



CLIENT ALERT W-2 Transcript Policy Change

Date: March 6, 2015
Impacted Channels: Wholesale, Correspondent

If the borrower is exclusively a W-2 wage earner and the DU Findings recommend W-2 documentation to substantiate income, only W-2 transcripts are required.

Kinecta requires IRS transcripts on every loan as part of the income verification. The Underwriter determines the transcript type and number of years based on the loan program, the borrower's income sources, and DU Findings recommendations.

New Guidance	Unchanged Guidance
<ul style="list-style-type: none">For Agency and Government products, if the borrower is exclusively a W-2 wage earner and the DU Findings recommend W-2 documentation to substantiate income, only W-2 transcripts are required.For non-Agency products (Jumbo), when a borrower has 1120 and/or 1065 income, 1120/1065 transcripts are required.	<ul style="list-style-type: none">When a borrower has 1040 income, 1040 transcripts are required.DU Findings or product guidelines determine the number of years (one or two).

Transcripts are required Prior-to-Docs (PTD) on all loans.

This change is effective 03/09/15 for loans for which transcripts have not been requested.

Contact your Account Executive if you have any questions.