

Attachment A

Community Property Requirements

(See “Non-Purchasing Spouse in a Community Property State” Section)

- A credit report for the non-purchasing spouse is required to determine any joint or individual debts. The spouse’s authorization to pull a credit report must be obtained. If the spouse refuses to provide authorization for the credit report, the loan must be rejected
- Even if the non-purchasing spouse does not have a social security number, the credit reporting company should verify that the non-purchasing spouse has no credit history and no public records recorded against him/her.
- Credit Company should be given non-purchasing spouse information: Name(s), address, birth date and any other significant information requested in order to do the records check.
- Except for those obligations specifically excluded by state law (see chart below for AZ, NV, WI), the debts of the non-purchasing spouse must be considered in the qualifying ratios. If the debts are the sole responsibility of the non-purchasing spouse, do not consider debt in the DTI.
- The greater of the monthly payment amount or 5% of the outstanding balance (if minimum payment is not reflected on credit report) of the non-purchasing spouse must be included in the qualifying ratios
- Disputed debts of the non-purchasing spouse need not be counted provided the file contains documentation to support the dispute.
- Credit history of the non-purchasing spouse should not be the basis for declining the loan. The FICO score for the non-occupying co-borrower is not considered for eligibility or VA Funding Fee.

	Arizona	California	New Mexico	Nevada	Texas	Washington
When are Community Property State laws effective	Married and domicile in same state	Same	Same	Same	Same	Same
Include debts in DTI analysis	Yes, exclusions apply (see below)	Yes	Yes	Yes	Yes	Yes, exclusions apply (see below), as long as proceeds are not provided to non-purchasing spouse or joint assets of the spouse and non-purchasing spouse are used in the transaction
Exclude debts in DTI analysis, if acquired prior to marriage	Yes	No. Can only be excluded with a specific pre-marital agreement.	No. Can only be excluded with a specific pre-marital agreement.	Yes	No. Can only be excluded with a specific pre-marital agreement.	Yes, as long as proceeds are not provided to non-purchasing spouse or joint assets of the spouse and non-purchasing spouse are used in the transaction
The non-purchasing spouse can sign the mortgage	No	Yes	Yes	Yes	Yes	No