VOM** button – Review any real estate owned by the borrower. When the subject property will be used as a second home or investment, both present and proposed taxes will be added. If the subject property will be used as a primary residence, the present taxes/ins/expenses field will calculate automatically in the present monthly housing expense.	**VOL** – Cross reference the Credit Bureau to review liabilities. VOM Example:  *Tip* Using the VOM and VOL Forms directly will allow you to view the eFolder and other loans screen simultaneously. Validate each mortgage (if applicable) is tied to an REO, income is computed correctly, if it is an investment. The proper use of each property should be designated, investment, second or land. 

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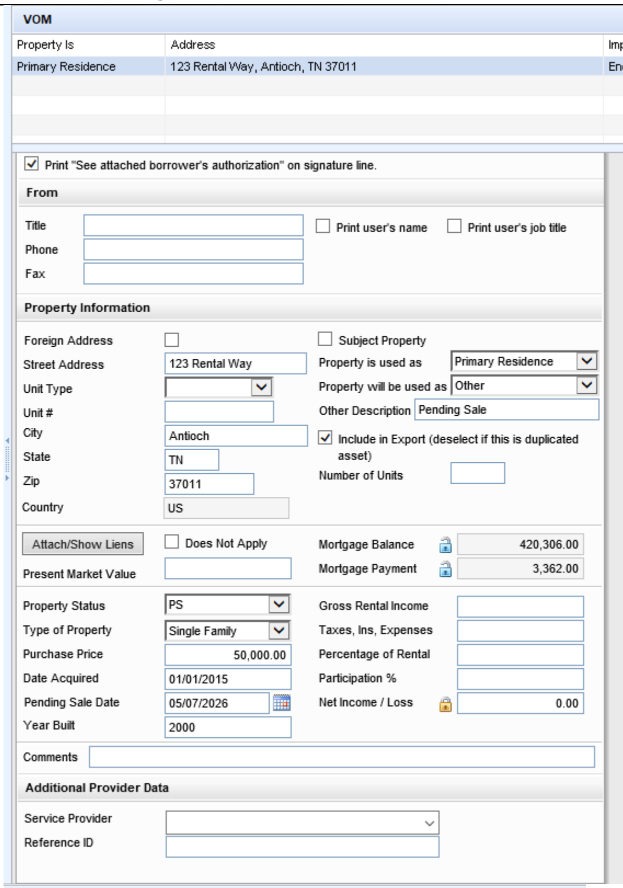
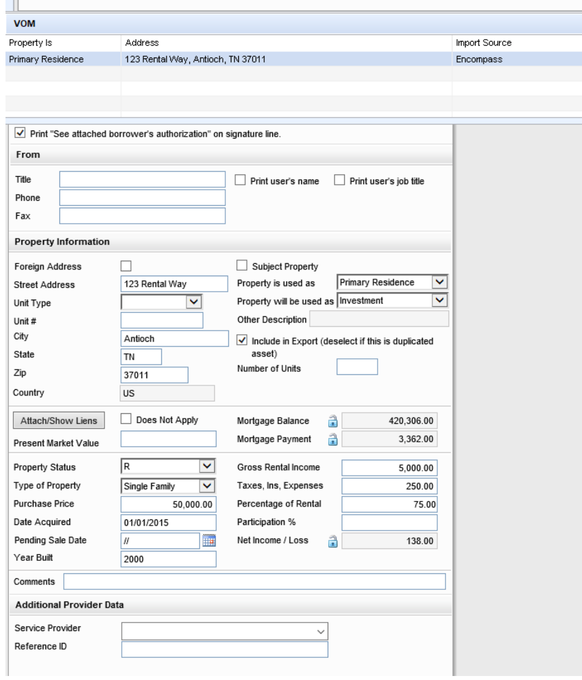
VOM – Pending Sale & Back-to-Back

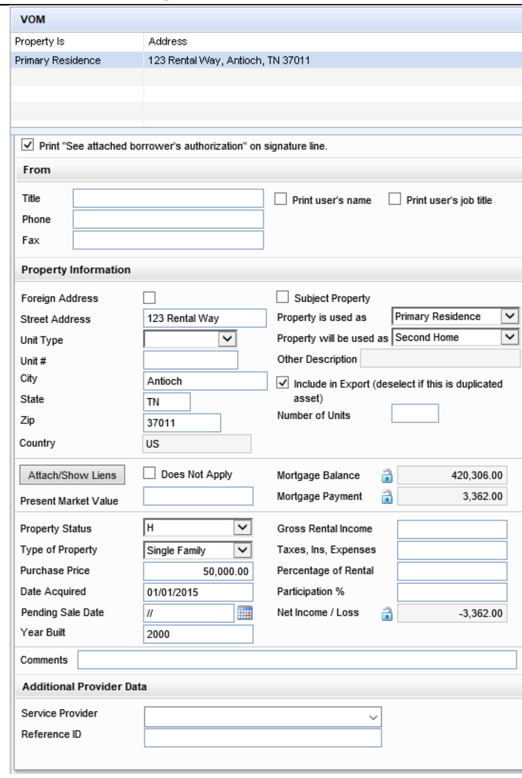
*Please note on Pending Sale homes, you will need to exclude the liability for ratios on VOL to read correctly.



VOM – Investment (Rental)



VOM – Primary to Second

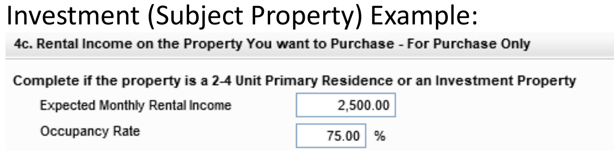


Review for accuracy against any eFolder documentation, make note of missing items that would need to be addressed by the Loan Specialist.

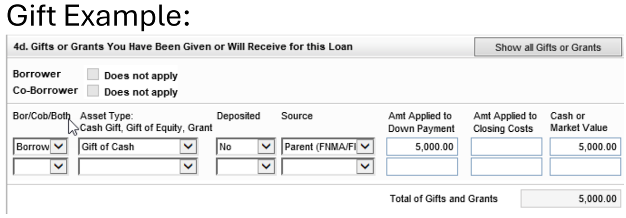
1003 URLA – Part 4

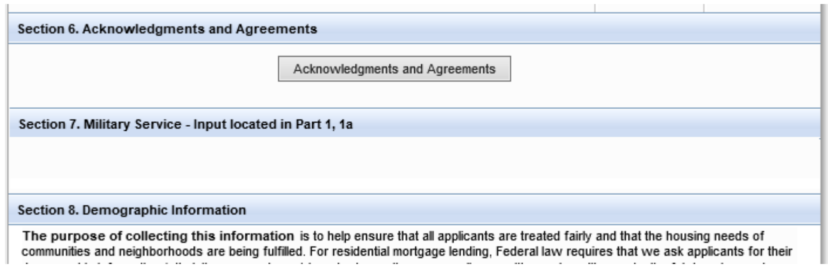
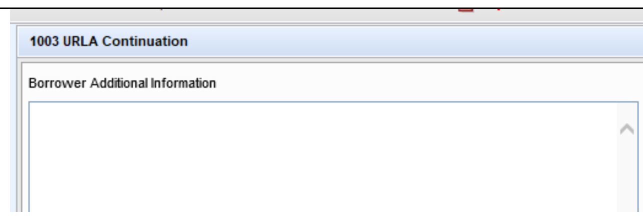
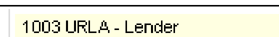
Section 4: Loan and Property Information
4a. Loan and Property Information
4b. Other New Mortgage Loans on the Property You are Buying or Refinancing
4c. Rental Income on the Property You want to Purchase
4d. Gifts or Grants You Have been given or will receive for this loan

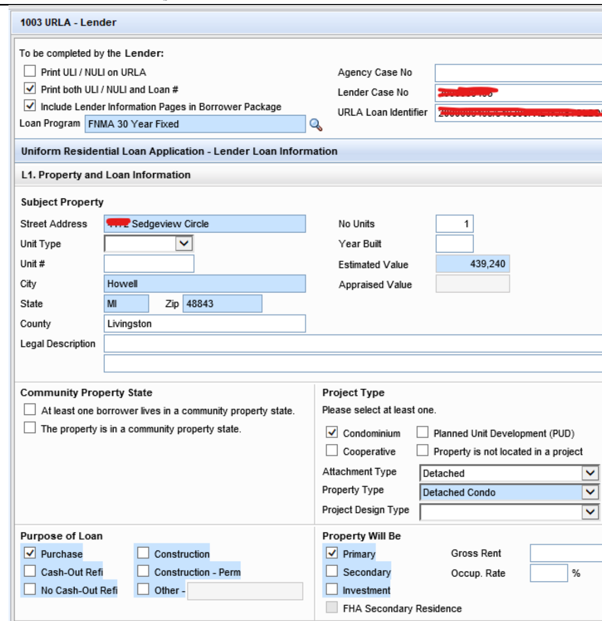
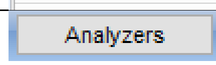
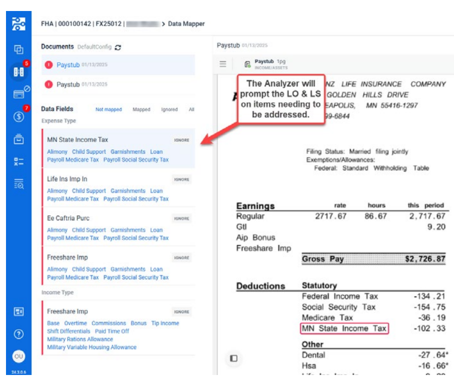
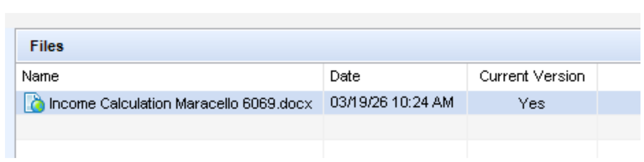
Investment (Subject Property) Example:

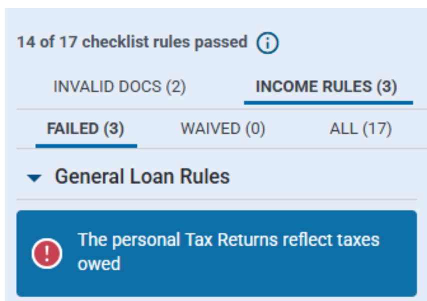


Gift Example:



	Review for accuracy against any eFolder documentation, make note of missing items that would need to be addressed by the Loan Specialist. Section 5A: Review declarations – property owned section and 5C for borrower money. Section 6: Acknowledgements and Agreements Section 7. Military Service – Input in Part 1, 1a Section 8. Demographic Information Section 9. Loan Originator Information	
	1003 URLA Continuation Additional Information area is typically left blank. It can be used by a Branch UW or Corp UW to note special situations on the loan.	
	1003 URLA – Lender: L1. Property and Loan Information • Verify Project Type accuracy. L2. Title Information • Title information completion L3. Mortgage Loan Information • Review loan details: Amortization type, Loan Features (Buydowns),	

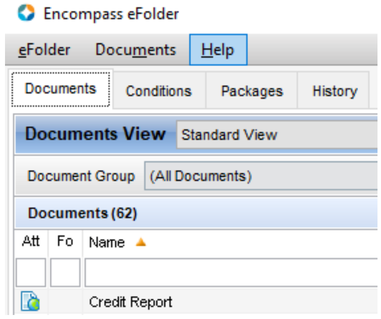
	Terms, Proposed monthly payment. L4. Qualifying the Borrower – Minimum Required Funds L5. Homeownership Education and Housing Counseling	
	Click **Analyzers** to open the Income Analyzer and complete your review. Click and review Business Association, Data Mapper and Income Analyzer for completion and accuracy. It is important to note that when a loan is submitted for **Automated Approval** at the **Submittal** milestone, Corporate Underwriting will not complete an income review, making a cursory income review crucial to our loan quality assurance. If the income analyzer income is being utilized, confirm that an Income analyzer income worksheet is in the eFolder. You will still need to follow AUS findings for income documentation requirements.	  ICE Income Analyzer Worksheet 

	Confirm that only one “current” income analyzer is marked in the Efolder and uncheck any income analyzers that are not being used or incorrect.	
	Compare the income documents in the Efolder with Income analyzer documents. If expired documents are being pulled into the data, they can be W/D under “Filed Doc”, go to the 3 vertical dots… and click on “Withdraw Acceptance”	Please note that TWN VOE’s come into the EFolder labeled as Verifications. In order for Encompass to read the information, TWN needs to be uploaded into Written Verification of Employment
	Make sure all alerts have been reviewed/fixed or waived.	
	If Income Analyzer is not used, and the loan does not have Day 1 Certainty validated by DU, an income worksheet will need to be completed to confirm income is in line with program guideline parameters.	**Employment and Other Income Worksheet** **Always reference Underwriting Manual to check to meet if documents meet AUS/UW standards.**
	At Cursory Review, if the file needs restructuring for income, the loan will be sent back to the Loan Officer to complete.	

Go to the eFolder and review the **Credit Report.**

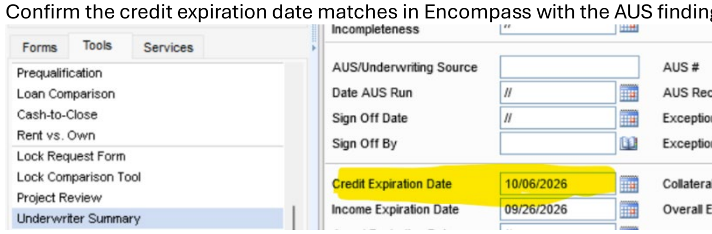
Confirm your credit report reference number matches your AUS Findings.

Thoroughly review credit report. Check for alerts, transferred accounts, and incomplete MERS research. Review the Drive report for information on the incomplete MERS research.



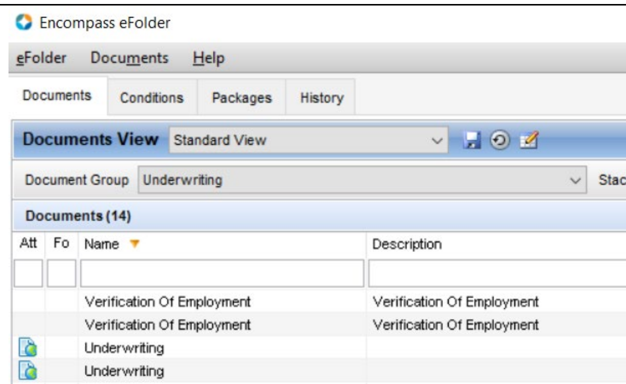
The Loan Officer will be responsible to pull any new credit during the life of the loan.

Confirm the credit expiration date matches in Encompass with the AUS findings.

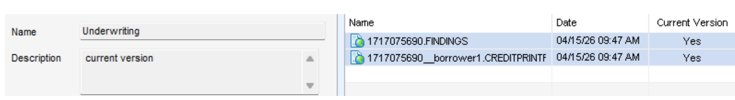


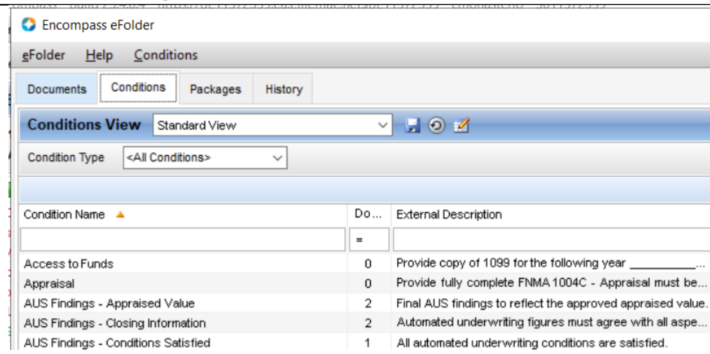
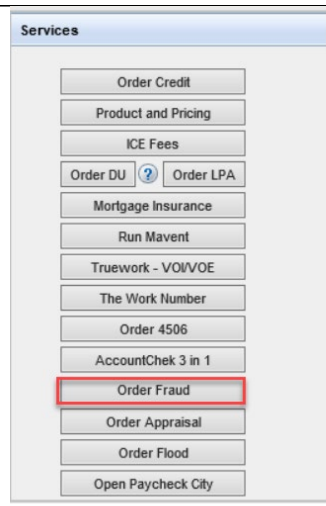
Then review the AUS Findings in the **Underwriting** document placeholder.

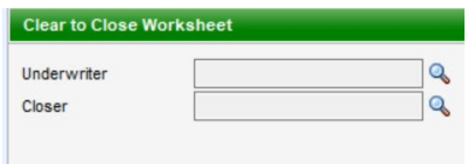
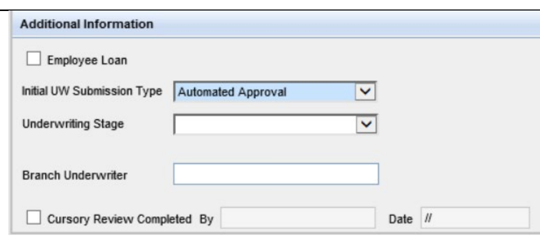
Review the findings to see if there is D1C. Confirm the date that the credit will expire.

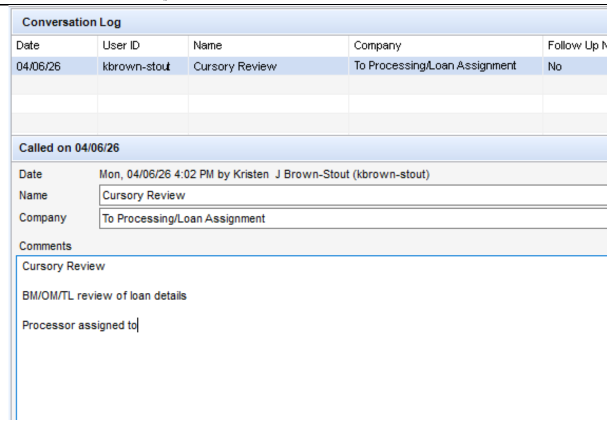


Mark the most recent AUS finding as current in the Efolder.



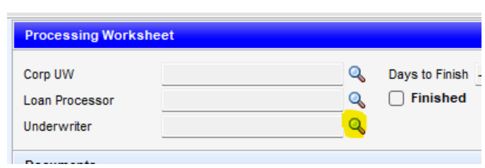
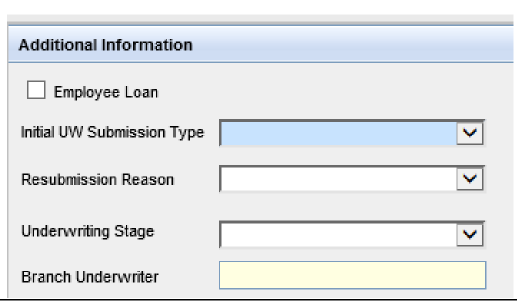
	Review **Conditions** added by Corp UW during Cond. Approval. Review these conditions that need to be reviewed by Corp UW, flag these to ensure the conditions are gathered and submitted timely. Branch UW may add conditions as needed. On Spec homes (closing within 60 days), the Operations Manager or Team Lead will add conditions at time of BM1 review. The Branch Manager will add potential conditions at time of Cursory review for to be builds. **For Step by Step instructions on adding conditions please see page 24.	 At time of review, the Operations Manager or Team Lead will notify the Branch Manager and Loan Officer on any issues for the Spec Closings (closing within 60 days).
	Review the DataVerify DRIVE report. Click **Order Fraud** on the Services menu on **M/I Borrower Summary – Origination** screen to access the report. Thoroughly review the DRIVE report to determine if there is any added information that was not included on the initial loan application. All major customer related "high" and "medium" risk conditions should have comments.	

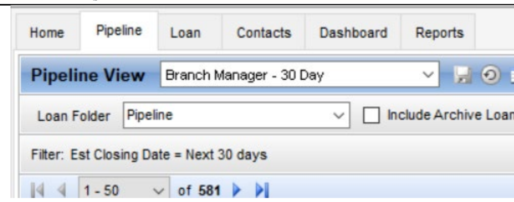
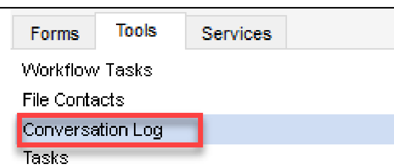
	Assign the Loan Specialist. Go to the Cond. Approval milestone> click the magnifying glass> select Loan Specialist name. • Spec sales are to have a Loan Specialist assigned at **Application** milestone. • Loan Specialist is assigned at Application are ONLY to work services prior to cursory review: Appraisal, transcripts, etc. No commitment letter should be sent. Assign Closer. Go to the Clear to Close milestone> click the magnifying glass> select Closer name. • Spec sales will already have a Closer assigned at Application milestone.	 
	Check **Cursory Review Completed** box on the M/I Borrower Summary Page. **To-Be-Built (TBB):** Check Cursory Review and leave the Underwriting Stage as Initial Approval. **Spec** (closing within 60 days) – A full review will be completed. Check Cursory Review and update the Underwriting Stage to BM Review 1.	

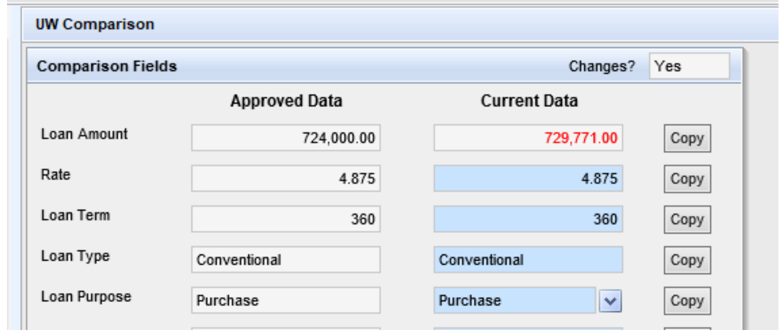
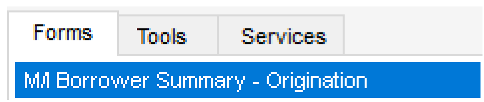
	Enter **Conversation Log** notes.	

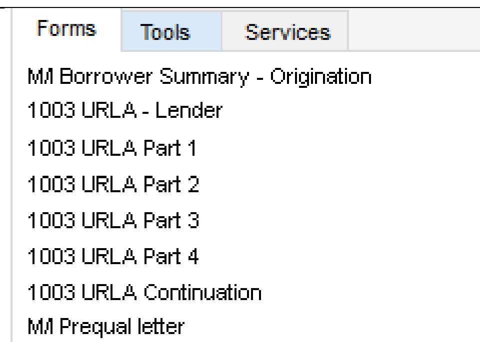
Loan Review: Full BM 1 Review Requirements

This stage indicates that a Branch Manager, Operations Manager, or Team Lead has done a full file review, and has cleared what conditions could be cleared at the time. This stage will only normally occur when a file is being reviewed for closing within 30 to 60 days. This is **NOT** the stage to use if the Branch Manager has only done a cursory review prior to "Submit to Processing."

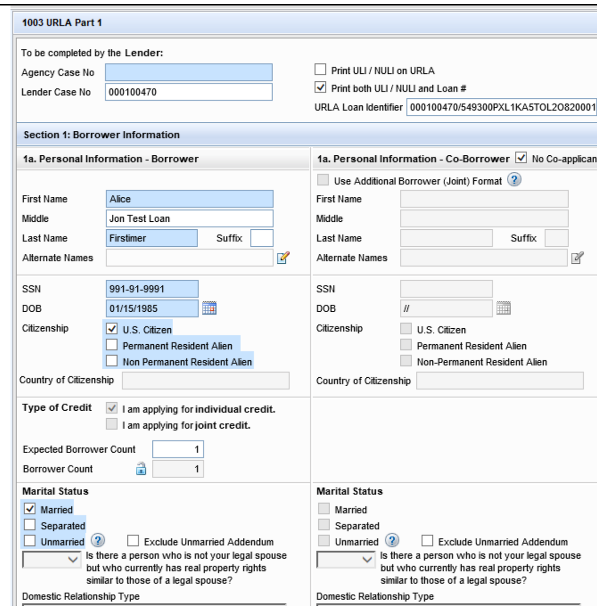
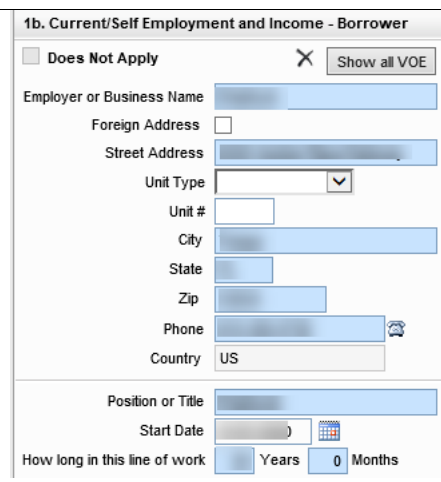
	Confirm and/or add yourself as the branch underwriter. Both in the Processing Worksheet on the M/I Borrower Origination – and Summary screen.	 

	30 to 45 days prior to closing, the branch underwriter will complete a **BM Review 1**. Open the 30-Day pipeline, select the loan to be reviewed.	
1	To complete the **BM Review 1,** should address the following:	• URLA: Structure and accuracy • Credit • AUS Findings • Income validation • Asset Review • REO Review • Conditions Review • DRIVE Report review • eFolder document review • Clear and satisfy conditions • Add additional conditions required upon re-review
	Once the loan is open, go to **Tools > Conversation Log** to review loan comments.	

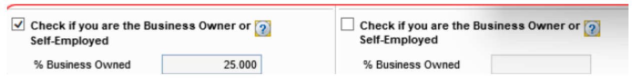
<table>
<tr><td></td><td>Review the UW comparison screen to confirm what changes have been made since Corp UW approval. As the Branch UW reviews the documents in the Efolder, confirm these changes are correct.</td><td>
</td></tr>
<tr><td></td><td>Go to M/I Borrower Summary Origination to begin your overview of the loan file.</td><td>
</td></tr>
<tr><td></td><td>Then, go to all the 1003 URLA Forms to review the loan details:

1003 URLA – Part 1
1003 URLA – Part 2
1003 URLA – Part 3
1003 URLA – Part 4
1003 URLA – URLA Continuation
1003 URLA – Lender</td><td>

Review the loan application for completeness and irregularities. Check employment start dates, employer addresses, present housing payments, military status, and unmarried status, which are often where irregularities can be found.</td></tr>
</table>

	1003 URLA Part 1 Screen – Review for accuracy for the borrower's information. Note that all blue fields indicate a required field that needs to be completed. Check present monthly housing payments, military status, marital status, and Citizenship. Review for accuracy compared to eFolder documentation. Review for accuracy against any eFolder documentation, make note of missing items that would need to be addressed by the Loan Specialist.	
	1003 URLA – Part 2 Review information for completion: ▪ Employer - check start dates, addresses. ▪ Income including income from other sources. ▪ Ensure a full two year employment history is listed. Review for accuracy against any eFolder documentation, make note of missing items that would need to be addressed by the Loan Specialist.	

If Borrower is self-employed, confirm the percentage of ownership is correct.



1003 URLA – Part 3
Review Information for Accuracy:

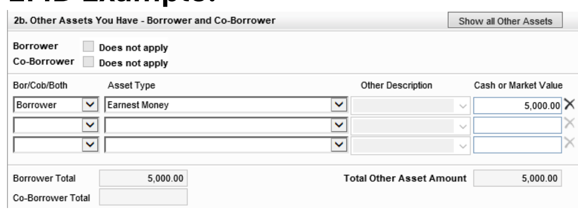
Section 2: Financial Information – Assets and Liabilities
2a. Assets – Bank Accounts, Retirement and Other Accounts
2b. Other Assets You Have, EMD
2c. Liabilities – Credit cards, other debts and leases use the **Show All VOL** button to see all the liabilities and make update if needed.
Review the net proceeds of the loan.
2d. Other Liabilities and Expenses (child support/alimony)

Check the student loan payments are correct. If no payment listed, .5% or 1% should be listed along with the remaining months.

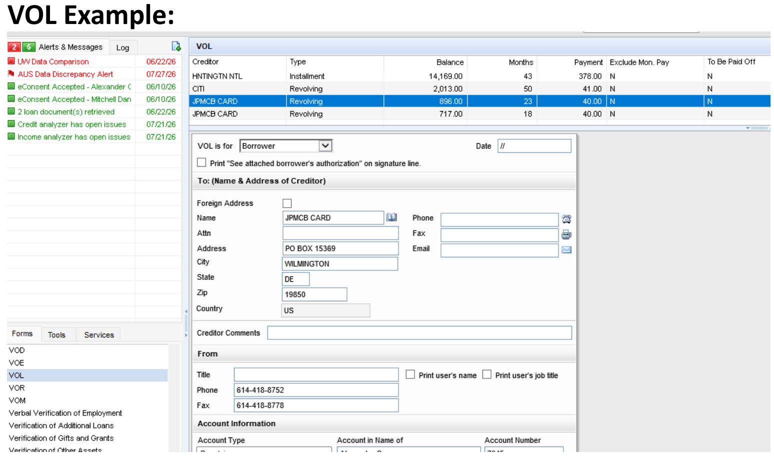
Section 3: Financial Information – Real Estate:

- **Financial Information-Real Estate –** Use **Show All VOM** button – Review any real estate owned by the borrower.

EMD Example:

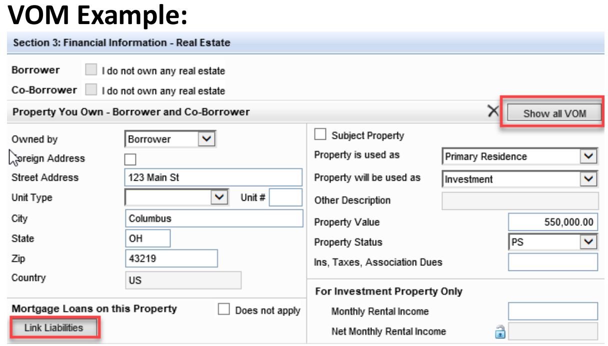


VOL Example:



VOL – Cross reference the Credit Bureau to review liabilities.

VOM Example:



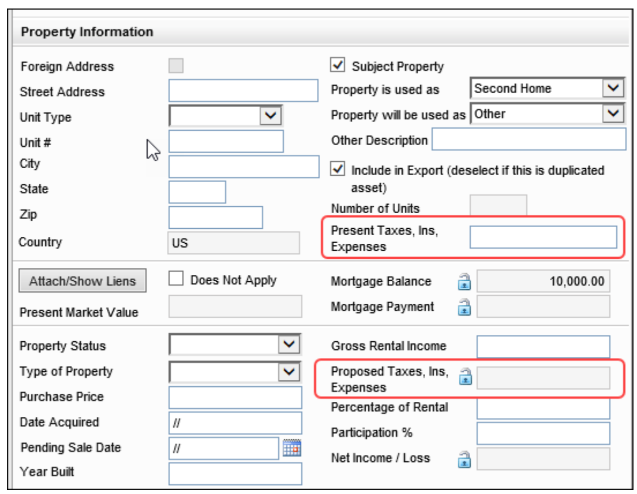
When the subject property will be used as a second home or investment, both present and proposed taxes will be added.
If the subject property will be used as a primary residence, the present taxes/ins/expenses field will calculate automatically in the present monthly housing expense.

***Tip* Using the VOM and VOL Forms directly will allow you to view the eFolder and other loans screen simotaneously.**

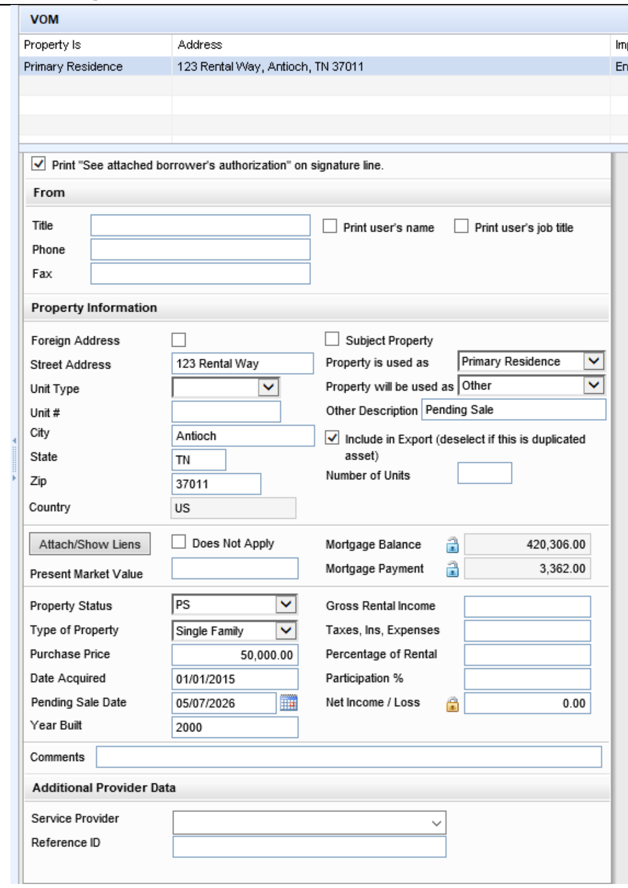
Validate each mortgage (if applicable) is tied to an REO, income is computed correctly, if it is an investment. The proper use of each property should be designated, investment, second or land.

VOM – Pending Sale & Back-to-Back

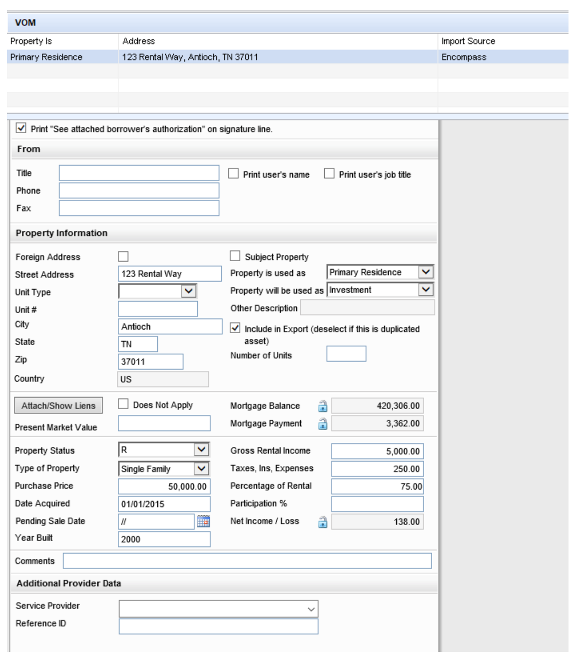
*Please note on Pending Sale homes, you will need to exclude the liability for ratios on VOL to read correctly.



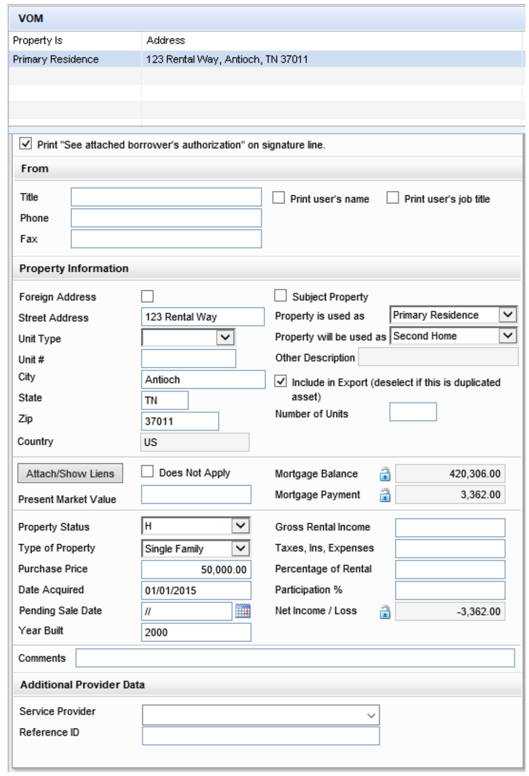
VOM – Investment (Rental)



VOM – Primary to Second



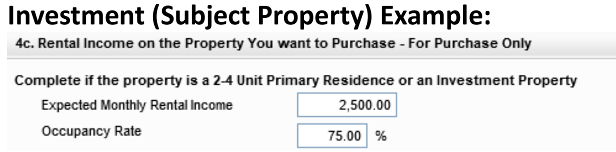
Review for accuracy against any eFolder documentation, make note of missing items that would need to be addressed by the Loan Specialist.



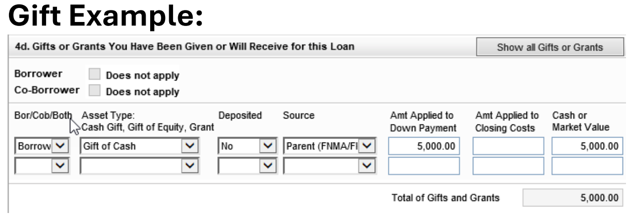
1003 URLA – Part 4

Section 4: Loan and Property Information
4a. Loan and Property Information
4b. Other New Mortgage Loans on the Property You are Buying or Refinancing
4c. Rental Income on the Property You want to Purchase.
4d. Gifts or Grants You Have been given or will receive for this loan.
Are the gift letters completed and the funds sourced?

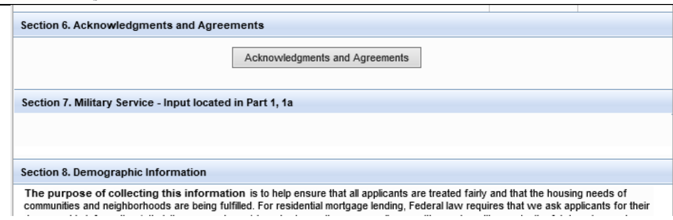
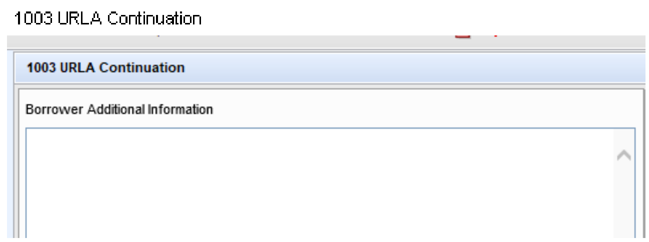
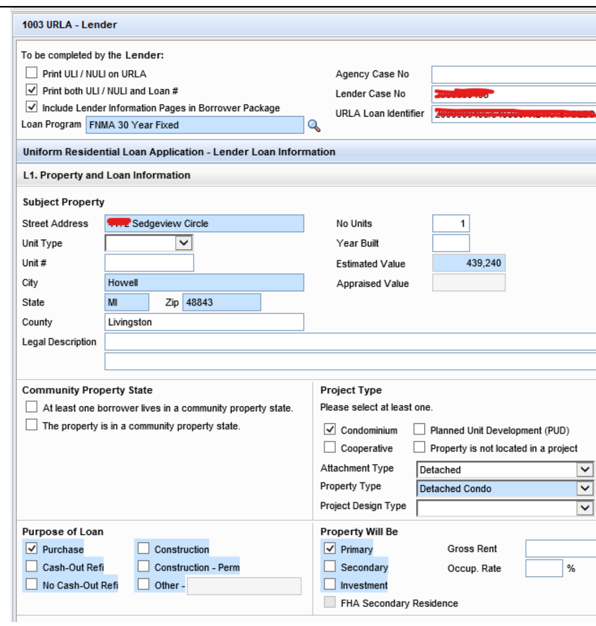
Investment (Subject Property) Example:



Gift Example:



The Branch UW should carefully review the details of the transaction, inclusive of seller contributions, sales price, financed MI, and required minimum down payment.

	Section 5: Declarations Section 6: Acknowledgements and Agreements Section 7. Military Service – Input in Part 1, 1a Section 8. Demographic Information Section 9. Loan Originator Information	 Review each of the declarations for any information that would prohibit the loan from moving forward. In particular validate the occupancy status of all borrowers and compare it to the REO status information in URLA Section 3.
	1003 URLA – Continuation Additional Information	
	1003 URLA – Lender: L1. Property and Loan Information • Verify Project Type accuracy. L2. Title Information • Title information completion L3. Mortgage Loan Information • Review loan details: Amortization type, Loan Features (Buydowns), Seller Credits, Financed MI, Terms, Proposed monthly payment, cash to close comparison with AUS. L4. Qualifying the Borrower – Minimum Required Funds or Cash Back L5. Homeownership Education and Housing Counseling	

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

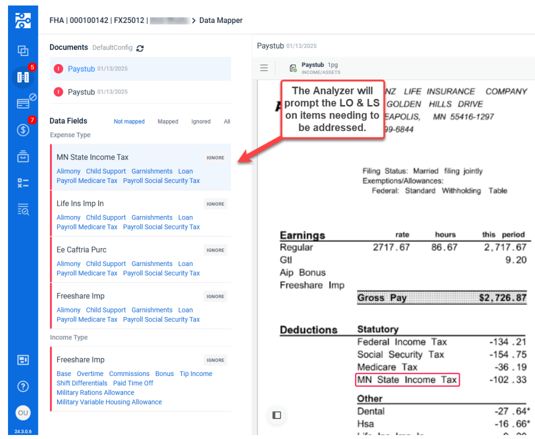
Click **Analyzers** to open the Income Analyzer and complete your review.

Analyzers

Click and review Business Association, Data Mapper and Income Analyzer for completion and accuracy.

Please note that TWN VOE's come into the EFolder labeled as Verifications. In order for Encompass to read the information, TWN needs to be uploaded into Written Verification of Employment

It is important to note that when a loan is submitted for **Automated Approval** at the **Submittal** milestone, Corporate Underwriting will not complete an income review, making a cursory income review crucial to our loan quality assurance.



If the income analyzer income is being utilized, confirm that an Income analyzer income worksheet is in the eFolder. You will still need to follow AUS findings for income documentation requirements.

ICE Income Analyzer Worksheet

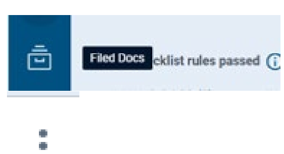
Confirm that only one "current" income analyzer is marked in the Efolder and uncheck any income analyzers that are not being used or incorrect.

Employment and Other Income Worksheet

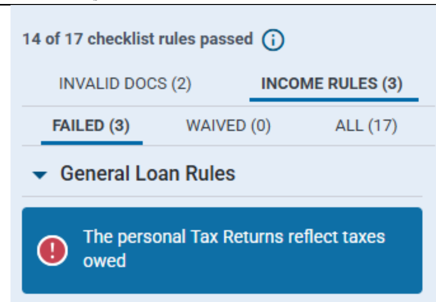
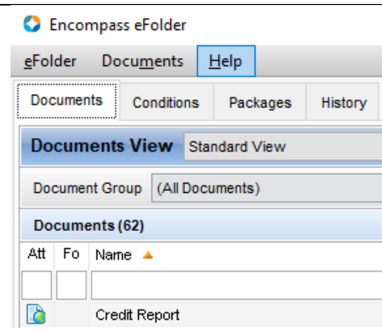
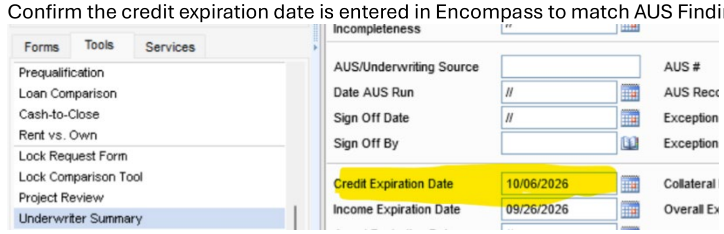
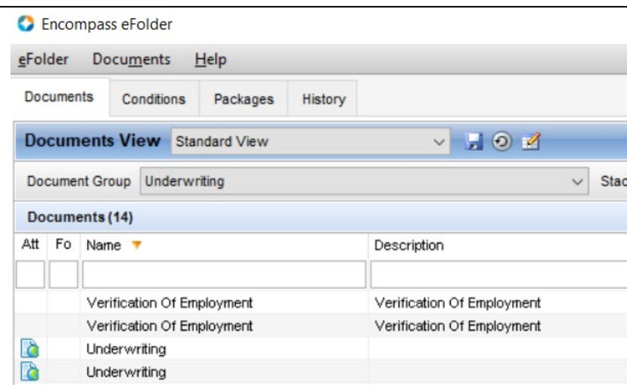
Files

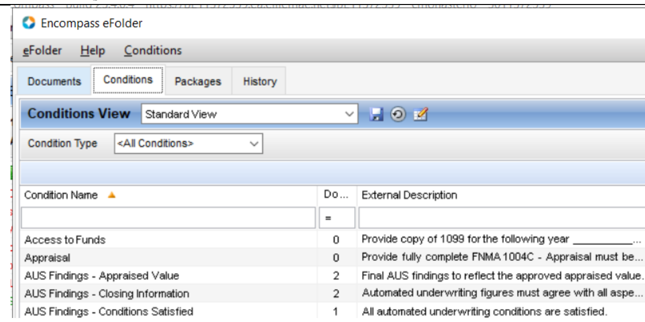
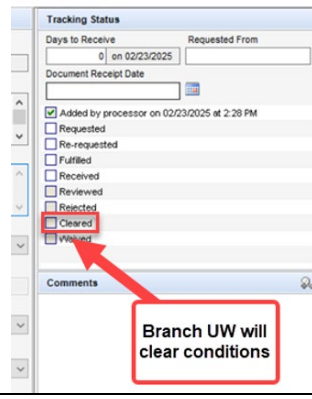
Name	Date	Current Version
Income Calculation Maracello 6069.docx	03/19/26 10:24 AM	Yes

Compare the income documents in the Efolder with Income analyzer documents. If expired documents are being pulled into the data, they can be W/D under "Filed Doc", go to the 3 vertical docs… and click on "Withdraw Acceptance"



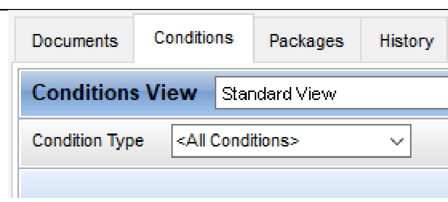
Make sure all alerts have been reviewed/fixed or waived.

	If Income Analyzer is not used, and the loan does not have Day 1 Certainty validated by DU, an income worksheet will need to be completed by the Loan Officer or Loan Specialist to confirm income is in line with program guideline parameters.	
	Go to the eFolder and review the most recent **Credit Report.** Confirm the credit report reference number is the same as on the AUS findings. Thoroughly review credit report. Check for alerts, transferred accounts, and any incomplete MERS research. Review the DRIVE report for information on any incomplete MERS research.	 Confirm the credit expiration date is entered in Encompass to match AUS Findings. 
	Then review the eFolder documents and determine if the documentation is acceptable by underwriting standards or additional information is needed. *****Always refer to corporate underwriting guidelines for acceptable documentation*****	

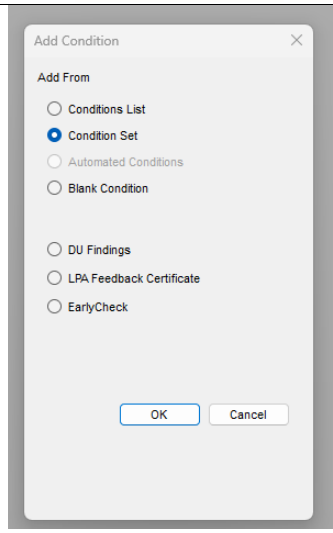
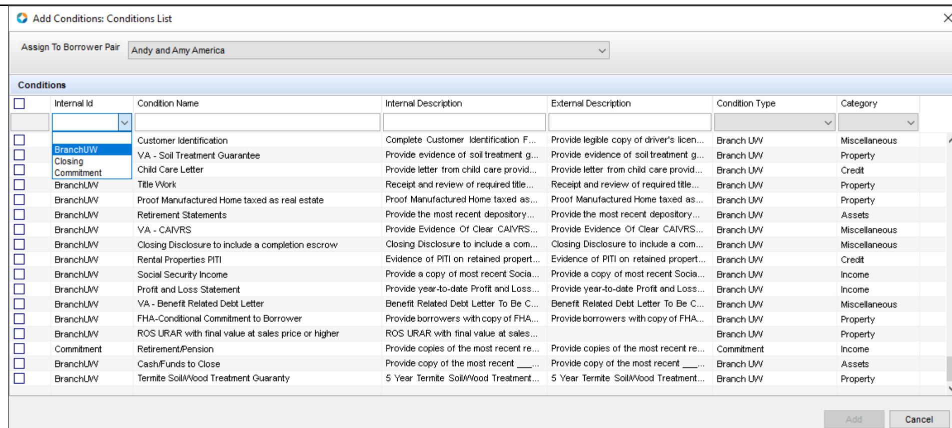
	If the eFolder documents are acceptable by underwriting standards, review the Conditions and clear fulfilled conditions. Loan Specialists are required to attach documents to conditions to streamline the sign-off process.	

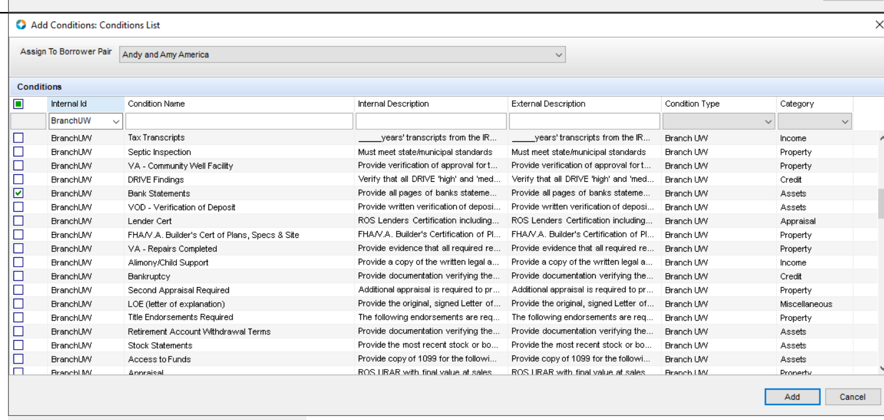
Adding Branch Conditions

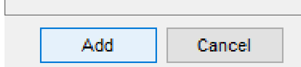
During the Cursory/BM1/BM2 there will be times as a branch underwriter you will add conditions. As a Branch Underwriter, you can add conditions, clear, reject or waive Branch UW conditions as needed along the process.

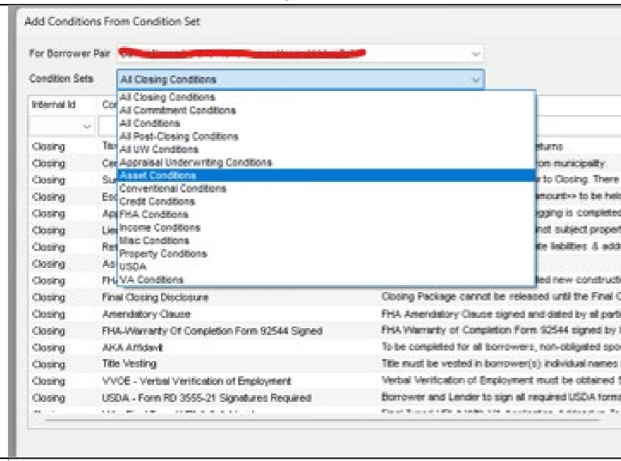
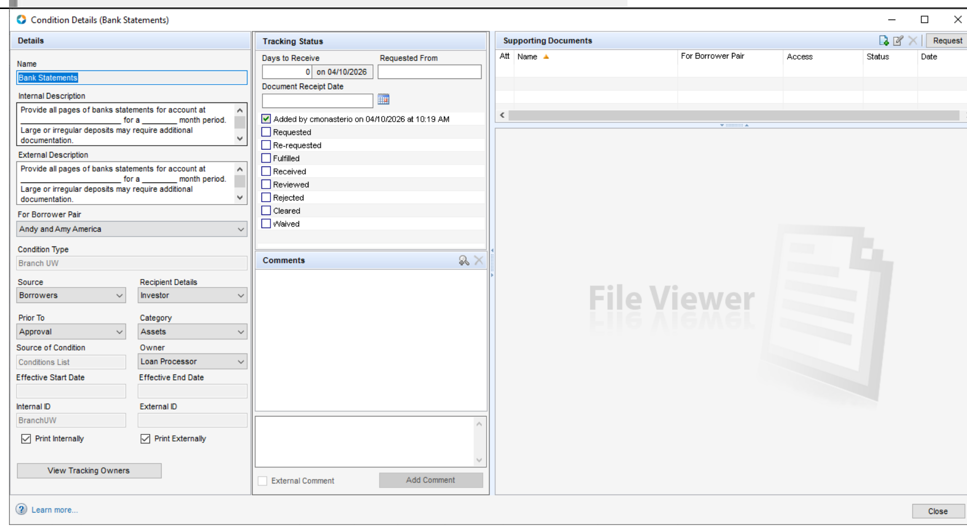
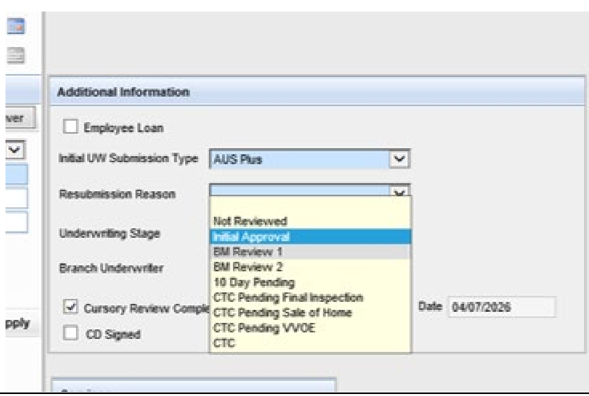
	Adding Branch Conditions: Go to Conditions in eFolder. Click Add	 Review any conditions that need to be reviewed by Corp UW, flag these to ensure the conditions are gathered and submitted timely. 

<table>
<tr><td></td><td>Select Condition type from the “Add From”, then click OK.

You can add conditions from the condition list, condition set, or blank conditions.</td><td>
</td></tr>
<tr><td></td><td>Choosing conditions list, you will view the Branch UW List.</td><td>
</td></tr>
<tr><td>`</td><td>Select the condition(s)

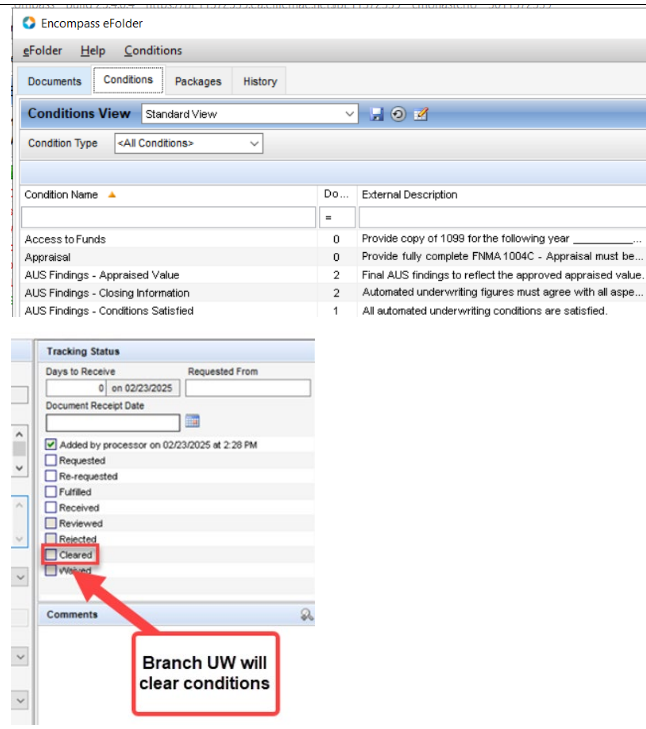
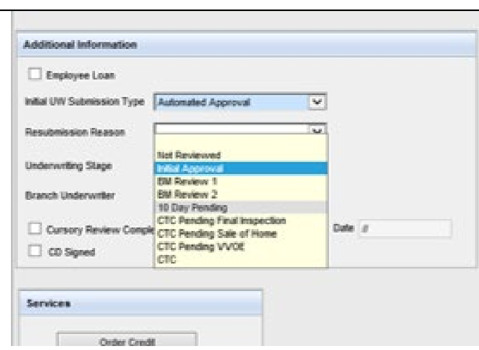
Click Add</td><td>


</td></tr>
</table>

	Choosing Condition Set, you will be able to select the categories to pick a condition to add.	
	You can edit the internal and external condition to be more specific in the request for documents.	
	Once the BM1 review is complete, go into the M/I Borrower Summary – Origination screen. Use the dropdown to reflect loan has been reviewed to the BM1 status.	

BM2 Underwriting Review

This stage indicates that a second full file review has been done, but the loan still requires more than standard 10-day items. This could be an indicator of a challenging loan and would suggest further inquiry with the branch about how the loan is progressing.

	If the **eFolder** documents are acceptable by underwriting standards, review the Conditions and clear fulfilled conditions. Loan Specialists are required to attach documents to conditions to streamline the sign-off process.	 *****Always refer to corporate underwriting guidelines for acceptable documentation*****
	After the BM Review 2, if the file still requires more than 10-day items, move the underwriting dropdown to BM Review 2. If the file only needs 10 day items move the underwriting dropdown to 10-day pending.	

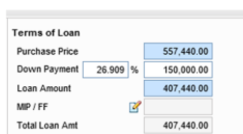
10 -Day/7-Day/5-Day/CTC Review

10 Day DRIVE Review

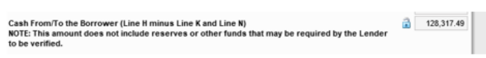
Review the DataVerify DRIVE report. Click **Order Fraud** on the Services menu on **M/I Borrower Summary – Origination** screen to access the report.
Confirm on Drive all File Contacts are correct, inclusive of Branch Underwriter, Appraiser, and Realtors.

Thoroughly review the DRIVE report to determine if there is any new information that was not included on the initial loan application. All major customer related "high" and "medium" risk conditions must have comments from the Loan Officer to ensure they have been addressed at time of application.

Review required down payment.



Down payment required = 150,000



In the above example funds for down payment are 128,317.49 plus 20,000 = 148317.49 which would be short of required down payment funds.

Combined total needs to be equal to or more than the amount of the down payment. This ensures that the borrower has met the required investment amount to the loan.

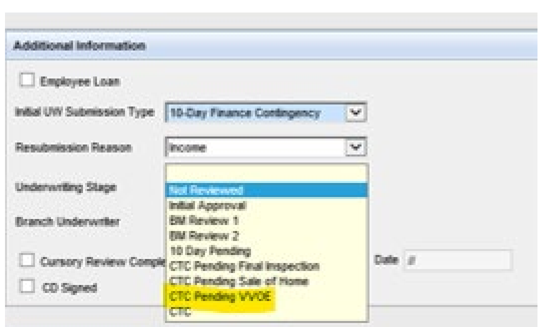
<table>
<tr>
<td></td>
<td>Review maximum seller credit.</td>
<td>
<table>
<tr><th>Conventional</th><th>LTV/CLTV Ratio</th><th>Maximum IPC</th></tr>
<tr><td></td><td>Greater than 90%</td><td>3%</td></tr>
<tr><td></td><td>75.01% – 90%</td><td>6%</td></tr>
<tr><td>Principal residence or second home- Conventional</td><td>75% or less</td><td>9%</td></tr>
<tr><td>Investment property- Conventional</td><td>All CLTV ratios</td><td>2%</td></tr>
<tr><td>FHA- 6% of the Sales Price

VA- May pay all closing costs, only limits what VA does not consider to be normal costs such as discounts to 4%</td><td></td><td></td></tr>
</table>
</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7 Day LQCC Review

The Loan Specialist will pull a LQCC, loan quality credit check, this can be found in the document group of credit in the eFolder.

If all conditions are met except for the 5-day VVOE, You can move the underwriting drop down to CTC pending VVOE.</td>
<td>LOAN QUALITY CROSS CHECK

Check for updated new debt, changed debt/balances, and inquiries and update the URLA.



**If student loans change, update the monthly payments and/or the remaining months reporting.</td>
</tr>
</table>

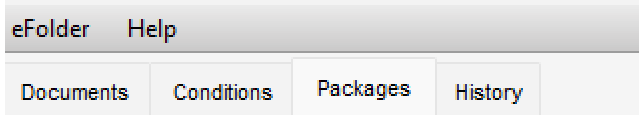
5 Day VVOE

The Loan Specialist will complete a 5 Day VVOE for all Employed borrowers.

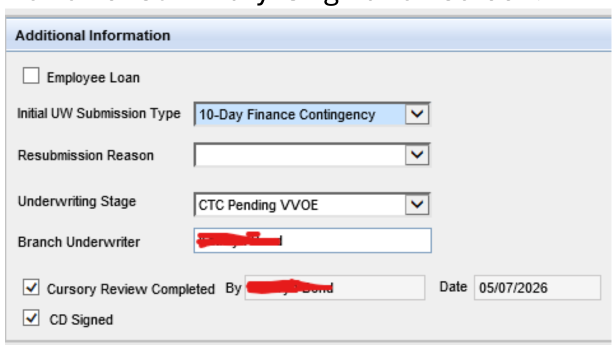
Review to confirm if the Closing Disclosure and the Appraisal have been sent to the borrower and acknowledged.

Confirm, all borrowers that are employed or self-employed have valid employment at the time of 5-day VVOE.

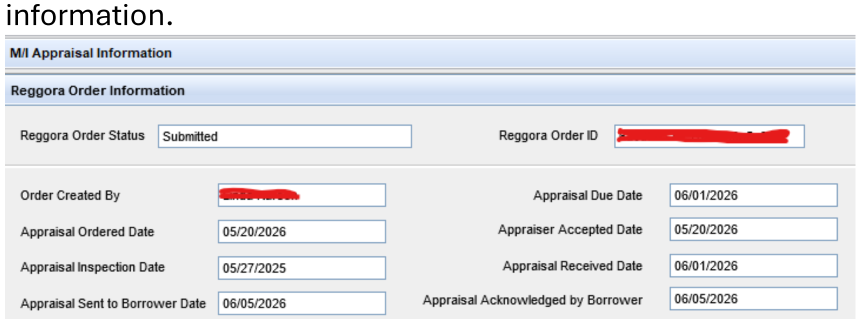
Check the Closing Disclosure in eFolder, packages



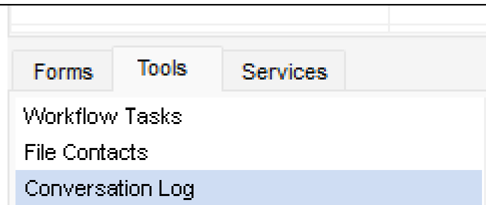
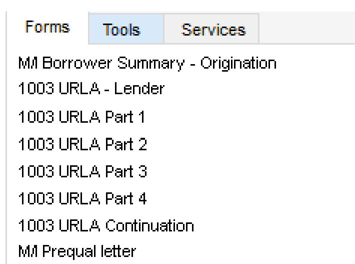
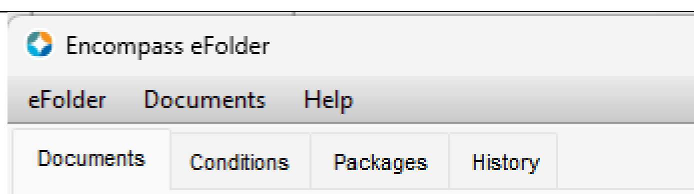
If not already marked, complete the CD signed checkbox in M/I Borrower Summary-Origination screen.



Check the appraisal acknowledgement, in M/I Appraisal information.

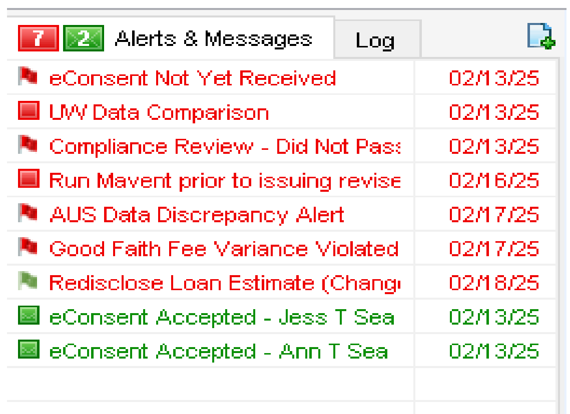


Clear to Close

	Review the **Conversation Log** – Review Notes & Comments	
	Go to the **M/I Borrower Summary Origination** Page and **1003 URLA** pages to review loan details.	
	Review **eFolder**: - Review documents & conditions - Open 1003, credit & AUS, income analyzer - Review documents received, requested, and determine if any additional items needed.	 Double check the documents to ensure only the most current AUS, DRIVE, Compliance Reports are check and uncheck any old files. The Loan Specialist as they reviewed the documents will link the documents to conditions, annotate and add expiration dates, as needed.

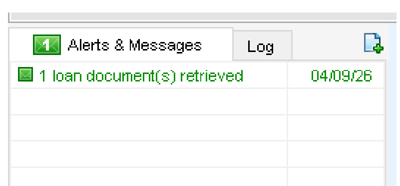
Reviewing Alerts and Messages

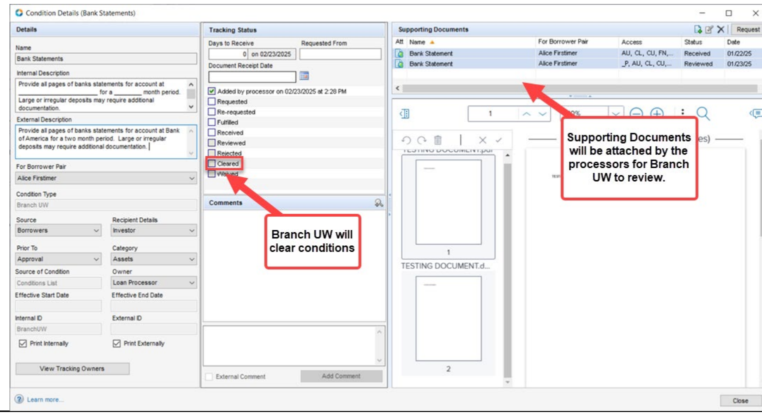
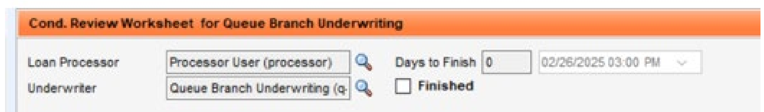
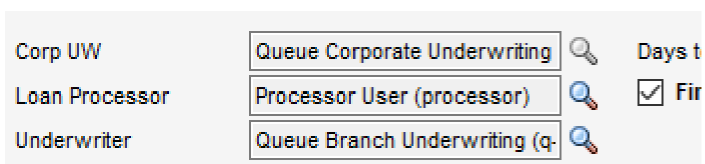
Review your alerts and messages throughout the underwriting process.



Make sure you are reading and addressing alerts.
Loans should NOT close with open alerts.

Alerts and Messages should be clear upon Clear to Close



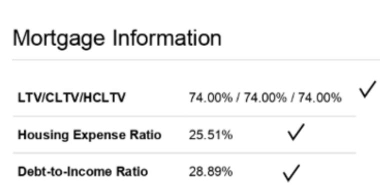
<table>
<tr><td></td><td>Clearing Conditions</td><td>
</td></tr>
<tr><td></td><td>Condition Review Milestone</td><td>Once you have reviewed all documenation and cleared conditions minus the 5 day items, you can complete the Conditional Review Milestone and press finish.

</td></tr>
<tr><td></td><td>Send Back to Processing</td><td>If the loan needs additional information and the Conditional Review milestone is not able to be completed, the branch UW will uncheck the processing milestone so that the Loan Specialist has access and loan would reflect back in processing.

</td></tr>
</table>

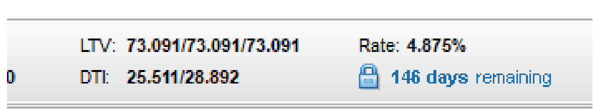
<table>
<tr><td></td><td>5 Day items received – Ready for CTC</td><td>VVOE has been received and reviewed for accuracy.</td></tr>
<tr><td></td><td>CTC pending final inspection.
CTC pending 5-day VVOE.
CTC pending sale of home.</td><td>The Branch UW will notify the closer via email that the file is Clear to Close pending an item and that it is okay to release documents to the title company.

The Branch UW will need to notify closing that the loan is CTC Pending, in order to release docs prior to Final Inspection, VVOE, or Sale of Home.</td></tr>
<tr><td></td><td>Clear to Close</td><td>The Loan Specialist has obtained an updated transmittal and AUS finding and has validated all the final information needed to clear to close the loan.

The following steps are needed in order to clear the loan to close.

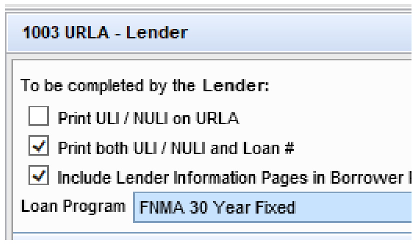
Always refer back to the underwriting manual and the AUS.</td></tr>
<tr><td></td><td>Reviewing the AUS and URLA -

The housing and full debt-to-income ratio should match between the AUS and Encompass.</td><td>

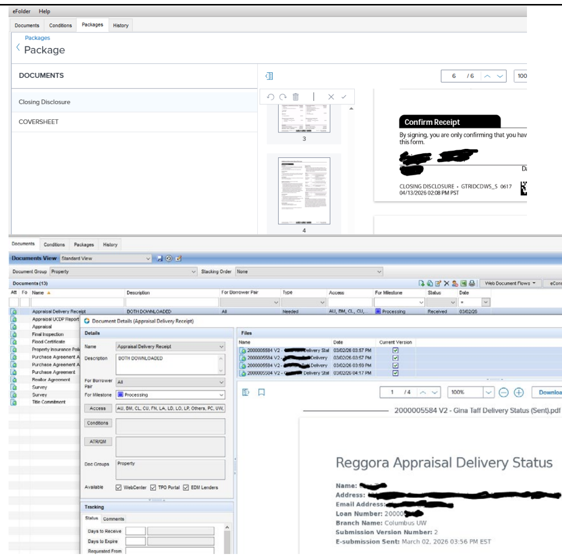

</td></tr>
</table>

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

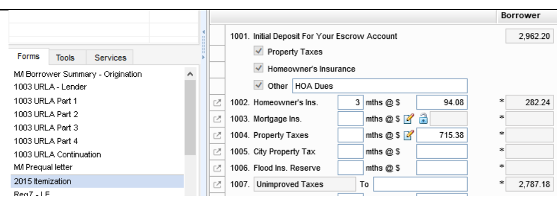
Confirm the AUS findings match the type of loan (FNMA, FHLMC, FHA, or VA) for which you are signing off.



Confirm the closing disclosure and the appraisal acknowledgement has been signed 3 business days prior to closing.



Review the improved/unimproved real estate taxes are computed correctly in Encompass, and a tax worksheet is in the file showing the tax calculation.



Real Estate Tax Worksheet

$ 557,440	X	100%	=	$ 557,440
Sales Price		Assessment Factor Owner occupied = 80 second or investment = 100		Taxable Amount
$ 557,440		1.5400%		$ 8,585
Taxable amount		Community Tax Rate		Annual Amount

Confirm that **Mavent** has passed.
The loan cannot proceed with a fail.

Loan Status: PASS

* Click on a review header hyperlink to navigate directly to that secti

ATR/QM	TILA/ RESPA	High Cost	Higher Priced	State Rules	License	NMLS	GSE	Enterprise Rules	HMDA	Other
PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	Not Processed	PASS

Review funds to close to confirm minimum required investment (down payment) has been met.

In Encompass, go to the 1003 URLA-Lender and review the down payment amount.

Add the EMD from line M7 in URLA-Lender, plus the cash to close.

**For FHA loans, verify that the required minimum investment meets or exceeds the "Minimum Required Investment" in the AUS Findings.

Terms of Loan

Purchase Price		557,440.00
Down Payment	26.909 %	150,000.00
Loan Amount		407,440.00
MIP / FF		
Total Loan Amt		407,440.00

Down payment required = 150,000

M6. Cash Deposit On Sales Contract $ 20,000.00

Cash From/To the Borrower (Line H minus Line K and Line N) 128,317.49
NOTE: This amount does not include reserves or other funds that may be required by the Lender to be verified.

In the above example funds for down payment are 128,317.49 plus 20,000 = 148317.49 which would be short of required down payment funds.

Combined total needs to be equal to or more than the amount of the down payment. This ensures that the borrower has met the required investment amount to the loan.

Maximum Seller Credit

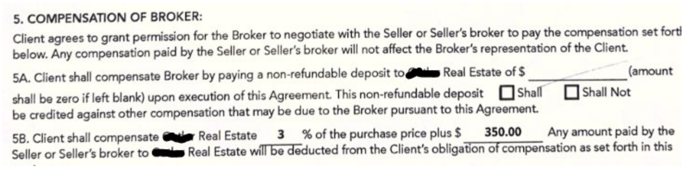
In this example, the base sales price is 440,000 and they are putting 20% down on a conventional loan. This means the seller can contribute up to 6% of the sales price.
440,000 x 6% = 26,400 is the max amount the seller can contribute.

Maximum Seller Credit Chart:

Conventional	LTV/CLTV Ratio	Maximum IPC
	Greater than 90%	3%
	75.01% – 90%	6%
Principal residence or second home- Conventional	75% or less	9%
Investment property- Conventional	All CLTV ratios	2%
FHA- 6% of the Sales Price **VA**- May pay all closing costs, only limits what VA does not consider to be normal costs such as discounts to 4%		

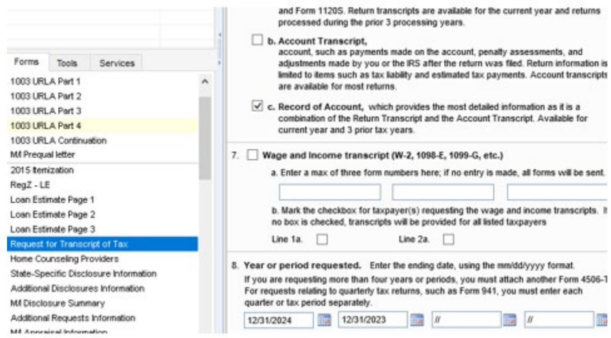
If the seller is contributing any more than that, it will need to be lessened to meet the grids guidelines. This should be checked when you first review the loan, at 10-Day, and CTC to verify nothing has changed.

<table>
<tr>
<td></td>
<td>Buyer Realtor

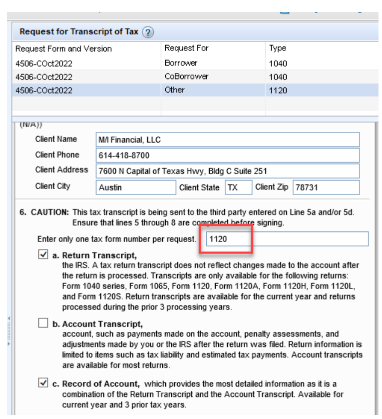
If there is a realtor involved in the loan, confirm there is a copy of the buyer broker realtor agreement in the eFolder and that the terms of the agreement have been satisfied.</td>
<td>
5. COMPENSATION OF BROKER:
Client agrees to grant permission for the Broker to negotiate with the Seller or Seller's broker to pay the compensation set fortl below. Any compensation paid by the Seller or Seller's broker will not affect the Broker's representation of the Client.
5A. Client shall compensate Broker by paying a non-refundable deposit to [redacted] Real Estate of $ ________ (amount shall be zero if left blank) upon execution of this Agreement. This non-refundable deposit ☐ Shall ☐ Shall Not be credited against other compensation that may be due to the Broker pursuant to this Agreement.
5B. Client shall compensate [redacted] Real Estate 3 % of the purchase price plus $ 350.00 Any amount paid by the Seller or Seller's broker to [redacted] Real Estate will be deducted from the Client's obligation of compensation as set forth in this</td>
</tr>
<tr>
<td></td>
<td>4506-C

Confirm all borrowers have line 6C filled in as transcript requested and the correct years are in the years requested.

If the borrower is self-employed, confirm in Request for Transcript of Tax the tax form number and years are correct.

If the business income is used, create a 4506-C for each business entity from which income was derived. Show the correct tax forms as needed (ex: 1120).</td>
<td>
Forms | Tools | Services
1003 URLA Part 1
1003 URLA Part 2
1003 URLA Part 3
1003 URLA Part 4
1003 URLA Continuation
M/I Prequal letter
2015 Itemization
RegZ - LE
Loan Estimate Page 1
Loan Estimate Page 2
Loan Estimate Page 3
Request for Transcript of Tax
Home Counseling Providers
State-Specific Disclosure Information
Additional Disclosures Information
M/I Disclosure Summary
Additional Requests Information

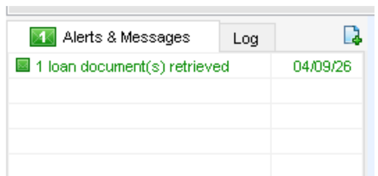
and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years.
☐ b. Account Transcript, account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns.
☑ c. Record of Account, which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years.
7. ☐ Wage and Income transcript (W-2, 1098-E, 1099-G, etc.)
a. Enter a max of three form numbers here; if no entry is made, all forms will be sent.
b. Mark the checkbox for taxpayer(s) requesting the wage and income transcripts. If no box is checked, transcripts will be provided for all listed taxpayers
Line 1a. ☐ Line 2a. ☐
8. Year or period requested. Enter the ending date, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.
12/31/2024 | 12/31/2023 | // | //

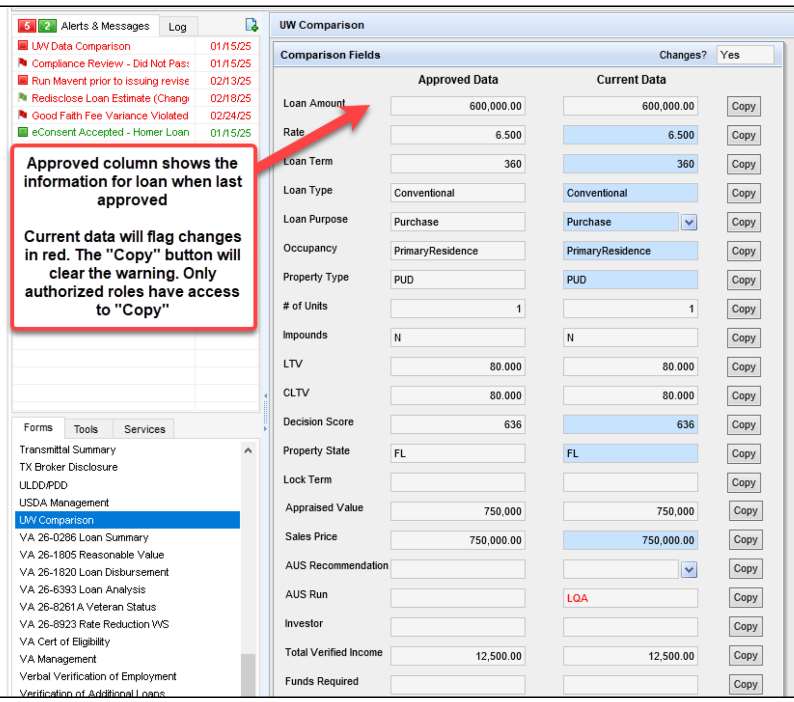

Request for Transcript of Tax
Request Form and Version | Request For | Type
4506-COct2022 | Borrower | 1040
4506-COct2022 | CoBorrower | 1040
4506-COct2022 | Other | 1120
(N/A))
Client Name: M/I Financial, LLC
Client Phone: 614-418-8700
Client Address: 7600 N Capital of Texas Hwy, Bldg C Suite 251
Client City: Austin Client State: TX Client Zip: 78731
6. CAUTION: This tax transcript is being sent to the third party entered on Line 5a and/or 5d. Ensure that lines 5 through 8 are completed before signing.
Enter only one tax form number per request. 1120
☑ a. Return Transcript, the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years.
☐ b. Account Transcript, account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns.
☑ c. Record of Account, which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years.

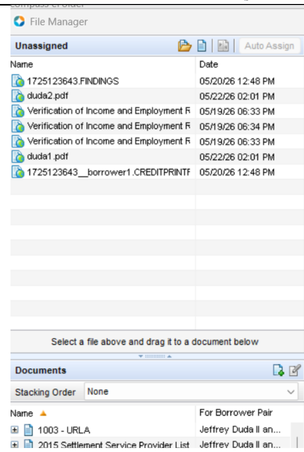
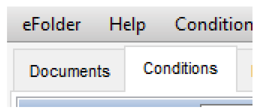
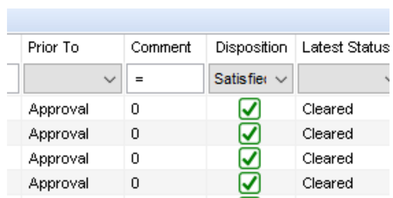
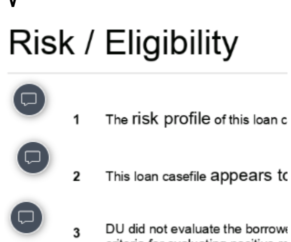
Loans that start and end in separate years, confirm that there are the two most current years listed on the 4506C for closing.
(EX: Loan started in 2024, closed in 2025, the 4506C would show 2023 and 2024. We may need t update to 2024 and 2025 if that income was used to qualify.)</td>
</tr>
</table>

<table>
<tr>
<td></td>
<td>Review and Clear any Alerts and read messages throughout the underwriting process.

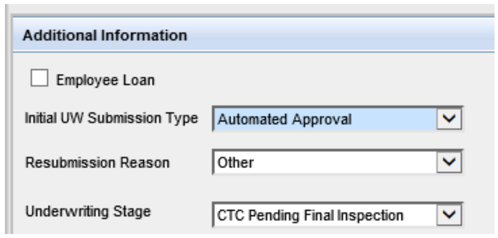
All alerts must be cleared to clear to close a loan.</td>
<td>

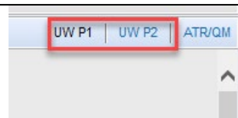

</td>
</tr>
<tr>
<td></td>
<td>UW Comparison Screen

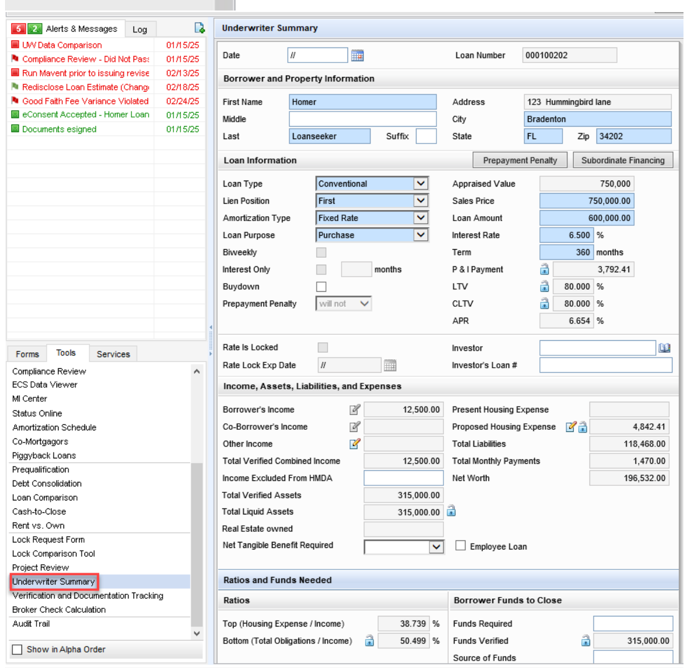
Double check your UW Comparison screen to make sure all information matches</td>
<td>
</td>
</tr>
</table>

	File manager – Confirm that there are no borrower documents that have not been assigned. The Unassigned documents should be moved and assigned to a document placeholder (Loan Specialist should have completed) **Documents should not be deleted, they should be moved to recyle.	
	Clear any outstanding prior to approval conditions in the eFolder. As you are reviewing the conditions, the Loan Specialist is responsible for attaching eFolder documents to conditions that are to be cleared. Make sure as you review, Verify that all income and assets match the final URLA.	  **Always reference Underwriting Manual to check to meet if documents meet AUS/UW standards.**
	Sign off on final AUS findings This is to be completed by annotation within Encompass. Marking each condition has been reviewed.	Once you have cleared all conditions, go to the top of the AUS findings and place your signature and date, by clicking on the and entering the date.  Adding a checkmark next to each item cleared √ 

<table>
<tr>
<td></td>
<td>Update the underwriting stage to CTC.

Update in the Borrower Summary – Origination Screen</td>
<td>
</td>
</tr>
<tr>
<td></td>
<td>Underwriter Summary 2

Review the information on the “Underwriting Page 2: (UW P2) screen for accuracy against the DU findings.</td>
<td>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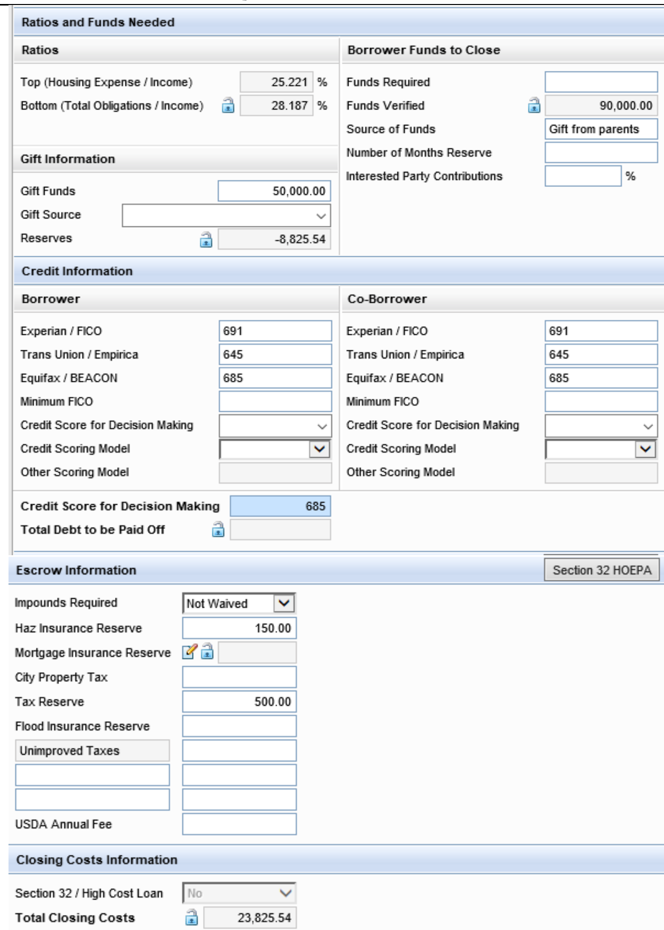
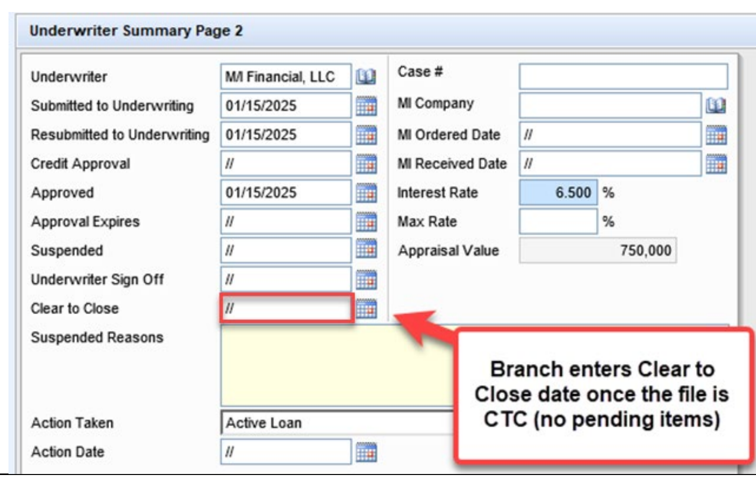
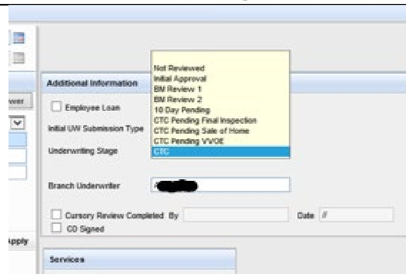


Entering the **Clear to Close** date will signal that the loan is completely clear to close and ALL conditions have been cleared.



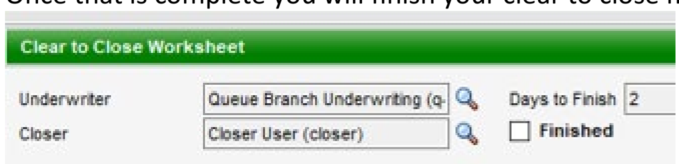
Conversation Log Note –

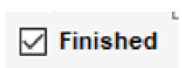
Add a note in the Conversation log that loan is CTC and okay to release documents. Add a note to reflect if there are any at close conditions.
Once the CTC date is input an automated email is sent out with notification that loan is clear to close.



Complete the Clear to Close milestone

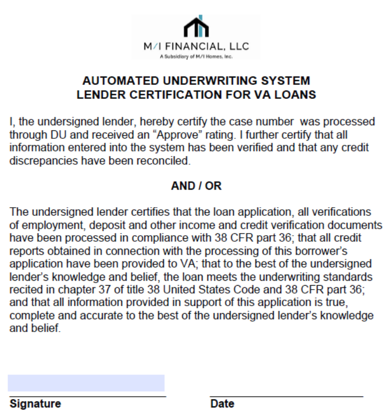
You will review loan for the 5-day items along with the final inspection.
Confirm your **Underwriter Summary** is complete, along with checking the **UW comparison**, AUS findings match and a copy is signed off on, and confirming your **conditions have been cleared**.
Once that is complete you will finish your clear to close milestone.





Further items to address:
VA and FHA loans require input on additional fields and forms to complete underwriting.

VA Lender Cert Signoff
The branch UW is required to sign the "Automated Underwriting System Lender Certification for VA Loans. This will be signed upon complete review of the VA loan and uploaded into Encompass.



M/I FINANCIAL, LLC

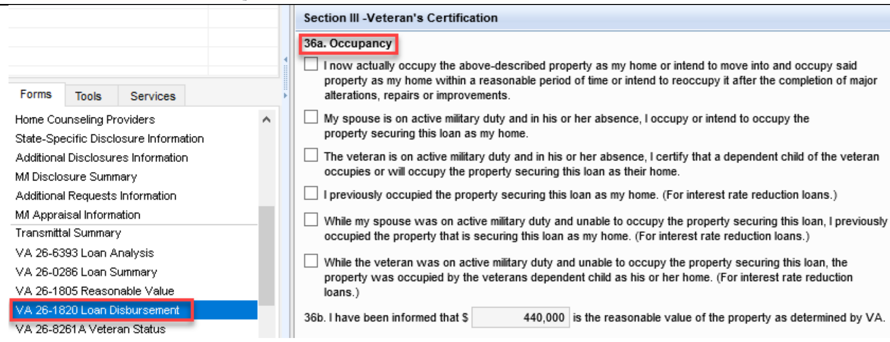
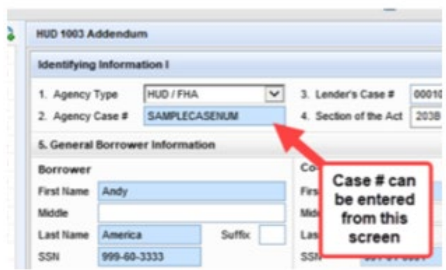
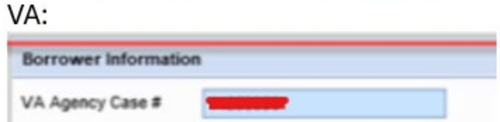
AUTOMATED UNDERWRITING SYSTEM
LENDER CERTIFICATION FOR VA LOANS

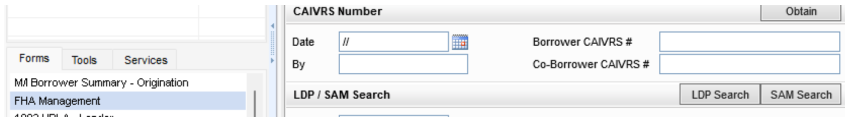
I, the undersigned lender, hereby certify the case number was processed through DU and received an "Approve" rating. I further certify that all information entered into the system has been verified and that any credit discrepancies have been reconciled.

AND / OR

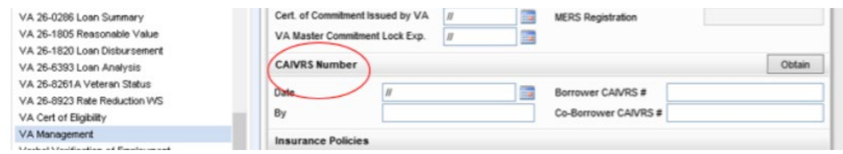
The undersigned lender certifies that the loan application, all verifications of employment, deposit and other income and credit verification documents have been processed in compliance with 38 CFR part 36; that all credit reports obtained in connection with the processing of this borrower's application have been provided to VA; that to the best of the undersigned lender's knowledge and belief, the loan meets the underwriting standards recited in chapter 37 of title 38 United States Code and 38 CFR part 36; and that all information provided in support of this application is true, complete and accurate to the best of the undersigned lender's knowledge and belief.

Signature Date

	Confirm that the VA 26-1820 Loan Disbursement Section III – Veteran's Certification 36a. Occupancy is complete.	
	FHA/VA Case numbers – Confirm the case numbers are accurate and input correctly in the LOS. Confirm the suffix of the FHA case number, paying close attention if there is a buydown. **FHA Case Query –** Confirm the Case Query was pulled and cleared.	FHA:  VA: 
	CAIVRS – confirm the CAIVRS number has been pulled and cleared for either a FHA or VA loan.	At time of application the Loan Officer is responsible for pulling the CAIVRS for all government and rural housing loans (FHA, VA, and USDA) and the Certificate of Eligibility (COE) for all VA loans. Thoroughly review the CAIVRS reports to ensure the borrower has no federal lien, judgment, or federal loan(s) currently in default or foreclosure or has had a claim paid by a reporting agency. A clear CAVIRS is required for all borrower(s) on government and rural housing loans. If there are any defaults they should be addressed immediately with the borrower. In addition, review the COE for all VA loans to ensure the Funding fee is correct in Encompass and the eligibility is sufficient for the new loan being requested. **FHA:**

<table>
<tr>
<td></td>
<td></td>
<td>


VA:



</td>
</tr>
<tr>
<td></td>
<td>

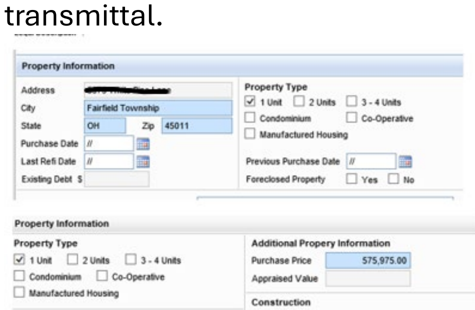
Builder Docs

Each division has a set of builder documents that is required to be uploaded to Encompass. Confirm these documents have been added along with case number added to each document.

FHA – HUD 92900LT
</td>
<td>

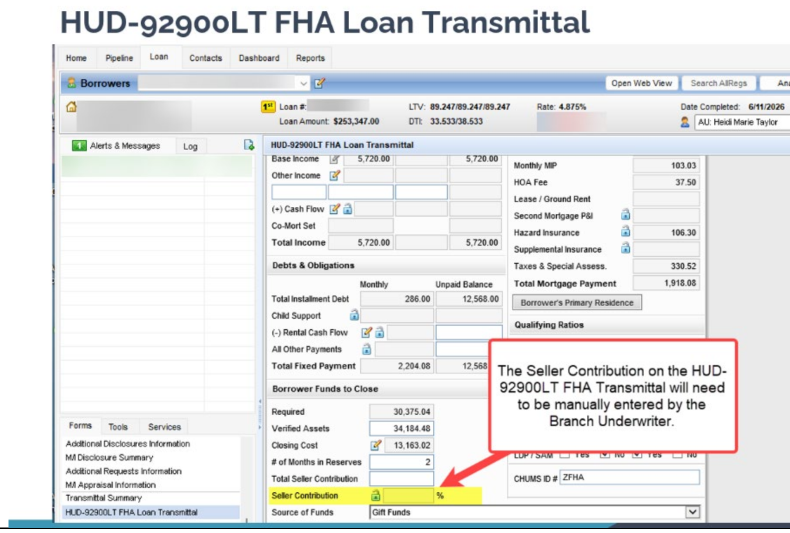
FHA:
Builder Certifications (Make sure to enter the FHA Case # and Suffix)
o **HUD – 92541** Builder Certification (all 3 pages required)
o **HUD - NPMA- 99A & 99B** (Subterranean Termite Protection Builders Guarantee & New Construction Subterranean Termite Service Record)
o **Plot Plan**
o **Warranty of Completion, Building Permit where applicable.**
o **Additional Builder Certs FHA ONLY:** • Carpet Certificate
• Insulation Certificate
VA:
Builder Certifications (Make sure to complete by entering the LIN#)
o **HUD – 92541** Builder Certification (all 3 pages required)
o **HUD - NPMA- 99A & 99B** (Subterranean Termite Protection Builders Guarantee & New Construction Subterranean Termite Service Record)
o **Plot Plan**
o **Copy of the blueprints** - The blueprints are required for appraisals where the building is not yet complete.
o **Warranty of Completion, Building Permit where applicable.**
o **Additional Builder Certs - VA ONLY:** • Solder & Flux Letter
• Radon Notice
• Private Road Agreement (When applicable – Roads Maintained by HOA/CDD)

Double check that the unit number is complete on the loan transmittal.



Make sure CAIVRS # is listed, LDP is marked “No”, CHUMS ID # shows ZFHA, and Scored by Total Boxes are marked.
If there are gift funds, ensure they are showing on the transmittal.
</td>
</tr>
</table>

FHA – HUD 92900LT



FHA Conditional Commitment and VA NOV Conditions

The Appraisal Review Department will provide the FHA Conditional Commitment or the VA NOV Conditions. Review these conditions, obtain items that are marked and make sure they are uploaded to Encompass these documents need to be confirmed and sent to the borrower along with the appraisal.

FHA:

Specific Commitment Conditions (Applicable when indicated on the front of this form)

B. **Proposed Construction:** The builder or mortgagee must notify the assigned inspector as appropriate (see items P, Q, and R below).

C. **Warranty:** Form HUD-92544 is required on all new construction and shall be executed between the builder and the purchaser.

D. **Section 223:** This commitment is issued pursuant to Section 223(e).

E. **Health Authority Approval:** Submit local health authority approval (on a form or letter) indicating the individual water supply and/or sewage disposal system is acceptable.

F. **Reserved.**

G. **Prefabricator's Certificate:** The Lender shall provide a prefabrication certificate as required by the related engineering bulletin.

H. **Termite Control:** (Proposed Construction) If soil poisoning is used, the builder shall complete form HUD-92052, Termite Soil Treatment Guarantee, and transmit a copy to HUD or the Direct Endorsement Underwriter. The Mortgagee will deliver the original and a copy to the mortgagor at closing.

I. **Flood Insurance Requirement:** This property is located in a special flood hazard area and must be covered by flood insurance in accordance with HUD regulation 24 CFR 203.16a.

J. **Carpet Identification:** (as listed in Certified Products Directory) Manufacturer recommended maintenance program must be provided to the homebuyer.

K. **Termite Control** (Existing Construction): A recognized termite control operator shall furnish certification using form NCPA-1, or State-mandated form, that the house and other structures within the legal boundaries of the property indicate no evidence of active termite infestation.

L. **Code Enforcement:** The lender shall submit a statement from the public authority that the property meets local code requirements. If the mortgage on the property is to be insured under Section 221(d)(2), a code compliance inspection is required.

M. **Repairs:** The lender shall notify the original appraiser upon completion of required repairs, unless otherwise instructed.

N. **Lender's Certificate of Completion:** The lender shall furnish a certificate that required repairs have been examined and were satisfactorily completed.

O. **Manufacturers Warranties** must be provided to the homebuyer covering heating/cooling systems, hot water heaters, ranges, etc.

P. **Initial Inspection** (2) working days is requested before the "beginning of construction" with forms in place.

Q. **Frame Inspection** (1) working day is requested when the building is enclosed and framing, plumbing, heating, electrical, and insulation is complete and visible.

R. **Final Inspection** is requested when construction is completed and the property ready for occupancy.

S. **Insulation Certificate** must be posted in a conspicuous location in the dwelling.

T. **Reserved**.

U. **The lender shall furnish** a certificate of occupancy or letter of acceptance from the local building authority.

VA:

The following marked conditions apply to this property:

1. **ENERGY CONSERVATION**

_____ a. **Existing property.** You may wish to contact a qualified person/firm for a home energy audit to identify needed energy efficiency improvements to the property. In some localities, the utility company may perform this service. The mortgage amount may be increased as a result of making energy efficiency improvements such as: Solar or conventional heating/cooling systems, water heaters, insulation, weather-stripping/caulking, and storm windows/doors. Other energy related improvements may also be considered.

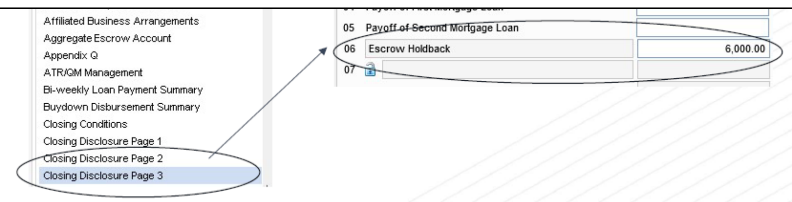
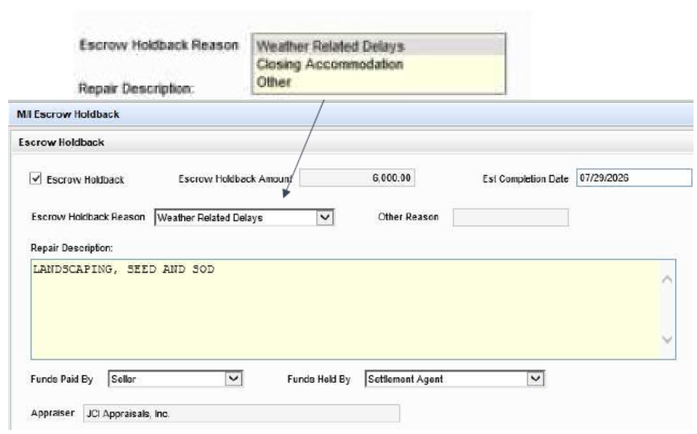
(x) b. **New or proposed construction property.** Builder's certification that this new dwelling was constructed to meet the energy conservation standards of the International Residential Code (IRC).

File Return from Closing/Re-Underwrite, Pre-Fund Audits, and Post Closing Issues

The Loan Specialist will work with the Operations Manager to obtain any documentation needed for any prefund or Post-closing audits.

The Branch is responsible to follow up on any requests for additional or missing documentation received from Post Closing. These requests are investor requirements for them to fund on the purchase of our loan. It must be your top priority to focus on obtaining the information requested in a timely fashion. Delays in obtaining the information can be very costly to the company. Obtain the documents, upload to the loan file, then index and title appropriately. Make a comment in the conversation log for "Post Closing" and respond to the post closer advising the receipt of documents.

Escrow Holdbacks

	Escrow Holdback Loans **The Operations Manager and Team Lead will be responsible for managing and completing the escrow holdback process.** When a home is subject to completion, you will need to add the amount of the holdback to the Closing Disclosure page 3. Once the escrow amount is entered, go to M/I Escrow Holdback, enter an estimated completion date, the reason, and list the items to be completed. **Work Completed** Once the builder indicates that the escrow work is complete, the OM/TL will request a final inspection to verify the work is done. Go into the M/I Escrow Holdback screen and update the builder complete date along with the final inspection ordered date.	 

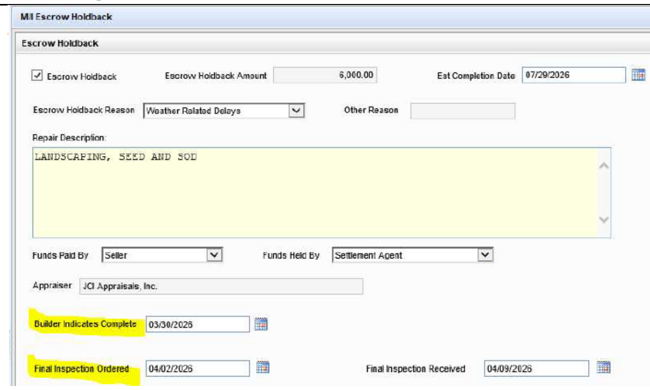
Once the final inspection is received, go into the M/I Escrow Holdback screen and complete the final inspection received date, checkmark repairs complete, add any comments relevant to the escrow holdback, and upload the inspection to the eFolder.

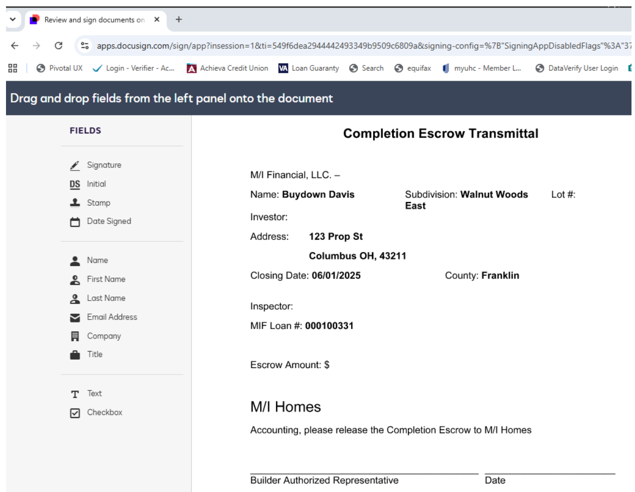
Add to the eFolder the place holders for Escrow Transmittal and Escrow Inspection for later use.

Go into Print and generate a Completion Escrow Transmittal Form.

Save the form outside of Encompass to utilize DocuSign.
The Branch or Operations Manager will:

1. Sign the document.
2. Add the M/I Homes builder contact for signature.
3. CC: TransOhio accounting at titleaccounting@mihomes.com





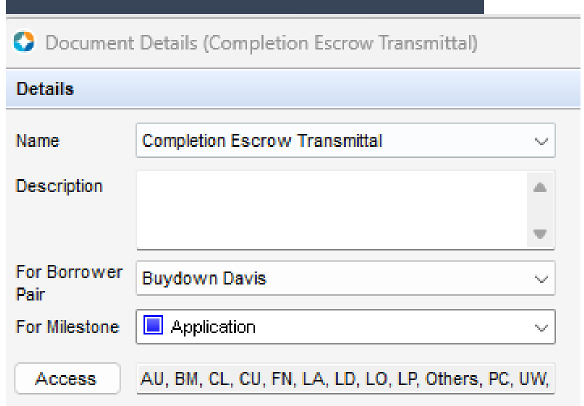
Once DocuSign is completed, title accounting will be notified to release funds.

Title accounting will not release funds without the executed Completion Escrow Transmittal.

Title accounting will release funds within 2 business days.

Batching of escrows is preferred. Please send these as soon as possible and do not wait until the end of the month to release.

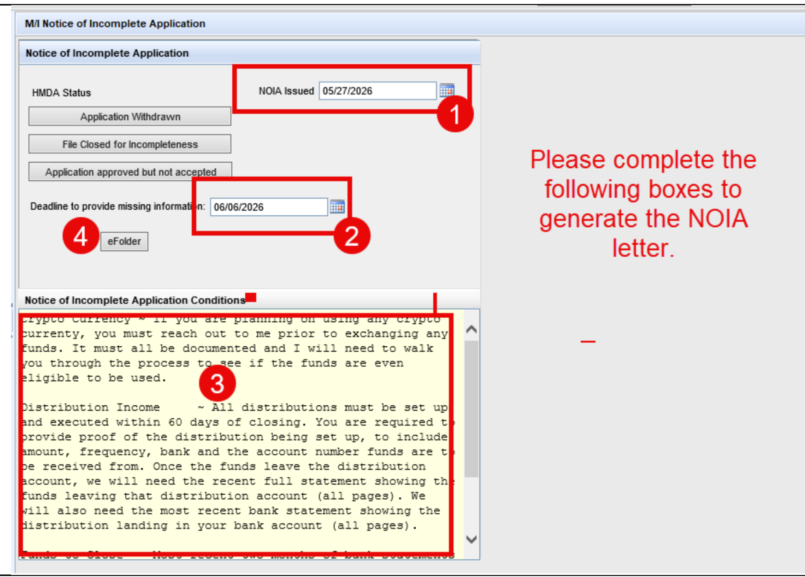
A copy of the executed Completion Transmittal is to be uploaded into the Efolder.



Notice of Incomplete Actions

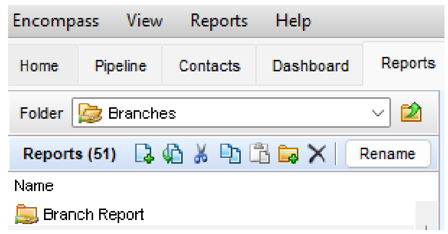
ECOA's Regulation B requires a lender to notify the applicant of action taken on an application within 30 days of receipt of a completed application. If the application is incomplete and does not contain enough information to make a credit decision the applicants must be notified. We have elected to notify the buyer by providing a written notice of incompleteness.

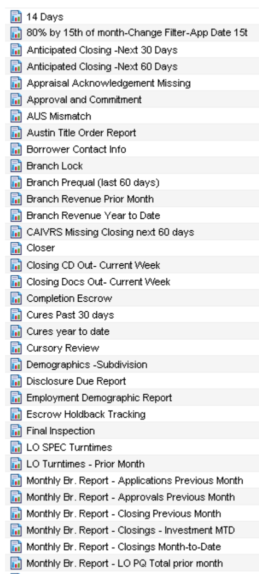
The Loan Officer is responsible to prepare and send the "Notice of Action Taken" to the borrower's who have not returned the signed disclosures or supporting documentation required to get his/her/their loan approved, and commitment letter issued within the required 30 days. We will give the buyer another 30 days to gather and submit their information to us.

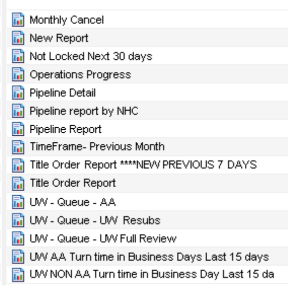
	To complete the NOIA, go to the **M/I Notice of Incomplete Application** screen. Complete: NOIA Issued Deadline to provide information. NOIA Conditions Then click **eFolder**> **Request>Preview> Send.**	

Monitoring of Reports

Within Encompass there are several reports that a Branch UW will utilize to monitor the progress of the loans. (This is not an all-inclusive list of all reports available)







Reports to monitor daily:

80% by 15th of the Month

This report is important to monitor as the Branch UW progresses the branches loans. This report tracks a service level agreement that 80% of loans with an application date of the 15th of the prior month or sooner will reach an underwriting status of 10 Day Pending by the 15th of the current (closing) month.

Anticipated Closing - Next 30 days
Anticipated Closing – Next 60 Days

Both of the Anticipated Closing reports are important to monitor as it shows what loans have an estimated closing date of either 30 or 60 days. This will help you manage the pipeline of each Loan Specialist and prioritize underwriting.

	Approval and Commitment	This report will allow the Branch UW to monitor the progress of loan applications. It will show you if a loan has been submitted to corporate underwriting, if it's been approved (and needs commitment letter sent), and also help monitor if a notice of incomplete action needs to be completed within 30 days of application date. Our commitment letters should be issued within five business days after loan approval.
	Cursory Review	This report reflects loans that are approved from corporate underwriting, that have not had a cursory review completed.
	Final Inspection	Report shows the home is subject to or as is, to assist in monitoring loans that need a final inspection ordered, date it was ordered, and when the final was received.
	Operations Progress	Operations Progress report is snapshot of the loan and what is needed. It includes the status of appraisal ordering, closing disclosures sent, and underwriting statuses.

Additional Duties

	Supervision and Training of Loan Specialist(s)	A branch underwriter should be able to coach and develop the Loan Specialist(s). This includes monitoring their performance, meeting with them on a regular basis to offer feedback on performance and assess what additional training is needed.
	Support other Branch Activities	Assisting the Loans Specialists when needed with loan processing duties including the initial prep work **i.e.,** order the next month's appraisals, help label/review docs for accuracy, etc. Work closely with all positions within the office – Primarily with the Loan Specialist but also with the Loan Officers and Branch Manager. Work closely with either an in-house closer or the Closing Center Manager and Loan Closer assigned to the branch. They should have a thorough knowledge of all steps within the closing process. They should know how to read a CD accurately and be able to review it with a customer and/or branch personnel when needed.

		The Operations Manager, in coordination with the Branch Manager, should keep all branch personnel informed on new procedures, lending (Federal and State) regulations, compliance requirements, and any additional procedures issued by the corporate office including but not limited to the Underwriting, Secondary, Post Closing and /or Compliance departments. Operations Manager should know and understand state and federal compliance requirements. This will allow them to be available to all branch personnel when questions arise. Operations Manager should assist the Branch Manager in all areas as needed to ensure the Branch operates effectively and efficiently including but not limited to attending meetings with M/I Homes. They should assist with feedback on all new hires, staffing, and the overall leadership objectives of the M/I Financial branch. In the absence of the Branch Manager they should be prepared to act in that capacity and seek assistance from the Regional Manager if needed.
	Product Guidelines/Underwriting Manual	M/I Financial maintains an Underwriting Manual on the Intranet and all Operations Managers should have access to all Agency guidelines through AllRegs as well. The manual covers the guidelines for Conventional, FHA, and VA loans. All three products are broken down in categories of general, credit, assets, income, and appraisals. It is imperative for the success of an Operations Manager to have a thorough knowledge of the underwriting guidelines. This knowledge will allow you to know when you have an issue in a loan file or that you will need additional documentation for a specific situation. You will be able to address issues head on and not wait for a corporate underwriter to be the first person to recognize a problem. Recognizing challenging situations early in the process allows you to advise the Loan Specialist or Loan Officer on how to proceed and advise the borrower, M/I Homes and the sales consultant. By addressing potential issues earlier, we all have more time to work towards a viable solution.

	Monitoring Loans in Process/Updating Closing Date	Every week there is a meeting with M/I Homes where the sales and closing backlog of the builder is addressed. During this meeting M/I Financial is made aware of changes being made to the closing dates of homes. The Operations Manager is responsible for updating Encompass with the updated closing date and sharing this information with the Loan Specialist and Loan Officers. In addition, the Operations Manager is responsible for monitoring the Loan Specialist to ensure they are completing all tasks necessary to properly process a loan application.
	Pipeline Management	Hold regular weekly pipeline meetings with Loan Specialists. Discussing current pipeline covering the next 60 days in detail with the loan specialist, any challenging loans, communications with borrowers, and any operational duties that need to be addressed. Emphasis should be focused on loans expected to close in the next 21 days.
	Touch Points Monitor the Loan Officer and Loan Specialist to make sure they contact every buyer once every 30 days to check with them to see how the build process on their home is going, checking to see if they have any questions regarding their loan that you can answer for them.	Remind them to get in touch with the borrowers if any changes occur in their financial situation. • Explain the importance of keeping their financial situation the same, i.e., no new credit, no new late payments. • Remind them to shop insurance options early and have the final decision made and ready to purchase 30 days prior to closing to ensure a smooth closing process.

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

Underwriting Worksheet

This worksheet is a job aide to assist the Branch UW with reviewing the details of the loan. This worksheet can be started upon the cursory review and updated as the TBB or Spec progresses towards Clear to Close.

Branch Underwriting Worksheet

Program Type:	LTV:	Loan #:	LS/LO:		Date:
Borrower:				Sales Price:	
Mid Credit Score: B1	B2 B3 B4			Appraised Value:	
DTI:		5 Day LQCC/VVOE Complete:		Loan Amount:	
Conv Log:	DRIVE:	Income Validation: Y or N		PMI: %	
	MAVENT:	Income Analyzer: Y or N			
Credit:	AUS Review:	Transcripts Required : Y or N		HOI Coverage:	Date matches:
Total EMD:	EMD Date:	Deposit Addendums:		Change Orders	
EMD 1:		Address Matches:		Tax worksheet completed and uploaded?	
EMD 2:				$	Closing Costs
EMD 3:		HOA accurate?		$	Realtor Credit
Rate lock:					

VA LOANS

CASE #:	Paycheck City	VA lender cert signed:	COE:	
Children under 12? Make sure to address childcare			Double check dependents aren't duplicated URLA	
CAIVRS:	VA Loan Analysis:		Builder Docs:	Nov Conditions:

FHA LOANS

CASE #:		Conditional Commitment Conditions:
Case Query:	CAIVRS:	Builders Docs:

Loan Review

Borrowers ID/Non resident docs:	SSA Needed?	Credit ref number and date:	
Check 4506C check 6C prior to CTC		LDP/GSA:	
Credit:		Max Seller Credit:	
Credit inquiries/transfers, liabilities match urla?		Check QM:	
		Down Payment Required:	
Income:		Cash to close:	
Income Validated/Income Analyzer Used/Branch Income Calc		EMD:	
		Total:	
Assets: Any Large Deposits:	LOX for Lrg Dep	Unimproved/Improved taxes updated:	
Gift documentation: Builder EMD ACH uploaded:			
REO: Retained mortgage statement due for current month			
LOX for disposition of property, any HOA/HOI/Taxes documents			
HOI			Builder docs include:
Appraisal/Ack/Final/NOV conditions/Conditional commitment conditions			Builder Certification
Flood			Termite
Sales Contract/Addendums:			Radon
10 Day drive			Cabo/Lead/Water
5 day vvoe/LQCC			Warranty Completion
All prior to approval loan conditions cleared			Description of Materials
CD sent and acknowledged			
	Double check for realtor, if so need realtor agreement		
Appraisal Acknowledged	and check % that builder is supplying		
(if FHA/Conditional Commitment, if VA/NOV)			