MFM Bulletin: 009-2022

Date: February 22, 2022

Subject: Tax Return and Documentation Requirements

Tax Return Requirements
Below are effective dates and documentation requirements for all loan programs when income tax returns are required for borrower qualification and/or program requirements.

<table>
<thead>
<tr>
<th>Loan Application Date:</th>
<th>Note Date:</th>
<th>Age of Tax Return and Other Documentation Requirements:</th>
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</thead>
</table>
| Before 4/19/2022       | Freddie Mac: On or after 11/1/2021, but before 5/31/2022  
Fannie Mae, FHA, VA, USDA: On or after 10/15/2021, but before 6/30/2022 | • Most recent income tax return filed with IRS (2021, if filed).  
• 2020 returns are required.  
• 2019 returns (if 2021 returns are not filed AND AUS findings and/or program requires 2 years of returns). |
| On or after 4/19/2022, but before 10/17/2022 | Freddie Mac: On or after 5/31/2022, but before 11/1/2022  
Fannie Mae, FHA, VA, USDA: On or after 4/18/2022, but before 7/1/2022 | If borrower has not filed their 2021 tax returns with the IRS:  
• 2020 tax returns are required (and 2019 if AUS findings and/or program requires two years of returns.  
• The following documentation is also required:  
  • Tax transcripts confirming that 2021 returns have not been filed.  
  • IRS tax forms 4868 and/or 7004 as evidence of filing of tax return extension.  
  • Copy of cancelled check or bank statement verifying payment of all 2021 income tax liability as per extension document. |
| On or after 10/18/2022 | Freddie Mac: On or after 11/1/2022  
Fannie Mae, FHA, VA, USDA: On or after 12/31/2022 | • The most recent tax return must be no older than 2021.  
• Use of filing extension for 2021 is not permitted.  
• Proof of payment of all 2021 income tax liability (per return is required). |
Tax Transcripts
As a reminder, tax transcripts are required for all loans being sold to private investors and tax returns are required in the following instances:

• Self-employed borrowers – BOTH personal and business returns are required.
• Rental income used to qualify
• Borrowers employed by family-owned companies
• Interest and dividend and/or capital gain income used to qualify
• Handwritten W-2s or 1099
• VA with Commission Income over 25% used to qualify

Please contact the MFM Underwriting department (underwriting@memberfirstmortgage.com) if you have any questions or concerns.

Thank you