

Friday, January 15, 2021

Bulletin #2021-AC-002

NOTICE TO ALL CUSTOMERS**Income Validations Reminder/Temporary Policies Related to Covid-19**

Tax Returns and Transcripts are required for borrower(s) whose “self-employment” or “other” income sources is being utilized for the repayment of the mortgage. The number of years of tax returns and transcripts required will be based on the AUS findings except on the Preferred Jumbo product where 2 years and/or 3 years of tax returns and transcripts is required.

The table below outlines the documentation requirements for 2020 IRS Tax Returns and Transcripts

If Today's Date is....	Then the Most Recent Year's Tax Return and Transcript required would be...	If 2020 tax return is not filed, then...
Prior to April 15, 2021	<ul style="list-style-type: none">○ 2020 Tax Returns○ 2020 IRS transcripts*	<ul style="list-style-type: none">○ 2019 Tax Returns○ 2019 IRS transcripts
April 15, 2021 to October 15, 2021	<ul style="list-style-type: none">○ 2020 Tax Returns○ 2020 IRS transcripts*	<ul style="list-style-type: none">○ 2019 Tax Returns○ 2019 IRS transcripts○ Copy of 2020 transcript displaying “No Record Found”○ Evidence of extension request to file with IRS form 4868
October 16, 2021	After October 16, 2021, tax returns and transcripts must be provided for 2020.	

*If the 2020 tax return has been filed but the corresponding tax transcript is not yet available due to IRS lag times (three to four weeks after a consumer e-files their tax return and six to eight weeks after filing by mail), the prior year's transcripts are required (either one or two years dependent upon the AUS requirement).

IRS W-2 Forms: All Products

The final year-ending last paystub issued by the employer in 2020 must be provided in lieu of the 2020 W-2 for loans closing by February 28, 2021; W-2's for 2020 are expected to be provided to FLCBank on all loans after February 28, 2021. Furthermore, paystubs showing YTD earnings for 2021 must be documented per the AUS and loan program. Note that the requirement for W-2 transcripts on Conventional, FHA and VA Programs is suspended temporarily as per our Temporary Policies Related to COVID-19.

Extension of Temporary COVID-19 Policies on Conventional loans

The agencies announced yesterday their extension of the temporary requirements related to Verification of Employment and Appraisal flexibilities:

Temporary Flexibilities for Verification of Employment (COVID-19)

- The temporary policies allowing the Verification of Employment to be completed directly by a supervisor or manager remains in effect as follows:
 - Conventional and Jumbo loan applications dated on or before February 28, 2021

BULLETIN



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Temporary Flexibilities for Appraisal Products (COVID-19)

- The temporary policies allowing lenders to obtain an exterior-only inspection or desktop appraisal on the subject property during the pandemic remain in effect as follows:
 - Conventional and Jumbo loan applications dated on or before February 28, 2021
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To access our most recently updated Temporary Policies Related to COVID-19 (version 27) please [click here](#).

Please reference full product guidelines posted on the FLCBank website at www.flcbmtg.com. All products are subject to credit and property approval. Program terms and conditions are subject to change without notice. Not all products are available in all states for all dollar amounts. Other restrictions and limitations apply. FLCBank is a registered trademark of Florida Capital Bank, N.A. Member FDIC NMLS 790396 Equal Housing Lender. FLCBank 10151 Deerwood Park Blvd. Bldg. 100, Suite 200, Jacksonville, FL 32256 1.866.295.0014