

Oct. 15, 2020

Get to Know the Redesigned Form 1003 – Part One

Section 1: Borrower Information

For the first time in nearly two decades, Fannie Mae and Freddie Mac have announced significant changes to the Uniform Residential Loan Application (Form 1003). These changes will streamline the process and create a more consumer-friendly experience.

This is Your Guide to Form 1003 Changes

The changes to Form 1003 are extensive and will impact how applications are completed, so you'll receive the details in a series of four communications. We're committed to providing ongoing communication to ensure that you're ready for these changes by March 2021.

Let's Begin — Section 1: Borrower Information

One of the most significant changes is that each borrower will now complete his or her own loan application. Please review the table below for more detailed information about the changes in Section 1: Borrower Information.

Section	Changes
1a. Personal Information	<p>New additions:</p> <ul style="list-style-type: none"> ▪ An area to list the total number of borrowers applying for the loan, along with their full names. This can be used as a quick reference to see all borrowers on a loan. ▪ New fields for a cell phone number, an email address and other essential data points.

1a. Personal Information	
Name (First, Middle, Last, Suffix)	Social Security Number (or Individual Taxpayer Identification Number)
Alternate Names – List any names by which you are known or any names under which credit was previously received (First, Middle, Last, Suffix)	Date of Birth (mm/dd/yyyy) Citizenship <input type="radio"/> U.S. Citizen <input type="radio"/> Permanent Resident Alien <input type="radio"/> Non-Permanent Resident Alien
Type of Credit <input type="radio"/> I am applying for individual credit . <input type="radio"/> I am applying for joint credit . Total Number of Borrowers: _____ Each Borrower intends to apply for joint credit. Your initials: _____	List Name(s) of Other Borrower(s) Applying for this Loan (First, Middle, Last, Suffix) – Use a separator between names
Marital Status <input type="radio"/> Married <input type="radio"/> Separated <input type="radio"/> Unmarried (Single, Divorced, Widowed, Civil Union, Domestic Partnership, Registered Reciprocal Beneficiary Relationship)	Dependents (not listed by another Borrower) Number _____ Ages _____
	Contact Information Home Phone () - _____ Cell Phone () - _____ Work Phone () - _____ Ext. _____ Email _____

1b. Current Employment/Self-Employment and Income

1c. IF APPLICABLE, Complete Information for Additional Employment/Self-Employment and Income

1d. IF APPLICABLE, Complete Information for Previous Employment/Self-Employment and Income

Subsections 1b through 1d have been updated to collect employment and income details that are important in underwriting. Changes include:

- Employment and income are now located in the same section.
- Gross Monthly Income with a source breakdown, making it easier to verify income for each employer.
- Sections for additional and past employment and income.

1b. Current Employment/Self-Employment and Income <input type="checkbox"/> Does not apply	
Employer or Business Name _____ Phone () - _____ Street _____ City _____ State _____ ZIP _____	Gross Monthly Income Base \$ _____ /month Overtime \$ _____ /month Bonus \$ _____ /month Commission \$ _____ /month Military Entitlements \$ _____ /month Other \$ _____ /month TOTAL \$ _____ 0.00/month
Position or Title _____ Start Date ____/____/____ (mm/dd/yyyy) How long in this line of work? ____ Years ____ Months	Check if this statement applies: <input type="checkbox"/> I am employed by a family member, property seller, real estate agent, or other party to the transaction.
<input type="checkbox"/> Check if you are the Business Owner or Self-Employed <input type="radio"/> I have an ownership share of less than 25%. Monthly Income (or Loss) \$ _____ <input type="radio"/> I have an ownership share of 25% or more. \$ _____	

1c. IF APPLICABLE, Complete Information for Additional Employment/Self-Employment and Income <input type="checkbox"/> Does not apply	
Employer or Business Name _____ Phone () - _____ Street _____ City _____ State _____ ZIP _____	Gross Monthly Income Base \$ _____ /month Overtime \$ _____ /month Bonus \$ _____ /month Commission \$ _____ /month Military Entitlements \$ _____ /month Other \$ _____ /month TOTAL \$ _____ 0.00/month
Position or Title _____ Start Date ____/____/____ (mm/dd/yyyy) How long in this line of work? ____ Years ____ Months	Check if this statement applies: <input type="checkbox"/> I am employed by a family member, property seller, real estate agent, or other party to the transaction.
<input type="checkbox"/> Check if you are the Business Owner or Self-Employed <input type="radio"/> I have an ownership share of less than 25%. Monthly Income (or Loss) \$ _____ <input type="radio"/> I have an ownership share of 25% or more. \$ _____	

1d. IF APPLICABLE, Complete Information for Previous Employment/Self-Employment and Income <input type="checkbox"/> Does not apply	
Provide at least 2 years of current and previous employment and income.	
Employer or Business Name _____ Phone () - _____ Street _____ City _____ State _____ ZIP _____	Previous Gross Monthly Income \$ _____ /month
Position or Title _____ Start Date ____/____/____ (mm/dd/yyyy) End Date ____/____/____ (mm/dd/yyyy)	<input type="checkbox"/> Check if you were the Business Owner or Self-Employed

Coming Attractions

Stay tuned for the next three communications below covering changes in Form 1003.

- **Part 2:** Section 2: Financial Information — Assets and Liabilities and Section 3: Financial Information — Real Estate.
- **Part 3:** Section 4: Loan and Property Information, Section 5: Declarations and Section 6: Acknowledgments and Agreements

- **Part 4:** Section 7: Military Service, Section 8: Demographic Information and Section 9: Loan Originator Information

We'll also provide reference materials to help you navigate the changes in H2O as we get closer to March 2021.

Visit [Uniform Residential Loan Application \(Form 1003\)](#) to learn more about the upcoming changes.

Questions? Contact your Account Executive.