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## Overview

This guide provides partners with a clear overview of A&D Mortgage's underwriting guidelines across our product suite. It clarifies guideline interpretations and key underwriting considerations to ensure efficient and accurate deal submissions.

## Fannie Mae Guidelines

For FNMA guidelines, please [click here](#).

## Freddie Mac Guidelines

For FHLMC guidelines, please [click here](#).





## A&D Additional Guideline Requirements

### Income

#### Future Income

A&D Mortgage will only accept future income from well-established corporations.

### Assets

#### Income Taxes Owed on 1040s

##### Prior to Tax Filing Deadline

- The amount owed is added to required reserves.
- If 4/15 or later, proof of payment or payment plan is required.

##### After Tax Filing Deadline

- If prior to 10/15, the amount owed is added to required reserves.
- If 10/15 or later, proof of payment or payment plan is required.

Note: Taxes owed can be removed from the reserve requirement if there is evidence they're paid in full, or a payment plan is in place.

#### Gift Funds for Reserves

Gift funds sent directly to title cannot be used for reserves. Instead, they must be transferred directly to the borrower's account prior to closing.

### Manual Underwriting

A&D does not allow manually underwritten loans on Conventional files.

### Property

#### COO & 1004D on New Construction

The Certificate of Occupancy (COO) can be made a closing condition and the 1004D can be made a post-closing condition for the following builders:

- Lennar
- DR Horton
- Pulte





## **Indian Reservation**

A&D does not allow loans secured by properties located on an Indian Reservation.

## **Transferred Appraisals**

Transferred appraisals with a CU Score greater than 2.5 will be rejected.

## **MLO as Borrower**

Files where the MLO is the borrower or vested on title are prohibited by A&D Mortgage.

