

		<i>Occurrence</i>
		Large Deposits
Product	Fannie Freddie Jumbo	<p>Refinance Transactions: Documentation or explanation for large deposits IS NOT required. However, we are still responsible for ensuring that any borrowed funds are considered. In other words, if we have reason to believe large deposits may be result of new debt (ie: recent inquiry by lender), we must obtain further documentation. Borrowed funds may not be used as source of funds for closing.</p> <p>Purchase Transactions: Large deposits are now defined as a single deposit that exceeds 50% of the total monthly qualifying income for the loan.</p> <p>In addition, only funds (including those from the large deposits) needed to complete the purchase need to be documented (ie: down payment, closing costs or required reserves). If the “unsourced” funds are not needed for the transaction, the total of the borrowers assets must be reduced by the unsourced funds and the net amount used for underwriting purposes.</p> <p>However, as mentioned above we are still responsible for ensuring any liabilities resulting from borrowed funds are considered when qualifying the borrower and that all borrower funds used in the evaluation of loan are from eligible sources.</p>
	FHA VA RD	<p>Explanation and documentation of source of funds for all large deposits is required. These would be deposits over and above the borrower’s payroll AND/OR are unusual taking into consideration the borrower’s income level. Large deposits are reviewed on a case by case basis at the underwriter’s discretion.</p>