

The borrower must have sufficient funds for the downpayment, closing costs and other expenses, as well as reserves for mortgage payments. There are two sets of generally acceptable documentation that may be obtained.

### Option 1:

- *A Verification of Deposit form (VOD)*

### Option 2:

- *Original bank statements or investment portfolio statements for the most recent two-month period.*

The Asset and Liability section of the loan application should provide information on each type of account (checking, savings, and retirement accounts), including the name of the depository, account number and current balance.

Of particular importance is the average balance over the past two months. Underwriters will examine these amounts to determine if average balances vary greatly from the current balance. Significant variances between the average balance and the current balance could indicate an undisclosed loan. Verification of the source of funds is required for large increases in account balances and on accounts less than six months old.

If stocks, bonds, certificate of deposits (CDs) or retirement accounts (401k/IRA) will be liquidated for downpayments or closing costs, direct verification with the depository is generally required to determine the net amount that will be available to the borrower. Face value and market value may differ. Also, there may be a penalty or tax consequence for early withdrawal.

The VOD form is used to confirm the borrower's balances in savings and checking accounts. This form must be signed by the borrower authorizing the lender to obtain the information. It should be sent by the loan processor directly to each depository in which the borrower has funds on deposit. The borrower is not to handle the VOD once they have signed it and cannot courier the form between the lender and the depository.

The lender and borrower complete Part I of the form. The form is sent to the borrower's depository, which will complete Part II and Part III of the form. If the VOD is returned incomplete, it must be sent back to be completed.


When using a VOD form, it is often a good idea to call the appropriate person at the borrower's depository before sending the form to let the depository contact know that the form is coming and that it is time-sensitive. You may want to highlight the areas that need to be completed and write "Urgent" or "Rush" at the top of the form to emphasize the importance of a quick response. Include a self-addressed, stamped envelope when appropriate.

Statements

Lenders may use the borrower's bank or investment portfolio statements that cover the most recent two-month period in place of VOD forms. If account information is reported on a quarterly basis, the statement should be the most recent quarterly statement. The documentation may be obtained directly from the borrower.

Bank or investment portfolio statements must clearly identify the borrower as the account holder, and clearly identify the account number, the time period covered by the statement, all transactions, and the ending balance. Statements for retirement accounts must identify the borrower's vested amount and terms for withdrawals and loans.

Verification of Deposit Form



### Request for Verification of Deposit

**Privacy Act Notice:** This information is to be used by the agency collecting it or its assignees in determining whether you qualify as a prospective mortgagor under its program. It will not be disclosed outside the agency except as required and permitted by law. You do not have to provide this information, but if you do not your application for approval as a prospective mortgagor or borrower may be delayed or rejected. The information requested in this form is authorized by Title 38, USC, Chapter 37 (if VA); by 12 USC, Section 1701 et.seq. (if HUD/FHA); by 42 USC, Section 1452b (if HUD/CPD); and Title 42 USC, 1471 et.seq. or 7 USC, 1921 et.seq. (if USDA/FmHA).

**Instructions:** Lender – Complete Items 1 through 8. Have applicant(s) complete Item 9. Forward directly to depository named in Item 1.  
 Depository – Please complete Items 10 through 18 and return DIRECTLY to lender named in Item 2.  
 The form is to be transmitted directly to the lender and is not to be transmitted through the applicant(s) or any other party.

---

**Part I – Request**

1. To (Name and address of depository)	2. From (Name and address of lender)
--	--------------------------------------

I certify that this verification has been sent directly to the bank or depository and has not passed through the hands of the applicant or any other party.

3. Signature of lender	4. Title	5. Date	6. Lender's No. (Optional)
------------------------	----------	---------	----------------------------

**7. Information To Be Verified**

Type of Account	Account in Name of	Account Number	Balance
			\$
			\$
			\$

**To Depository:** I/We have applied for a mortgage loan and stated in my financial statement that the balance on deposit with you is as shown above. You are authorized to verify this information and to supply the lender identified above with the information requested in Items 10 through 13. Your response is solely a matter of courtesy for which no responsibility is attached to your institution or any of your officers.

8. Name and Address of Applicant(s)	9. Signature of Applicant(s)
-------------------------------------	------------------------------

---

**To Be Completed by Depository**

**Part II – Verification of Depository**

10. Deposit Accounts of Applicant(s)

Type of Account	Account Number	Current Balance	Average Balance For Previous Two Months	Date Opened
		\$	\$	
		\$	\$	
		\$	\$	

11. Loans Outstanding To Applicant(s)

Loan Number	Date of Loan	Original Amount	Current Balance	Installments (Monthly/Quarterly)	Secured By	Number of Late Payments
		\$	\$	\$ per		
		\$	\$	\$ per		
		\$	\$	\$ per		

12. Please include any additional information which may be of assistance in determination of credit worthiness. (Please include information on loans paid-in-full in Item 11 above.)

13. If the name(s) on the account(s) differ from those listed in Item 7, please supply the name(s) on the account(s) as reflected by your records.

---

**Part III – Authorized Signature** - Federal statutes provide severe penalties for any fraud, intentional misrepresentation, or criminal connivance or conspiracy purposed to influence the issuance of any guaranty or insurance by the VA Secretary, the U.S.D.A., FmHA/FHA Commissioner, or the HUD/CPD Assistant Secretary.

14. Signature of Depository Representative	15. Title (Please print or type)	16. Date
17. Please print or type name signed in item 14	18. Phone No.	

Fannie Mae Form 1006 July 96