

# Mortgage Underwriter Review Guide

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This guide outlines the primary responsibilities and key points of focus for mortgage underwriters when reviewing a loan file.

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*A Comprehensive Guide by The Housing Assistant*



## What a Mortgage Underwriter Looks For

This guide outlines the primary responsibilities and focal points of mortgage underwriters when reviewing a loan file. Underwriters verify borrower qualifications, ensure investor and program guidelines are met, and validate risk and documentation quality. Each loan type has specific requirements, and many documents within a file are subject to expiration timelines that must be observed.

### FHA

- Key Areas of Underwriting Review:
  - Credit history and score requirements
  - Manual underwriting for borderline cases
  - DTI ratio thresholds (typically up to 57% with strong compensating factors)
  - 3.5% minimum down payment
  - UFMIP and annual MIP structure
  - Appraisal must meet HUD property standards
- Document Expiration Timelines:

Document	Expiration
Credit Report	120 Days
Appraisal	180 Days (Extension available for 1 year with appraisal update)
Income/Employment Docs	120 Days
Assets (Bank Statements)	30 Days

### VA

- Key Areas of Underwriting Review:

- Certificate of Eligibility (COE) validation
- Residual income analysis
- No required minimum credit score (lender overlays apply)
- Funding fee accuracy (based on prior usage, exemption status)
- Appraisal must meet VA Minimum Property Requirements
- Document Expiration Timelines:

<b>Document</b>	<b>Expiration</b>
Credit Report	120 Days
Appraisal	180 Days
Income/Employment Docs	120 Days
Assets	30 Days

## USDA

- Key Areas of Underwriting Review:
  - Property eligibility (rural location)
  - Household income within limits for county
  - Must meet ratio guidelines unless GUS-approved
  - Guarantee fee validation
  - Conditional Commitment approval from USDA
- Document Expiration Timelines:

<b>Document</b>	<b>Expiration</b>
Credit Report	120 Days
Appraisal	150 Days (extension to 240 days allowed)
Income Docs	120 Days
Assets	30 Days

## FNMA / FHLMC

- Key Areas of Underwriting Review:
  - DU/LP findings compliance
  - Credit score typically 620+
  - Max DTI around 45% unless automated approval allows more
  - Loan Level Price Adjustments (LLPAs)
  - Appraisal must meet Uniform Appraisal Dataset (UAD) standards
- Document Expiration Timelines:

<b>Document</b>	<b>Expiration</b>
Credit Report	120 Days
Appraisal	12 Months (1004D update after 4 months)

Income Docs	120 Days
Assets	30 Days