

# HECM FOR PURCHASE (H4P) PRE-APPROVAL PROCESS

Credit will be pulled prior to be submitting a request for pre-approval.

If Mutual of Omaha Mortgage processes the loan, a borrower's written authorization to pull credit must be sent to the processor prior to requesting a pre-approval.

Broker uploads required documents into notes section of RV and completes FA screens (see checklist).

Subject property address must be TBD.

*No purchase contract should be sent at this time.*

Broker sends the request to **H4Ppreflight@mutualmortgage.com** with borrower name and request for a pre-approval.

SLA is 48 hours to receive pre-approval letter.

If any of the following items are missing underwriting will send an email back to the broker with missing items.

- Income
- Source of funds
- Borrower motivation letter
- Property charge checklist
- FA screens in RV

Pre-approval letter will be issued after 48 hours from when missing items are received.

Underwriting will review credit, income, assets and will issue a pre-approval letter subject to:

- Final verification of income and assets and full underwrite of the appraisal and title
- Final verification and underwrite of property charges

\*Pre-approval is valid for 30 days



# H4P PRE-APPROVAL REQUIRED DOCUMENTATION

Use the following checklist prior to submitting the loan for a pre-approval.

Borrower property charge checklist (must be completed in entirety)

Borrower motivation letter (must be completed in entirety)

Income documentation (see income document guide for specific income documentation)

Copy of current mortgage statement (if current home is selling after HECM close)

Copy of current homeowners insurance and property tax bill on all properties owned

Credit report must be pulled prior to requesting a pre-approval letter

\*If RFS processes the loan, a Borrower's written authorization to pull credit must be emailed to the RFS processor prior to requesting a Pre-Approval\*

Copy of photo ID showing date of birth and copy of proof of social security number for all borrowers

Supporting documentation for extenuating circumstances and/or compensating factors, if applicable

Cover letter detailing narrative of the loan i.e. extenuating circumstances, compensating factors, etc.

## Completion of the Following Screens in RV:

RV Screen	Section(s) to Complete
Borrower	DOB Personal information - SSN Relationships (alternate contact) Co-borrower or NBS- if applicable Primary and secondary identification document
Property	Property address must be TBD Property related information section Monthly property charges (taxes, insurance, HOA if applicable)
Note	Upload all documentation as listed above
Processing Input	Living area sq. footage of future home (estimation is ok)
Data Collection	Family size
Income	Add applicable income sources and amounts
Asset Dissipation	Add applicable assets
Property Charges	Real estate taxes- answer yes or no items Hazard insurance- answer yes or no items



# H4P PRE-APPROVAL: ESTIMATED FUNDS INFORMATION SHEET

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**Borrower Name**

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**Estimated Funds to Close**

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**Bank**

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**Account Number**

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**Gift Funds Amount**

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**Funds from Sale of Existing Home**

## Required Documentation Prior to Docs

- Fully executed gift letter
- One month bank statement from the donor (all large deposits must be sourced)
- Copy of funds leaving donor's account (bank statement print out or copy of wire transfer)
- Copy of closing agent receipt of funds

## Required Documentation Prior to Docs

- Estimated HUD showing sufficient funds to close PTD
- Final HUD PTF showing sufficient funds to close
- Proof of funds being sent to our closing agent

\*If funds are given to the borrower, proof of the funds going into the borrower bank account along with 2 months bank statements will be required. At closing, proof of the funds leaving this account and being received by the Closing Agent will also be needed (print out wire confirmation from account, must show borrowers account number)



# BORROWER CHECKLIST H4P PRE-APPROVALS

Please answer the following questions to the best of your ability. These are important to ensure that there are minimal changes to your loan approval once the file goes through Underwriting.

	Yes	No
Are you current on your property taxes for all properties owned?		
Have you been late on your property taxes within the last 24 months for any properties owned?		
Are you current on your homeowners insurance for all properties owned?		
Have you been late or have you had any lapses on your homeowners insurance within the last 12 months for any properties owned?		
Are you current on your HOA/PUD fees for all properties owned?		
Have you been late on your HOA/PUD fees within the last 24 months for any properties owned?		
What is the amount of your annual property taxes?		_____
What is the amount of your annual homeowners insurance?		_____
What is the amount of your monthly HOA/PUD fees?		_____
Do you have any current or prior tax liens or judgements?		

*I/We certify that I/we have answered all of the above questions truthfully to the best of my/our ability. I/We understand that if any of these items are found to be different than what I/we have originally disclosed, my/our loan application may be affected.*

\_\_\_\_\_  
Borrower Print Name

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Borrower Print Name

\_\_\_\_\_  
Co-Borrower Signature

\_\_\_\_\_  
Date



## Motivation Letter

I/we currently own a home

Yes	No
Renting	Staying w/ others

If no, I/we are currently

This is the address of where I/we are currently residing

I/we are selling this home prior to the closing of our new home

Yes	No
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My/our current home is listed for sale but will sell after the close of my/our new home

Yes	No
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I/we are retaining our current home and it will become a rental property

Yes	No
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## Subject Property

Resale

Yes	No
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If yes, what is the anticipated application date?

New construction

Yes	No
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If yes, what is the anticipated certificate of occupancy date?

## Subject Property

Final funds to close will be from the proceeds of the sale of my/our current home

Yes	No
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Funds will be sent directly from the closing agent of my/our current home to the closing agent of my/our new home

Yes	No
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\*If no, I/we will provide account details and 2 months bank statements for the account these funds will be sent to

## Motivation to Purchase

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Borrower Print Name

Borrower Signature

Date

Co-Borrower Print Name

Co-Borrower Signature

Date

