



DOCS DRAW SOP

POLICIES & PROCEDURE

Version-1

Abstract

This document will explain in details about the process flow/steps of drawing final docs package.

Revision History

Sr#	Version #	Change Summary	Section #	Approved By & Date	Released By & Date
1	1.0	Affixation of affidavit for Manufacturing home	Page #44-45	Lisa Smith 05/08/2019	Raj Suman 05/08/2019
2	2.0	Update on Florida HHF DPA Program loans	Page #103	Lisa Smith 05/08/2019	Raj Suman 05/08/2019
3	3.0	Update on NBS Requirement on Refinance Primary	Page #103	James Medina 06/19/2019	Raj Suman 06/19/2019
4	4.0	Update on Payoff(s) creditor name & account numbers	Page #88	Lisa Smith 06/05/2019	Raj Suman 06/05/2019
5	5.0	Update on Pricing adjustment not needed except Overage on VA loans.	Page #18	Tory Teunis 06/11/2019	Raj Suman 06/11/2019
6	6.0	Update on checkpoints to review on Docs redrawn Request	Page #103	Tory Teunis 07/03/2019	Raj Suman 07/03/2019
7	7.0	Update on US MRBP – NV HIP / HAL Products	Page #104	Raj Suman 06/25/2019	Raj Suman 06/25/2019
8	8.0	Update on VA IRRRL loan	Page #105	Susan 06/28/2019	Raj Suman 06/28/2019
9	9.0	Update on Early Release DOCS (Without CTC)	Page #105	Tory Teunis 07/16/2019	Raj Suman 07/16/2019
10	10.0	Update on Closing Conditions	Page #29	Lisa Smith 07/19/2019	Raj Suman 07/19/2019
11	11.0	Update on Loan discount Points	Page #65	Susan 07/19/2019	Raj Suman 07/19/2019
12	12.0	Update on VA Cash Out Refinance	Page #105	Naresh Kumaran 8/1/2019	Raj Suman 8/1/2019
13	13.0	Update on FHA MIP Refund	Page #105	Naresh Kumaran 8/20/2019	Raj Suman 8/20/2019
14	14.0	Update on TAX Collection for Non-disclosed taxes	Page #105	Karl Anderson 8/20/2019	Raj Suman 8/26/2019
15	15.0	Update on MI Cert Process	Page #106	James Medina 8/28/2019	Raj Suman 8/28/2019
16	16.0	Change in FHA MIP Table & Click on GET MI Button on FHA loans	Page #57	Karl Anderson 9/11/2019	Raj Suman 9/11/2019
17	17.0	Update on Principal Reduction	Page #106	James Medina 9/16/2019	Raj Suman 9/16/2019
18	18.0	Seller Credit Update	Page #74	Tory Teunis 10/29/2019	Raj Suman 10/29/2019
19	19.0	ARM Docs Review Process	Page #106	Tory Teunis 11/05/2019	Raj Suman 11/05/2019
20	20.0	Vesting Update	Page #106	Karl Anderson 11/12/2019	Raj Suman 11/12/2019
21	21.0	Verify Impounds	Page #69	Tory Teunis 11/15/2019	SubhenduDey 11/15/2019
22	22.0	Update on HOI Renewal Policy	Page #106	Karl Anderson 11/18/2019	Raj Suman 11/18/2019

23	23.0	VA IRRRL – Max Cash back limit	Page #107	Karl Anderson 12/06/2019	Raj Suman 12/06/2019
24	24.0	Revised VA Funding fee on or after 01/01/2020 NOTE Date	Page #47	Lisa Smith 12/17/2019	Raj Suman 12/17/2019
25	25.0	Hold Harmless disclosure& Closing Letter to attach when DOCS sent without CTC	Page #99	James Medina 12/17/2019	Raj Suman 12/17/2019
26	26.0	1-4 Family rider update on FHA with Primary Occupancy	Page #42	Eric Gut 06/27/2019	Raj Suman 12/23/2019
27	27.0	USDA Technology fee announcement	Page #107	Raj Suman 01/08/2020	Raj Suman 01/08/2020
28	28.0	Updated on Vesting verbiage	Page #22	Karl Anderson 02/07/2020	Raj Suman 02/07/2020
29	29.0	Update on Prosperity Branch	Page #107	Karl Anderson 02/12/2020	Raj Suman 02/12/2020
30	30.0	Mavent report update	Page #107	Karl Anderson 02/14/2020	Raj Suman 02/14/2020
31	31.0	Update on SIDS Impounds	Page #107	Karl Anderson 03/20/2020	Raj Suman 03/20/2020
32	32.0	Update on Metro DPA with Lakeview	Page #107	Raj Suman 04/07/2020	Raj Suman 04/07/2020
33	33.0	Update on CHFA & US BANK MRP with Manufacture Home Loans	Page #108	Raj Suman 04/13/2020	Raj Suman 04/13/2020
34	34.0	Update on Pre-NOTE VVOE	Page #108	Tory Teunis 05/21/2020	Raj Suman 05/21/2020
35	35.0	DOCS Redraw Update	Page #108	Tory Teunis 07/01/2020	Raj Suman 07/01/2020
36	36.0	ARM loan with TIAA Investor Assumptions as Yes	Page #92	Susan 07/09/2020	Raj Suman 07/09/2020
37	37.0	Update on Escrow Balance	Page #108	Tory Teunis 08/28/2020	Raj Suman 08/28/2020
38	38.0	Update on HOI for Purchase loans	Page #109	Tory Teunis 10/15/2020	Raj Suman 10/15/2020
39	39.0	Check Approval Expiration date	Page #109	Tory Teunis 12/15/2020	Raj Suman 12/15/2020
40	40.0	HOI or Flood Insurance Paid Receipt requirement	Page #109	Tory Teunis 01/11/2021	Raj Suman 01/11/2021
41	41.0	HOI Renewal PTF on Refi.loans	Page #110	Tory Teunis 02/16/2021	Raj Suman 02/16/2021
42	42.0	Update on Florida branch loans	Page #110	Karl Anderson 03/19/2021	Raj Suman 03/19/2021
43	43.0	Update on Trust Checklist	Page #110	Tory Teunis 03/29/2021	Raj Suman 03/29/2021
44	44.0	Update on 1003-URLA-Lender form	Page #110	Karl Anderson 04/05/2021	Raj Suman 04/05/2021
45	45.0	Update on Cut off (Cancel at) for Conventional loans > 80% LTV	Page #111	Karl Anderson 04/07/2021	Raj Suman 04/07/2021
46	46.0	Update on HOI on refinance loans for renewal collection	Page #111	Tory Teunis 04/27/2021	Raj Suman 04/27/2021

47	47.0	Update on FHA Streamline Refinances	Page #112	Tory Teunis 04/27/2021	Raj Suman 04/27/2021
48	48.0	Update on Random fee restriction on Sec-A (Lender fees)	Page #112	Tory Teunis 05/13/2021	Raj Suman 05/13/2021
49	49.0	Do not Allow Successor Trustee on Trust loans	Page #112	Tory Teunis 05/13/2021	Raj Suman 05/13/2021
50	50.0	Update Purchase Contract Date on FHA Purchase loans	Page #113	Eric Gut 05/18/2021	Raj Suman 05/18/2021
51	51.0	LO name to remove from Affixation of affidavit for Manufacturing home	Page #45	Tory Teunis 05/19/2021	Raj Suman 05/19/2021
52	52.0	Remove Unsigned Copy of Initial / COC CD's	Page #114	Eric Gut 05/20/2021	Raj Suman 05/20/2021
53	53.0	Update on Tax Proof receipt where county shows due but it is paid per LO	Page #114	Tory Teunis 06/04/2021	Raj Suman 06/04/2021
54	54.0	Send 4506-C form with Closing package whenever it is needed	Page #114-116	Eric Gut 06/08/2021	Raj Suman 06/08/2021
55	55.0	Signature pages on Business / Personal Tax returns to extract and send with DOCS	Page #117	Eric Gut 08/25/2021	Raj Suman 08/25/2021
56	56.0	Update On Refinance loans to validate "Refinance with Original Creditor"	Page #117	Amit Vij 09/09/2021	Raj Suman 09/09/2021
57	57.0	Verification of accurate Property type for pricing purpose	Page #41	Eric Gut 09/17/2021	Raj Suman 09/17/2021
58	58.0	Texas Specific update on Attorney package review	Page #118	Amit Vij 09/20/2021	Raj Suman 09/20/2021
59	59.0	Update on Elective Insurance	Page #118	Tory Teunis 10/20/2021	Raj Suman 10/20/2021
60	60.0	Final Call for correct Property address validation is with DOCS Team	Page #80	Tory Teunis 11/05/2021	Raj Suman 11/05/2021
61	61.0	Certify / Ready to Ship to check for Initial and COC CD's	Page #119	Md. Basheer 11/09/2021	Raj Suman 11/09/2021
62	62.0	Update on Use Simple Interest Accrual on RegZ – CD	Page #119	David Moser 1/26/2022	Raj Suman 1/26/2022
63	63.0	Update on Closing Method	Page #121	Tory Teunis 2/23/2022	Raj Suman 2/23/2022
64	64.0	Revised Update on MI Cert Process	Page #106	Tory Teunis 3/15/2022	Raj Suman 3/15/2022
65	65.0	Update on Personal 4506-C (1040)	Page #121	Tory Teunis 4/6/2022	Raj Suman 4/6/2022
66	66.0	Update on Loan Modification Agreement Disclosure on any ARM loan files	Page #121	Md. Basheer 4/12/2022	Raj Suman 4/12/2022
67	67.0	Update to verify MI Coverage % between MI Cert and UW's AUS	Page #122	Tory Teunis 4/25/2022	Raj Suman 4/25/2022

68	68.0	Update on Separate 4506-C form requirement in Package.	Page #121	Tory Teunis 5/3/2022	Raj Suman 5/3/2022
69	69.0	Two LE's cannot be issued on same day	Page #123	David Moser 5/26/2022	Raj Suman 5/26/2022
70	70.0	Update on POA	Page #123	Lisa Smith 6/9/2022	Raj Suman 6/9/2022
71	71.0	New Update on 4506-C	Page #124	Tory Teunis 6/10/2022	Raj Suman 6/10/2022
72	72.0	Update on COC Verbiages for 0 & 10% tolerance fees	Page #125	Raj Suman 6/21/2022	Raj Suman 6/21/2022
73	73.0	Update on Pre-Funding QC Form	Page #125-126	Tory Teunis 7/13/2022	Raj Suman 7/13/2022
74	74.0	Update on to review COC form comment for Docs team	Page #126	Raj Suman 7/28/2022	Raj Suman 7/28/2022
75	75.0	Update on 0 and 10% tolerance fee verification for DOCS Team	Page #126	David Moser 7/28/2022	Raj Suman 7/28/2022
76	76.0	Update on Private Money loans	Page #126	David Moser & Richard Whelan 8/10/2022	Raj Suman 8/10/2022
77	77.0	Update on Cash to Close on CD to match with 2015 itemization for El Paso and Prestige branch	Page #127	Raj Suman 8/15/2022	Raj Suman 8/15/2022
78	78.0	NBS / NBP requirement in Texas	Page #127	Raj Suman 8/25/2022	Raj Suman 8/25/2022
79	79.0	Update on 4506-C form	Page #127	Md. Basheer 9/16/2022	Raj Suman 9/16/2022
80	80.0	Update on Buy-down Mortgage	Page #128	Raj Suman 9/16/2022	Raj Suman 9/16/2022
81	81.0	Update on Fees	Page #129	Tory Teunis 10/13/2022	Raj Suman 10/13/2022
82	82.0	Update on CD Acknowledgement	Page #129	Tory Teunis & David Moser 10/26/2022	Raj Suman 10/26/2022
83	83.0	Update on Construction to Permanent Loan type	Page #129	David Moser 11/02/2022	Raj Suman 11/02/2022
84	84.0	Update on TEXAS Attorney review fee on VA loans	Page #130	David Moser 11/14/2022	Raj Suman 11/14/2022
85	85.0	TEXAS Cash-Out Refinance Non-Homestead loans	Page #130	Raj Suman 01/19/2023	Raj Suman 01/19/2023
86	86.0	Update on 4506-C form	Page #131	Md. Basheer 02/09/2023	Raj Suman 01/19/2023
87	87.0	Revised FHA Annual MIP update & chart	Page #57	Announcement 02/27/2023	Raj Suman 02/27/2023
88	88.0	Appraisal Company's email & phone update	Page #131	Tory Teunis 02/28/2023	Raj Suman 02/28/2023
89	89.0	Revised VA Funding fee update & chart	Page #57-58	Announcement 03/02/2023	Raj Suman 03/02/2023

90	90.0	Update on FHA ADP code for Buydown funds loans	Page #132	Tory Teunis 04/03/2023	Raj Sumanı 04/03/2023
91	91.0	Update on ARM loans	Page #132	Tory Teunis 12/28/2022	Raj Sumanı 12/28/2022
92	92.0	Update on Short Pay	Page #132	Tory Teunis 05/02/2023	Raj Sumanı 05/02/2023
93	93.0	Update on 4506-C forms	Page #133	Tory Teunis 05/08/2023	Raj Sumanı 05/08/2023
94	94.0	Update on Texas state loans	Page #134	Lisa Smith 05/17/2023	Raj Sumanı 05/17/2023
95	95.0	Update on CHFA DPA loans	Page #135	Raj Sumanı 05/31/2023	Raj Sumanı 05/31/2023
96	96.0	Update on Proctor, Plano & P Moore branch	Page #135	Tory Teunis 06/16/2023	Raj Sumanı 06/16/2023
97	97.0	Update of MH Affixation of Affidavit rider	Page #45	James Medina 07/21/2023	Raj Sumanı 07/21/2023
98	98.0	Update on QC to be done on Non-QM Docs	Page #136	Eric Gut 08/04/2023	Raj Sumanı 08/04/2023
99	99.0	Update on TDHCA / THDA loans on HOI Deductible	Page #136	Raj Sumanı 08/07/2023	Raj Sumanı 08/07/2023
100	100.0	Introduction of NOTE LLC and changes on Docs	Page #137	Raj Sumanı 09/05/2023	Raj Sumanı 09/05/2023
101	101.0	Tax Update on TX Builder loans for Shelton Becnel and his LO's	Page #138	James Medina 06/15/2023	Raj Sumanı 06/15/2023
102	102.0	Attorney change for Proctor, Plano and P Moore branch	Page #138	Tory Teunis 09/13/2023	Raj Sumanı 09/13/2023
103	103.0	2 nd level review on DPA loans for Investor fees	Page #139	Raj Sumanı 09/14/2023	Raj Sumanı 09/14/2023
104	104.0	All Private money loans are Non-MOM loans	Page #139	Tory Teunis 10/19/2023	Raj Sumanı 10/19/2023
105	105.0	Update on VA loans only - VA 26-1820 Loan disbursement	Page #139	Mhd. Basheer 10/26/2023	Raj Sumanı 10/26/2023
106	106.0	Update on Temporary Buydown disclosure	Page #140	Tory Teunis 10/30/2023	Raj Sumanı 10/30/2023
107	107.0	Update On Non-QM Builder loans for Taxes	Page #140	Tory Teunis 11/13/2023	Raj Sumanı 11/13/2023
108	108.0	Borrower paid Full or partial buydown 2 nd level review	Page #140	Eric Gut 11/13/2023	Raj Sumanı 11/13/2023
109	109.0	NOTE LLC – Govt loans update	Page #140	Tory Teunis 12/01/2023	Raj Sumanı 12/01/2023
110	110.0	Update on Property Construction loans	Page #142	Tory Teunis 01/24/2024	Raj Sumanı 01/24/2024
111	111.0	Update on Pre-Payment penalty loans	Page #143	Eric Gut 02/13/2024	Raj Sumanı 02/13/2024
112	112.0	Update to review Property type on Flood Policy	Page #143	Tory Teunis 03/14/2024	Raj Sumanı 03/14/2024
113	113.0	Update on Construction loans	Page #144	Tory Teunis 06/12/2024	Raj Sumanı 06/12/2024

114	114.0	Updated Buydown Agreement	Page #144	Tory Teunis 07/25/2024	Raj Suman 07/25/2024
115	115.0	General Lender credit	Page #144	Tory Teunis 07/25/2024	Raj Suman 07/25/2024
116	116.0	Update on Bridge to sale / Private money	Page #145	James Medina 07/26/2024	Raj Suman 07/26/2024
117	117.0	Update on ARC – DSCR Investor Product	Page #145	Jeff Kauffman 08/02/2024	Raj Suman 08/02/2024
118	118.0	Update on CHFA Product	Page #146	Mhd. Basheer 08/14/2024	Raj Suman 08/14/2024
119	119.0	Buydown letter of Servicing	Page #146	Tory Teunis 08/14/2024	Raj Suman 08/14/2024
120	120.0	Credit fee with Xactus	Page #146	Tory Teunis 01/06/2025	Raj Suman 01/06/2025
121	121.0	Update on HOI / Flood / Master policy for NBS	Page #147	Mhd. Basheer 02/04/2025	Raj Suman 02/04/2025
122	122.0	Update on DSCR Loan programs	Page #147	Lisa Smith 03/13/2025	Raj Suman 03/13/2025
123	123.0	Update on CHASE Investor	Page #148	Mhd. Basheer 04/16/2025	Raj Suman 04/16/2025
124	124.0	Appraisal Acknowledgement Verification	Page #148	Mhd. Basheer 04/25/2025	Raj Suman 04/25/2025
125	125.0	Update for ILLIONOIS State Only	Page #148	Tory Teunis 04/25/2025	Raj Suman 04/25/2025
126	126.0	Update on Credit fee for VA loans	Page #149	Jeff Kauffman 05/14/2025	Raj Suman 05/14/2025
127	127.0	Update on Hybrid E-signing fee	Page #149-150	Tory Teunis 06/26/2025	Raj Suman 06/26/2025

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10	Fee Variance	72
11	Verifying CD Pages 1 to 5	74
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Process Overview

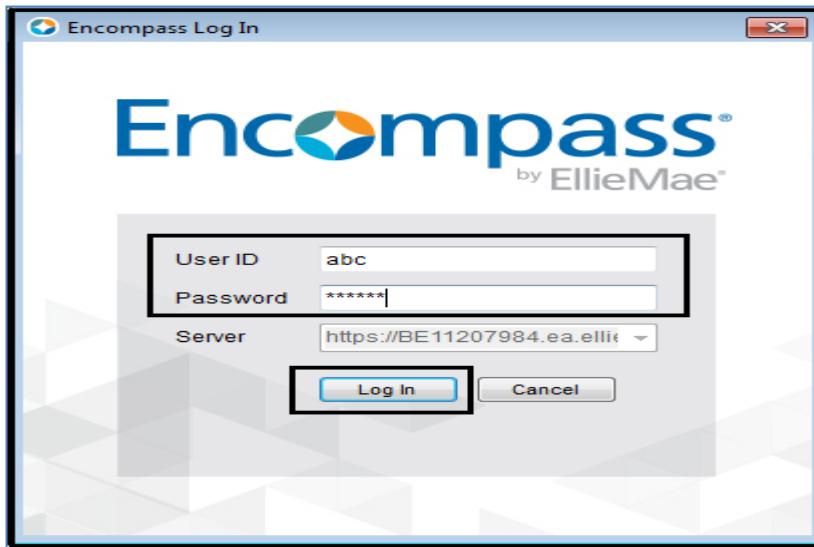
- Systems:
 1. Encompass - [Login](#) to Encompass App
 2. Outlook 365 - [Outlook 365 Login](#)
- The Docs drawing process can be best summarized into below steps,
 1. Verification of Documents
 2. Validation and Updation of Accurate data in Encompass
 3. Validate Accurate data in Encompass
 4. Prepare Closing Package
- Process Flow:
 1. Once a file is CTC (Clear to Close) by UW then file hits to Docs Ordered queue in Encompass and CD status in Encompass must says CD Approved in order to start DOCS Draw.
 2. Docs Team lead to monitor Docs Ordered Queue is approved by UW or not (UW CTC/ UTR), if the CD Status is approved and acknowledged by Borrower/ALL or not before assigning the loan to team members.
 3. Team lead needs to review “Docs Ordered” queue and assign loans to respective team members. Team members then work on these loans on the basis of CD acknowledge time/closing time/date/priority.
 4. Provide data inputs / validation of required information in Encompass while verifying this data with available docs in Encompass (Documents + Encompass)
 5. Validation of required information in Encompass while verifying this data with available docs in Encompass.
 6. Input “at closing” conditions. Verify all fees and Order AUDIT / Compliance (Encompass)

7. Pass- If Yes, Send Closing Package to Title Company via DIRECT.
 8. Pass- If No, Notify Supervisor with all audit error details. Once it is cleared/short out then Send Package to Title Company via Encompass.
-
- **Process TAT:** 6 Business Hours from the time loan hits to DOCS order queue and all the Closing Disclosure Status is updated as CD approved & ACK by Borrower(s).
 - **NOTE:** All Concerned Parties & Management to be informed 2 hours in advance regarding any delay on files.

- Steps to be followed once Docs order is requested on a loan,

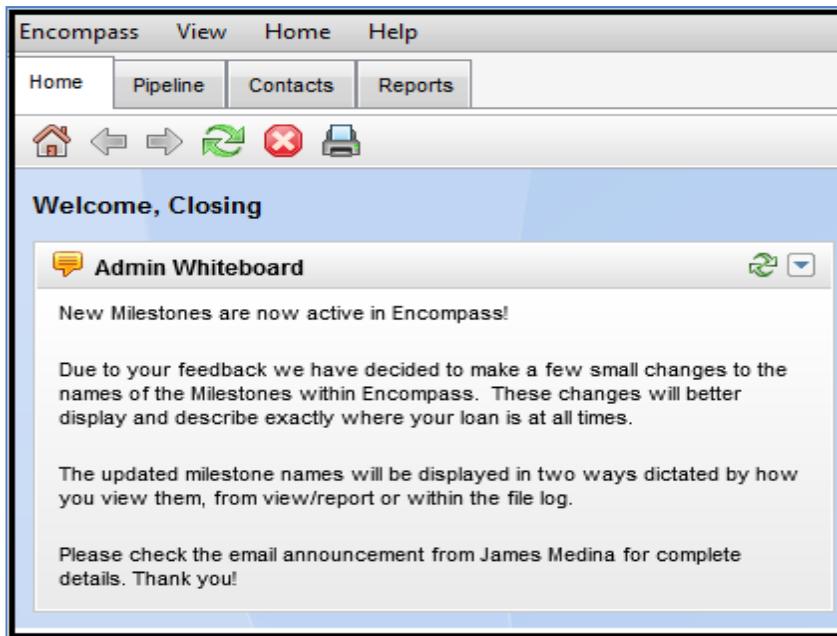
STEP-1: Open the Encompass application that is installed to your desktop.

STEP-2: Enter ID & Password and hit “Login” to enter **Encompass**



Encompass Login Page

STEP-3: As you login in “Encompass” you will see the below Home page.



Encompass Home Page

STEP-4: Now click on “**Pipeline View**” to access the “**Closer – Docs Ordered**” queue,



Encompass

Team Lead will assign loans by the **Docs order & CD Approved Date & Time**. Loans will be worked on FIFO basis. ,

STEP-1 – Once you login to Encompass, Select Docs Ordered from Pipeline View in order to identify number of loans that to work on as below:

The screenshot shows the Encompass software interface with the 'Pipeline' tab selected. A dropdown menu is open, showing 'Pipeline View' and 'Closer - Docs Ordered' as the current selection. Below the menu, there are search filters for 'Loan Folder' (set to 'Active'), 'View' (set to 'All Loans'), 'Company' (dropdown), and 'Internal Organization' (dropdown). A search bar with 'All' and a magnifying glass icon is also present. At the bottom of the pipeline view, there is a toolbar with icons for 'Notify Users' and 'Advanced Search'.

Encompass >> Pipeline >> Pipeline View >> Closer – Docs Ordered

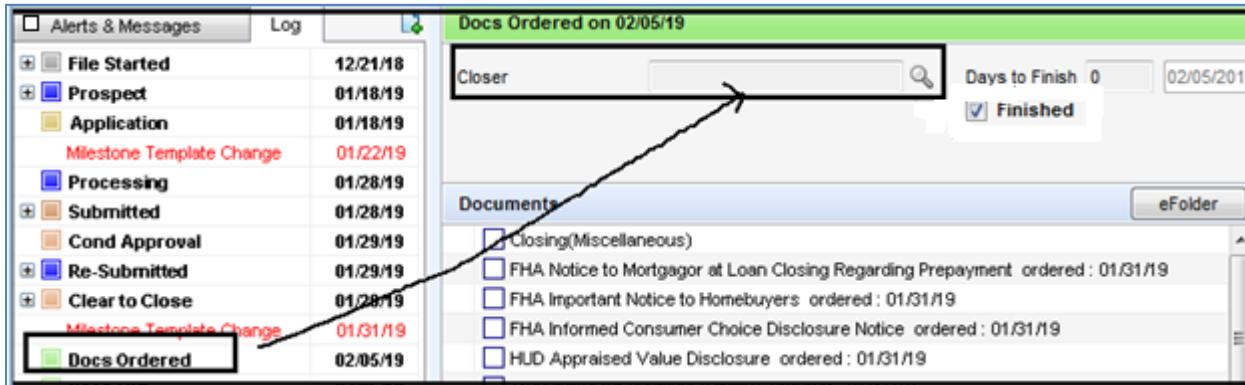
-→ Double Click on loan to start a work with

-→ Before you start to work on file, Identify Milestone that reads as “**Clear to Close**” in **Boldwriting** to make sure file is UW CTC. See below screen shot where you can find the same. You can also check Alerts & Messages if any related to Docs draw.

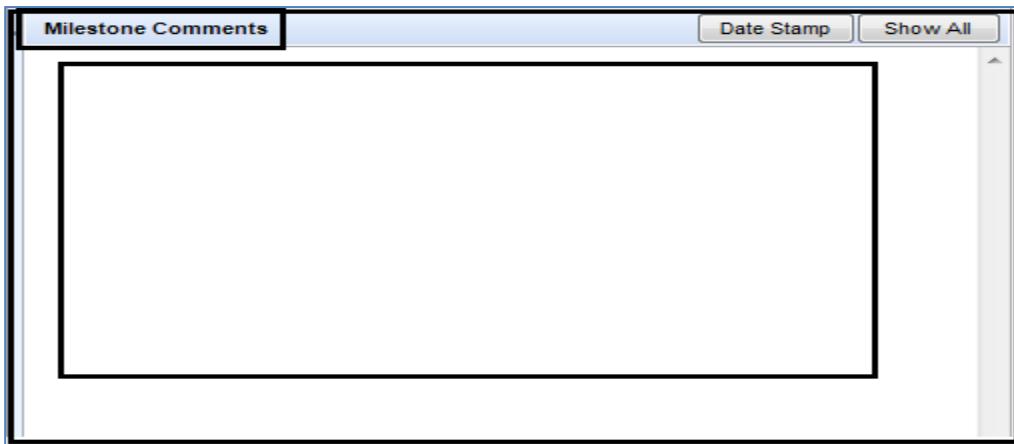
The screenshot shows the Encompass software interface with the 'Loan' tab selected. The main area displays a borrower's information: 'Borrowers' and 'FHA PURCH AZ'. Below this, the address '11230 West Durango Street, Tempe, AZ 85283' is listed. A 'Log' tab is selected, showing a timeline of events:

Milestone	Date
File Started	12/21/18
Prospect	01/18/19
Application	01/18/19
Milestone Template Change	01/22/19
Processing	01/28/19
Submitted	01/28/19
Cond Approval	01/29/19
Re-Submitted	01/29/19
Clear to Close	01/29/19
Milestone Template Change	01/31/19
Docs Ordered	02/05/19

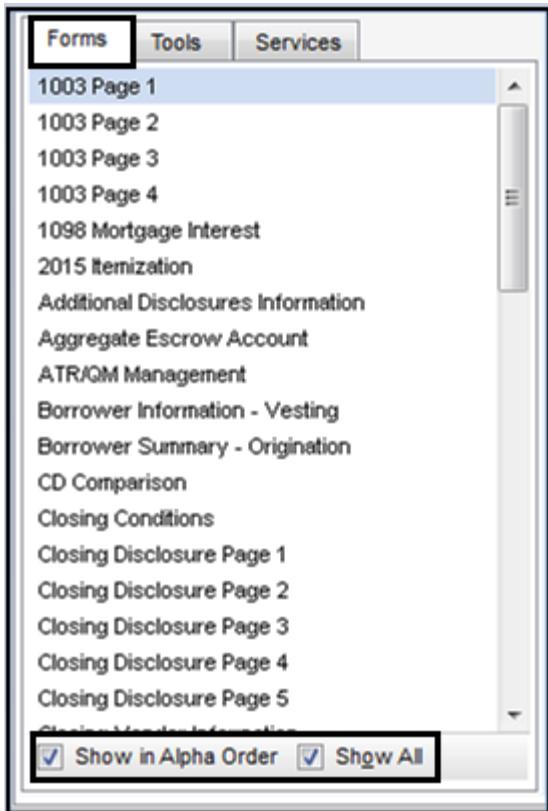
-→ Click on “Docs Ordered” milestone in order to assign your name as Closer. See below screen shot to refer.



-→ In Addition, Docs team can update / refer comments updated by any previous departments under “Docs Order Milestone” as below:



-→ Now, you have to go through below forms where required details related to process needs to be verified / updated:



IMP NOTES: Make sure “Show in Alpha Order” and “Show All” button is checked before you start to verify required forms to initiate the Process.

STEP-2 – Download all required documents from “e-Folder” section in order to process for any file. You can also see “Save” button on right corner which you have to perform frequently during review of your file.



Encompass >> Borrower loan >> Top Corner right side

STEP-3: Below is the list of document to be downloaded & reviewed from Documents tab,

Documents View Standard View								
Document Group	01.Application	Stacking Order	None	Request	Retrieve	Document Manager	F	
Documents (15)								
Att	Fo	Name	Description	For Borrower Pair	Type	Access	For Milestone	
		1008 - Transmittal Summary		FHA PURCH AZ	Standard Form	AC, BM, CL, EX,...	<input checked="" type="checkbox"/> Processing	Received
		Anti-Money Laundering Cert		FHA PURCH AZ	Needed	_P, AC, BM, CL,...	<input checked="" type="checkbox"/> Processing	Ready to...
		Approval Final		FHA PURCH AZ	Needed	_P, AC, BM, CL,...	<input checked="" type="checkbox"/> Processing	Ready to...
		New Document...		FHA PURCH AZ	Needed	AC, BM, CL, EX,...	<input checked="" type="checkbox"/> Submitted	Received
		Edit Document...		FHA PURCH AZ	Needed	AC, BM, CL, EX,...	<input checked="" type="checkbox"/> Processing	Received
		Rename Document...		FHA PURCH AZ	Needed	_P, AC, BM, CL,...	<input checked="" type="checkbox"/> Processing	Ready to...
		Duplicate Document...		FHA PURCH AZ	Needed	_P, AC, BM, CL,...	<input checked="" type="checkbox"/> Processing	Ready to...
		Export to Excel...		FHA PURCH AZ	Needed	_P, AC, BM, CL,...	<input checked="" type="checkbox"/> Processing	Ready to...
		Print Document...		FHA PURCH AZ	Needed	AC, BM, CL, EX,...	<input checked="" type="checkbox"/> Processing	Received
		Save Document As...		FHA PURCH AZ	Needed	AC, BM, CL, EX,...	<input checked="" type="checkbox"/> Processing	Ready to...
		Select All on This Page		FHA PURCH AZ	Needed	_P, AC, BM, CL,...	<input checked="" type="checkbox"/> Processing	Ready to...
		SSA Authorization (35M-03)		FHA PURCH AZ	Needed	_P, AC, BM, CL,...	<input checked="" type="checkbox"/> Processing	Ready to...
		Typed 1003		FHA PURCH AZ	Needed	AC, BM, CL, EX,...	<input checked="" type="checkbox"/> Processing	Received

Encompass >>e-Folder>> Documents Group >> Download Category wise

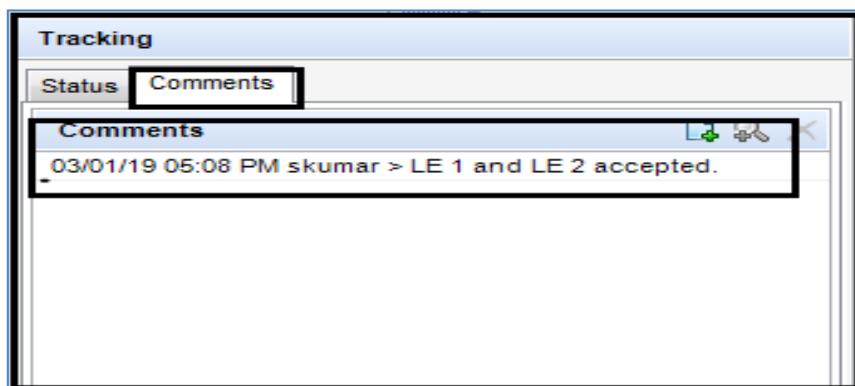
- Application Section –

1. Initial 1003
2. Approval Final
3. MI Certificate (If Applicable)
4. Borrower ID's (DL, SSN Card)
5. SSN Verification

- Government Section –
 6. FHA Case Assignment (FHA transactions)
 7. FHA Refinance Authorization (FHA Refinance transactions)
 8. VA Case Assignment &VA Certificate of Eligibility (VA transactions)
- Credit Section –
 9. Credit Report
 10. Payoff (Refinance transactions)
- Property Section –
 11. Title Report
 12. Appraisal Report
 13. Purchase Agreement &Addendums (Purchase transactions)
 14. Tax Summary (Recent)
 15. USPS ZIP Search
 16. Evidence of Insurance(HO6,HO3,Master)& paid receipt
 17. Flood Certificate
 18. Flood Insurance (If Applicable)
 19. Power of Attorney (If Applicable)
 20. Seller Real Property Disclosure (Only Applicable in Nevada) Non Builder deal
- Disclosures Section –
 21. Initial Loan Estimate
 22. Last Disclosed Loan Estimate
- Closing Section –
 23. Appraisal Report Invoice
 24. Credit Report Invoice
 25. Final Inspection Invoice (If Applicable)
 26. Invoice Pest Inspection (If Applicable)
 27. Home Inspection (If Available)
 28. Closing Disclosure – Initial / COC CD
 29. Borrower's acknowledgement of Closing Disclosure / COC CD ACK

30. Final 1003 / 92900 Addendum
31. Escrow Wire Instructions
32. Closing Protection Letter (CPL)
33. Pre-Note VOE
34. Additional Docs to be Signed (If Given)
35. Lender fee sheet (if required)

****IMP NOTES**** - When you download any documents from “E-folder”, Docs team need to check if any additional comments updated by Processor / UW under Tracking Section of the document as below:



Encompass >> E-folder >> double click on Document >> Tracking >> Comments

****NOTES****: If Status says “Ready to Ship” it means file is locked / certified. See below screen shot to identify LE’s are locked. ALL LE’s mostly would be uploaded & locked in single category and under “e-Disclosure”.



****NOTES****: Check Disclosure Summary / EM form and LE Review section where it be updated by QC team whether any LE’s are accepted or not which is the trigger for Docs team to identify LE’s are certified by QC team

The screenshot shows a detailed view of the Disclosure Summary / EM form. On the left, there is a vertical navigation menu with items like "Forms", "Tools", "Services", "Closer Custom Fields", "Closing Conditions", etc. The main area contains several sections of questions and input fields. On the right side, there is a "LE Review" section with a table showing a history of reviews. The table includes columns for "Submit for LE Review", "LE Accepted", "Date", and "User". There are entries for "LE Accepted" on 5/7/2019 at 12:55:23 PM by Neha Thakur and another entry for "LE Accepted". Below the table, there are two boxes containing the text "LE 2 accepted" and "LE-1 ACCEPTED".

STEP-4: Before we start with verifying required forms, below are the primary details to verify with attached documents:

The screenshot shows the Encompass Borrower loan screen. At the top, it displays the borrower's name, Tory Santo Teunis. Below that, it shows the address: 123 New Property St, Las Vegas, NV 89135. To the right, it shows the loan number (1901900055), LTV (80.000/80.000), Rate (5.250%), Est Closing Date (02/15/2019), and other details like Loan Amount (\$400,000.00) and DTI (20.671/20.671). On the far right, there are dropdown menus for FS: Loan Officer.

Encompass >> Borrower loan >> Top of Encompass Screen

In Addition, Docs team need to identify whether File is approved to “Close in a POA” and “Closing in a Trust” by UW or not under Funding Custom field form so can update Borrower’s POA text and Trust Section accordingly.

This screenshot shows the 'Funding Custom Fields' section of the Encompass Forms interface. On the left, there is a sidebar with various document types listed: Forms, Tools, Services, Funding Custom Fields (which is selected and highlighted in blue), HMDA Information, Home Counseling Providers, HUD 1003 Addendum, HUD-928005b Conditional Commitment, and HUD-92900LT FHA Loan Transmittal. On the right, there are dropdown menus for CD Status (Sent), Escrow Review CD (Waived), Close in a POA? (NO), and Close in a Trust? (NO).

Encompass >> Forms >> Funding Custom fields

Pricing –Overage adjustment – Docs team will no longer request Overage or Shortage to Pricing on any type of transactions except **VA Loans with Overage** under “**Closer Custom Fields**”. If there is any overage then reach out to pricing team onshore in their slack channel to get it adjusted. If the amount is in positive then Overage will be considered on pricing, this need to be adjusted to “ZERO” to be able to proceed with the loan.

This screenshot shows the 'Closer Custom Fields' section of the Encompass Forms interface. On the left, there is a sidebar with Alerts & Messages (listing items like Paystubs expired, Lock confirmed by Patrick Greene, etc.) and a log. The 'Closer Custom Fields' tab is selected. In the main area, there is a single input field labeled 'OVER-UNDER' with the value '-0.453026'.

Encompass >> Forms >> Closer Custom fields

STEP-5: Borrower Summary – Origination –First Form in Encompass where only highlighted details related to Loan is verified with attached documents.

[Encompass >> Forms >> Borrower Summary – Origination](#)

- 1- Verify Borrower's Information – AWM Loan number, Borrower's name, SSN number, DOB, Phone numbers, Marital Status & Email ID with attached Final 1003, Approval Final, Driving license & SSN Card / SSN Verification documents.

REMARKS – Borrower name to be used in DOCS / ENCOMPASS has to be the exact as what used in Approval Final and Final 1003. Ex, if there is no Middle initial of the borrower used in Final 1003 then Encompass to read same Borrower name without Middle initial.

REMARKS – SSA Authorization / Validation–

Effective immediately social security number validation is only required when:

- A. A social security number discrepancy has been identified:*
 - a. Credit reporting for the borrower is under 2 different social security numbers
 - b. There is a mismatch of the social security number between credit, pay stubs, and/or W2 (any Tax Forms)
 - c. Other discrepancies related to the social security number
- B. There is an AUS alert or “Potential Red Flag” is issued. Loans that receive Social Security number Verification messages from DU or LP

Borrower Summary - Origination

Transaction Details		Product and Pricing	Access Lenders
Lender	All Western Mortgage Inc.	<input type="checkbox"/> Copy Loan Number to lender case number	
Loan Program	CF30		Loan Number 1901900055
Closing Cost	Conventional Purchase - Corporate		MERS MIN 100690919010000838
Loan Documentation Type Code	(F) Full Documentation		

Encompass >> Forms >> Borrower Summary – Origination

****NOTE**** - Click on “MERS MIN” box to generate identical MIN Number for the loan and re-verify with MERS website whether it is duplicate or unique one.

1. Verify if the generated “MIN #” is unique and not a duplicate on MERS site. In Addition, DOCS team will also search by SSN Number of borrower & co-borrower both. Here is the MIN Search website that Docs team has to refer: <https://www.mersonline.org/>

MIN Find Failed

Select Field Name hyperlink to go to each field to be corrected. If Error Message is underlined, hover over it to display a pop-up window containing the description and resolution for that error. When you have corrected all errors, click Submit.

ERRORS

Field Name	Error Message
MIN	392 - No MINs match this search criteria.

MIN SSN Borrower Name Corporation Name Property Information Certificate Number Group

Enter MIN Number:

MIN Number

Min Verification Website

****REMARKS**** - Docs team to PDF the MIN search & SSN Search file and to upload it in Encompass under Category “MIN-SSN Summary”

STEP-6: Borrower Information – Vesting –Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents.

Vesting Information						
Name	SSN	DOB	AKA	Type	POA	Vesting
CONV PURCH N	552-02-3365	01/22/1952		Individual		
Charles Edward	460-41-8481	03/25/1963		Individual		HUSBAND AND WIFE

Manner in which Title will be held
As Joint Tenants

Final Vesting To Read
CONV PURCH NV AND CHARLES EDWARD QUINTANA, HUSBAND AND WIFE, AS JOINT TENANTS

Build Final Vesting

Borrower Vesting

Name	Charles Edward Quintana
Also Known As	
Social Security No.	460-41-8481
Vesting Type	Individual
DOB	03/25/1963
Occupancy Status	Primary
Occupancy Intent	Will Occupy
Connected to Borrower Pair	Charles Edward Quintana
Trustee Of	
POA Borrower	
POA Signature Text	
Vesting	HUSBAND AND WIFE

Encompass >> Borrower Information – Vesting Form

- 1- Docs Team will verify the Borrower(s) vesting with Processor on Slack or through vesting task which is done by Processing. Docs Team to ensure it is updated correctly.
- 2- If there is a change in Vesting identified at Docs stage then update the vesting information in Encompass matches with 1003 form and Title report.
 - a. Purchase – The vesting needs to be verified from 1003 form in Encompass.
 - b. Refinance – The vesting needs to be verified from the Title Report and from 1003 form.
- 3- Also Know As (AKA) – Update Borrower's possible AKA names then fetch the other AKA's from Credit report, Fraud report, ID card and enter the same in Encompass
- 4- Vesting Type – There are many options available for Vesting Type and Docs team to ensure correct Vesting Type is selected.
Ex; -Individual – means borrower will be both on NOTE & DOT
 - Co-Signor – means Borrower will be on NOTE Only (not under DOT / vesting line)
 - Title Only – means Borrower will be on DOT only(not under NOTE)

- Settlor Trustee – means Borrower representing as Trust & Settlor both. (This needs to be selected when file is approved to draw on Trust name. Trust section will be explained later on this form)
- 5- Occupancy Intent – Make sure it has been selected correctly whether Borrower will Occupy (On Purchase), Will not or Already Occupy the property (On Refinance).
- 6- Trustee Of – Select the Borrower is belong to which Trust name –(Only when file is approved for Trust Docs)
- 7- POA Borrower – Verify if POA is applicable or not by verifying information with Encompass and available Borrower's Power of attorney document (Must be Certified by UW)

Approved To Close In A Trust? No

Approved To Close With A POA... Yes

[Encompass >>Funding Custom Field](#)

REMARKS: If any of the borrower is constituting/appointing a person as his/her attorney and then attorney name need to be updated exactly from Power of attorney document to ENCOMPASS and POA must be certified by UW and POA button checked as YES in Encompass in order to apply POA procedure.

- 8- POA Signature text – No need to update anything here as Encompass will take default POA verbiage as per state requirements.

REMARKS: Vesting is not considered complete without Borrower's marital status and gender. In CA and NV states, when borrower is taking title as Married and the non-borrowing spouse is not on title then vesting verbiage must include "Married Man / Woman as his/her Sole and Separate property".

REMARKS FOR COLORADO STATE: If Property is located in Colorado State then Marital status is not required to update under Borrower's vesting. Only Borrower / Co-Borrower's name will be updated as vesting.

- **Texas law for Vesting:**

1. On Texas properties the Deed of Trust need not be drafted with additional verbiage like "Joint tenants" or "Joint tenants with rights of survivorship" prior to sending it for Attorney review.
2. Attorney's policy is to reference only the borrowers' marital status in the vesting clause for Texas closings. The reasons for our policy are:
 - (i) The borrowers' marital status will determine whether a spouse's signature is required on the Deed of Trust to create a valid lien on homestead under Texas law

- (ii) Adding the verbiage "Joint Tenants with Rights of Survivorship", alone, is insufficient under Texas law to create a joint tenancy with right of survivorship. The borrowers must enter into a separate "Survivorship Agreement" pursuant to the Texas Estates Code in order to create a joint tenancy with right of survivorship
 - (iii) Creating a joint tenancy with right of survivorship is contrary to the common practice in Texas, and may impact the borrowers' estate planning objectives without their knowledge
 - (iv) The manner in which title is held by the borrowers has no impact on the validity of the lien created by the Deed of Trust.
3. If the Processor has updated vesting with Joint Tenancy verbiage, Doc drawer will update it as per Attorney policy in Encompass
- **REMARKS – UPDATE 01/03/18**** - Docs Draw team need to confirm below points when property is under Texas state and transaction is Cash out Refinance with Primary Occupancy i.e Texas Home Equity
- a) Notice Concerning Extensions of Credit (12 Day Notice) – A Texas Equity loan may not be closed before the 12th calendar day after the later of (i) loan application date on Initial 1003 or (ii) the date Buyer signs the Notice Concerning Extensions of Credit disclosure.
 - b) Docs Drawer need to make sure and verify Deed of Trust / Mortgage is in Form No. 3044.1 and Texas Home Equity Affidavit and Agreement is in Form 3185 only.

- **Trusts:**

1. Trust information is required to update when property is approved to draw in trust name by Underwriter. Trust approval to check in Encompass and verify Trust name with attached Trust paper work in e-Folder (Trust Paper work must be certify by UW) Update the same Trust information in Encompass under Trust Section and Borrower's vesting. Revocable Trust rider will require when Docs are approved to draw on trust name.

Approved To Close In A Trust? No

Approved To Close With A PO... No

Encompass >>Funding Custom Field

Corporation/Trust 1 Corp/Trust Name <input type="text"/> Org. State <input type="text"/> Org. Type <input type="text"/> Tax ID/Trust No. <input type="text"/> Trust Date/Year <input type="text"/> Amended Date/Year <input type="text"/> <input type="button" value="Build Beneficiary"/>	Trust 2 Trust Name <input type="text"/> Org. State <input type="text"/> Org. Type <input type="text"/> Tax ID/Trust No. <input type="text"/> Trust Date/Year <input type="text"/> Amended Date/Year <input type="text"/> <input type="button" value="Build Beneficiary"/>
--	---

Encompass >> Borrower Information – Vesting Form

2. Trust verbiage should always reflect as mentioned in below format under the signature line,

"Borrower name, Trustee / Trustees of the TRUST NAME dated TRUST DATE"

3. Update Trust name as per attached Trust document. If there are multiple Trusts you can update it under Trust 2. If Co-Borrower is vested with different Trust name than what Borrower is in then Co-Borrower has to go in Second trust and “TRUSTEE OF” to be selected as “Trust 2” under Vesting Box of Co-Borrower.
4. If any restated or amendment dates are given on Trust agreement, Trust vesting must reflect Amended / restated dates as well along with Original Trust date under Trust vesting & signature line.
5. Docs team will add PTF Condition in Encompass for files are drawing on Trust name as below: This will apply only when Settlor information is not identified at DOCS Stage.

“TRUST Revocable Rider – Title Company to update Settlor(s) information on Trust rider (Section – C) prior of recording.”

6. **Org. State & Org. Type** :Select Trust State as per Trust Document where Trust is located. Org. Type is usually selected as “An Inter Vivos Trust”
7. Trust Date / Year – Select Trust Date as per Trust Document.
8. Build Beneficiary – Update only when there is any beneficiary given on Trust document.
9. Click on “Build Final Vesting” once all above information is updated.

Seller

Seller 1	
Seller 2	
Seller 3	
Seller 4	

Corp Name	
Org. State	
Org. Type	
Tax ID	
Officer 1 Name	
Officer 1 Title	
Officer 2 Name	
Officer 2 Title	

[Encompass >> Borrower Information – Vesting Form](#)

(Only for Purchase Transactions) – When you verify the Seller Section, make sure you check Seller address is updated by Processing team under “**Tools tab**” with sub folder as “**File Contacts**”. See below screen shot for reference:

Forms **Tools** **Services**

File Contacts

Conversation Log

Tasks

- Disclosure Tracking
- Fee Variance Worksheet
- Net Tangible Benefit
- Compliance Review
- Status Online
- Amortization Schedule
- Co-Mortgagors
- Piggyback Loans
- Cash-to-Close
- Underwriter Summary
- Verification and Documentation Tracking
- Funding Worksheet

28 Seller 1	
29 Seller 2	
30 Seller 3	
31 Seller 4	

Seller 1

Name		H. Phone	
<input checked="" type="checkbox"/> Not a Natural Person (legal entity)			
Address		Email	
City		B. Phone	
State		Fax	
Zip		Cell	
Relationship		Comments	
Line Item Number			

FC_Seller1

[Encompass >> Tools >> File Contacts >> Seller](#)

****REMARKS****

1. If there is a discrepancy in seller info on Purchase Agreement & Preliminary Title report, reach out to Processor to confirm the correct Seller name to be use on DOCS and add PTF Condition accordingly to correct Seller name.
2. If Seller is any entity and not the individual then “NON-PERSON” button has to checkright above on Encompass Screen.

STEP-7: 1003 Page-3–Next Form in Encompass where only highlighted details related to Loan are verified. Do not change anything on this details as it directly reflects to Final 1003 form. You will see Lender's branch address too which doesn't need to be changed on this form. Keep it as what it shows.

Information Provided By	
Loan Originator's Name	Loan Officer
NMLS Loan Originator ID	1111
Loan Originator's Phone	702-466-4467
Loan Originator's Email	tom@allwestern.com
LO State License Number	1111
1003 Signature Date	/ /
Company Details	
Company Name	All Western Mortgage Inc.
NMLS ID	14210
Address	8345 West Sunset Road Suite 380
City	Las Vegas
State	NV
Zip	89113
Company State License Number	204
Phone	702-369-0905
Fax	702-920-8421

Copy to Lender in File Contacts

Encompass >> 1003 Page-3 >> Loan Originator Information

- **Lender Section**

1. Verify Lender name equals to “**ALL WESTERN MORTGAGE, INC.**”

- **Loan Officer**

1. Verify LO Name, NMLS #, Email id, Phone and LO State License number from Mavent report under Tools >> Compliance Review. If Phone is not updated for LO then update AWM Corporate office phone number in Encompass.
2. Verify LO information for completeness and accuracy with LO details on Mavent report in Encompass and Report must says it is “**PASS**” from NMLS review. We won’t have NMLS attached in Encompass to verify the information.

ATR/QM	TILA/RESPA	High Cost	Higher Priced	State Rules	License	NMLS	GSE	Enterprise Rules	HMDA	OFAC/SSN	Other
PASS	PASS	PASS	PASS	PASS	PASS	FAIL	PASS	WARNING	WARNING	PASS	PASS

Request Summary Result: FAIL

Encompass >> Tools >> Compliance Review >> NMLS line

STEP-8: Closing Conditions – Next Form in Encompass where you have to add Closing Conditions as per loan type & purpose. You can update additional conditions manually as well under Yellow Box.

Encompass >> Forms >> Closing Conditions

Drawn City – Location of the Lender i.e. Las Vegas

Draw State – Location of the Lender i.e. NV

Closing County – County name of the subject Property

Closing State – State of the subject property

Hours Documents needed prior to disbursements – Leave Blank

Termite report required – Leave Blank

REMARKS

- 1- Click on “Add” button to add up Closing Conditions as per Loan Type & Purpose
- 2- Select Correct Condition set from dropdown and Add it on right side and click on “Add” button

3- Below are few common conditions which need to be updated as per the docs,

- i. TitleReportExpirationDateshouldbe60thdayofEffectiveDateofTitleReport.
- ii. CPLExpirationDateshouldbe30thdayofEffectiveDateofCPL.
- iii. Consummation date on or After : Closing / Signing date of the DOCS
- iv. Pay 1 YR Hazard at closing : Due Amount from Hazard insurance
- v. Property any Tax installment within 60 days of the first payment date : QTR / HALF / Yearly to be paid at closing (if any installment is due within first payment date)
- vi. Rest of the conditions need to be taken from Encompass under UW Condition tab from “e-folder” and copy those entire “PTF conditions” (**starts with word PTF only – see attached screen shot – highlighted section**) to Encompass under Closing Conditions.

Do	Name	Description	Source	Internal	External	Owner	Category	Prior To	Status	Date
	App AUS updates	AUS findings to remain APPROVE/ACC...	condition set	No	Yes	LO	Misc	Docs	Cleared	01/29/19
	Assets - stmts	All pages to most recent bank statement...	condition set	No	Yes	LO	Assets	Docs	Cleared	01/29/19
	Credit Misc 1	Credit Misc	condition set	No	Yes	LP	Credit	Docs	Cleared	01/29/19
	Gov CAIVRS	Clear CAIVRS required	condition set	No	Yes	LP	Misc	Docs	Cleared	01/29/19
	Income Pay stub	Pay stub dated within 30 days of initial ap...	condition set	No	Yes	LO	Income	Docs	Cleared	01/29/19
	Property Insurance	Evidence of Insurance with All Western...	condition set	No	Yes	LP	Property	Docs	Cleared	01/29/19
	PTF CD: Purchase	"Sales Price \$	condition set	No	Yes	FN	Misc	Funding	Added	01/29/19
	PTF Doc Dept Alert 1	Attention Doc Team !!: Pre-Note Verbal...	condition set	No	Yes	UV	Income	Funding	Added	01/29/19
	PTF Doc Dept Alert 2	Attention Doc Team !!: LQI refresh audit...	condition set	No	Yes	UV	Credit	Funding	Added	01/29/19
	PTF FHA Purchase	Addendum to HUD-1: Settlement Stateme...	condition set	No	Yes	FN	Misc	Funding	Added	01/29/19
	PTF Funding VVOE	Verbal VOE to be completed at time of cl...	condition set	No	Yes	FN	Misc	Funding	Added	01/29/19

Encompass >>e-Folder>>UW Conditions>>PTF Conditions

4- Below are few examples of Conditions given in below format and can be used whenever it is applicable and to add up in Encompass. See above screen shot “Add” button where you can add additional conditions.

REASONS	CONDITIONS
Premium Balance Due	Hazard Insurance premium to be paid at closing: \$ _____
Loan Amt in Title Report	Title report: Corrected to show loan policy amount as \$ _____
Title Report Expired	Provide Updated Title Report. (Expired on XX/XX/XXXX)
CPL Expired	Provide Updated CPL. (Expired on XX/XX/XXXX)
Master Policy	Provide updated Master Policy with subject property listed and All Western Mortgage, Inc. ISAOA/ATIMA added as loss payee.
HOI Premium Payment Status (Refi)	Updated HOI Invoice to reflect "Paid In Full" or "Balance Due" from _____ to _____ at closing
Lock Date Ex	Lock expires before rescission. Must be relocked before funding.
Additional Docs	Borrower to sign the following at closing: _____
VVOE Missing	Provide updated VVOE with in 10 days of Note Date
UW Signature Missing	92900A to be signed by the following parties: Undewriter, Loan Officer, Co-borrower, etc.
92900A Correction	HUD 92900A corrections required: _____ (example: correct loan term to 360)
Any Info Missing In Insurance	Provide updated Master Hazard Insurance with the following correction: _____
SRPD Missing NV Purchase Non Builder Deal	Provide signed "Seller's Real property Disclosure"

Conditions List

Attached is the sample Condition excel sheet for reference.



*****REMARKS***** - Docs team to add PTF Condition for missing Signed Page-3 ofFinal92900-A for FHA Files only when it is not attached under Encompass.

****REMARKS**** - Docs team will not add PTF Condition for missing Co-Borrower name on Appraisal report for VA transaction as only the veteran borrower's name is required on the Appraisal report.

****REMARKS**** - IF UW Says to move forward with PTF Condition for Correction in monthly Hazard Insurance, monthly property taxes or monthly MI on Approval Final / Final 1003, Contact your TEAM LEAD Immediately.

You need to discuss the discrepancies with UW what they have on their approval and how much it is coming up in Encompass and need to get the revised Final Approval / 1003 Corrected and Certified by UW for the same prior to releasing DOCS if they are wrong BUT NO PTF CONDITION FOR THE SAME !!

****REMARKS** - Update on Refinance loan** – When you collect Renewal HOI Premium on DOCS , make sure you add below PTF Condition as well along with the renewal policy premium that you are already adding it currently;

Current Year HOI Policy is expiring within 2 Months of First Payment date. Expiration Date of Current policy is: _____

****REMARKS**** - DOCS Team do not have to add below unnecessary conditions if they find discrepancy on these topics

- 1- Purchase contract – If contract miss any property address suffix like DR, AVE, ST. You don't need to add condition for the same. It's fine if contract miss this info. If there is a spelling mistake on contract in the address, you can add the condition
- 2- Do not add condition for HOI / Contract / Appraisal doesn't have Borrower's middle initial / names. We are okay with this.

STEP-9: Review / Update required Information from Tools tab >> File Contacts – Next tab in Encompass where only highlighted details related to Loan is updated / verified with attached documents.

i) **Lender–**

Encompass >> Tools >> File Contacts >> Lender

Lender name: ALL WESTERN MORTGAGE, INC.

Address: 8345 WEST SUNSET ROAD, SUITE 380, LAS VEGAS, NV 89113

Org. State: Nevada (always)

AWM NMLS: 14210

AWM LIC ID: 204

Phone: 702-369-0905

Email: LO's email id

Fax: 702-920-8421

****NOTE**** - Docs team need to ensure Lender information is updated under File Contacts. If not then select the lender information (All Western Mortgage Inc.) from Business contacts.

ii) **Investor –**

40 Investor

Investor

Company Name	<input type="text"/>	<input type="button" value="..."/>
Address	<input type="text"/>	
City	<input type="text"/>	
State	<input type="text"/>	Zip <input type="text"/>
Org. State	<input type="text"/>	
Org. Type	<input type="text"/>	
Relationship	<input type="text"/>	
Line Item Number	<input type="text"/>	
Company License #	<input type="text"/>	
Lic. Issuing Authority Name	<input type="text"/>	
Lic. Authority Type	<input type="button" value="..."/>	
Contact Name	<input type="text"/>	
Contact Title	<input type="text"/>	
Phone	<input type="text"/>	
Email	<input type="text"/>	
Fax	<input type="text"/>	
Cell	<input type="text"/>	
Reference #	<input type="text"/>	
Comments	<input type="text"/>	
Contact License #	<input type="text"/>	
Lic. Issuing Authority Name	<input type="text"/>	
Lic. Authority Type	<input type="button" value="..."/>	

[Encompass >> Tools >> File Contacts >> Investor](#)

****NOTE**** - Docs team need to ensure Investor information is selected from Business Contact when there is any investor selected / locked in file under Reg-Z CD form. No need to update Information if there is No Investor.

iii) **Title Insurance Company –**

31 Title Insurance Company

Title Insurance Company

Company Name	<input type="text"/>	<input type="button" value="..."/>
Address	<input type="text"/>	
City	<input type="text"/>	
State	<input type="text"/>	Zip <input type="text"/>
Relationship	<input type="text"/>	
Line Item Number	<input type="text"/>	
Title Case #	<input type="text"/>	
Company License #	<input type="text"/>	
Lic. Issuing Authority Name	<input type="text"/>	
Lic. Authority Type	<input type="button" value="..."/>	
Lic. Authority State Code	<input type="text"/>	
Lic. Issue Date	<input type="text"/> <input type="button" value="..."/>	
Officer Name	<input type="text"/>	
Phone	<input type="text"/>	
Email	<input type="text"/>	
Fax	<input type="text"/>	
Cell	<input type="text"/>	
ABA Number	<input type="text"/>	
Account Number	<input type="text"/>	
Comments	<input type="text"/>	
Contact License #	<input type="text"/>	
Lic. Issuing Authority Name	<input type="text"/>	
Lic. Authority Type	<input type="button" value="..."/>	
Lic. Authority State Code	<input type="text"/>	

Copy to Settlement Agent **Copy to Settlement Service Provider List**

[Encompass >> Tools >> File Contacts >> Title Insurance Company](#)

****NOTE**** - You can copy the same information to “Settlement Agent” by checking the box “**Copy to Settlement Agent**” on above screen shot. It needs to be checked only when Settlement & Title Company are one and the same. This Information needs to be updated by Processor either under Settlement Agent Contact or Escrow Company or Title Insurance Company. Docs Team has to verify the same address with Title report.

- **Title Company section**

1. Verify the Title Company details found on the preliminary title report.
2. Ensure that Correct Title Company is identified from Title report if Title Company details of doesn't match with the “Escrow Company”.

3. Verify Title Officer and Email information from Title report.
4. Ensure Loan amount on Title Report matches with Direct and the ALTA/ATIMA clause has Lender name as "ALL WESTERN MORTGAGE, INC."

iv) **Escrow Company –**

The screenshot shows the 'Escrow Company' contact form in the Encompass software. The form is divided into two main sections. The left section contains fields for Company Name, Address, City, State, Relationship, Line Item Number, Escrow Case #, Company License #, Lic. Issuing Authority Name, Lic. Authority Type, Lic. Authority State Code, and Lic. Issue Date. The right section contains fields for Officer Name, Phone, Email, Fax, Cell, ABA Number, Account Number, Comments, Contact License #, and additional Lic. Issuing Authority and Authority Type fields. A 'Copy to Settler' button is located at the top right of the form.

[Encompass >> Tools >> File Contacts >> Escrow Company](#)

****NOTE**** - You can copy the same information to "Settlement Agent" by checking the box "**Copy to Settlement Agent**" on above screen shot. It needs to be checked only when Settlement & Title Company are one and the same. If Title & Escrow Company is different then "Escrow Company" Information will be Copy to "Settlement Agent" field. This Information needs to be updated by Processor either under Settlement Agent Contact or Escrow Company or Title Insurance Company. Docs Team has to verify the same address with Title report.

- **Escrow Company section**

1. Verify the Escrow company details from Title report.
2. Update Bank ABA and Bank Account from Escrow wire instruction
3. Verify Escrow Company License ID# and Contact (Escrow officer) License# are updated.
4. Verify Escrow Company Name, address, Officer Name, Escrow Case#, Phone & Email as mentioned in Prelim Title report

v) **Settlement Agent –**

The screenshot shows the 'Settlement Agent' contact form in the Encompass software. The left side of the form contains fields for Add to CD Contact Info, Company Name, Address, City, State, Relationship, Line Item Number, NMLS #, Company State License #, Lic. Issuing Authority Name, Lic. Authority Type, Lic. Authority State Code, and Lic. Issue Date. The right side contains fields for Contact Name, Phone, Email, Fax, Cell, Reference #, Comments, NMIS #, Contact State License #, Lic. Issuing Authority Name, Lic. Authority Type, Lic. Authority State Code, and Lic. Issue Date. A 'Copy to Settlement Service Provider List' button is located at the top right of the form.

[Encompass >> Tools >> File Contacts >> Settlement Agent](#)

****NOTE**** - Make sure this has been checked “**Add to CD Contact Info**” as YES and verify the updated information which are highlighted only.

- vi) **Buyer's Agent – Skip this section it has to be updated / verified by CD Team**
- vii) **Seller's Agent – Skip this section it has to be updated / verified by CD Team**
- viii) **Hazard Insurance Company** – Docs team to verify highlighted Information from attached Hazard Insurance policy.

[Encompass >> Tools >> File Contacts >> Hazard Insurance](#)

▪ **Hazard Insurance section**

1. Verify all fields with reference to the HOI(EOI) policy & paid receipt(invoice).
2. Agents Name and Email can be Blank if no information is provided on HOI.
3. Insufficient coverage/dwelling: HARDSTOP. Reach out to processor and request for to provide updated HOI with sufficient coverage.
4. To determine coverage amount, locate Dwelling amount and add any replacement cost to it.
5. Total of these two figures equals your total Dwelling coverage.

COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE
Loc # 1	\$206,000
Dwelling	\$20,600
Other Structures	\$103,000
Personal Property	\$41,200
Loss of Use	\$300,000
Personal Liability Each Occurrence	\$1,000
Medical Payments Each Person	
Replacement Cost - Dwelling 125%	

Evidence of Insurance >> Coverage Section

6. Example: (Dwelling) \$206,000 + 125% (Replacement Cost) = Total Coverage of \$257,500 which should cover the total loan amount. **Please IMP note** that "Building Ordinance or Law Coverage" should not be considered towards additional replacement cost.

****REMARKS** - HOI Master Policy –**

If Master policy doesn't shows Property address, Borrower name or loss payee.

Step-1 – Docs team to check if there is any PTF / PTD Condition added by UW or not. If Condition is added by UW, Docs team will proceed for the Docs.

Step-2 – If PTF / PTD Conditions are not updated in direct then reach out to processor for the same to provide updated master policy and add PTF Condition in Direct as,

"Processor to provide Updated Master policy showing Borrower name / Property address / Loss payee name (All Western Mortgage) and loan number"

Step – 3–Docs team will not hold the Docs for incomplete master policy. They will proceed with the Docs drawing with applicable PTF in direct and request it to the processor on Slack to provide it prior to funding.

7. How to verify the insurance company details from the **Evidence of Insurance(EOI)**

Ex:\$471,000(Dwelling coverage on HOI)X125%ERC (if given)=**\$588,750**. This result should be equal to or more than loan amount to proceed with Docs Request.(If the EOI shows a Guaranteed Replacement Cost "GRC", then total loan amount will be considered as Coverage)

Loc #1	=	
Dwelling	=	471,000
Other Structures	=	23,600
Personal Property	=	235,500
Loss of Use	=	94,200
Personal Liability Each Occurrence	=	300,000
		5,000

- a) Dwelling Coverage should be equal or greater than loan amount
- b) If Dwelling calculated above is not enough to cover loan amount then check the estimated cost of Appraisal on Appraisal Report. If coverage is greater than estimated cost then we are good, else reach out to Processor for Insufficient Dwelling and Hold DOCS drawing request.

- c) This is the place where you can locate “**Total estimate of cost of appraisal**” from page-3 of Appraisal report,

COST APPROACH TO VALUE (not required by Fannie Mae)									
<small>Provide adequate information for the lender/client to replicate the below cost figures and calculations. Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) In estimating the site value, the appraiser relied on local market knowledge, which is based on analysis of recent land sales and/or extraction of land value from improved sales. The sales were gathered from Public Records and MLS and were then analyzed in order to calculate the site value as indicated in this report.</small>									
COST APPROX.	<input type="checkbox"/> REPRODUCTION OR	<input checked="" type="checkbox"/> REPLACEMENT COST NEW							
	Source of cost data	Local Building costs		Opinion of Site Value	DWELLING	3,529 Sq.Ft. @ \$	78.00	= \$	75,000
Quality rating from cost service		Avg-Gd	Effective date of cost data	12/2015	0 Sq.Ft. @ \$		= \$	275,262	
<small>Comments on Cost Approach (gross living area calculations, depreciation, etc.) Cost approach does not consider the value of the Land. Vegas/Boulder City area. This report is believed to be complete and accurate; however, should any error or omission be subsequently discovered, we reserve the right to correct it. No functional depreciation noted.</small>									
Total Estimate of Cost-New									
Depreciation 31,700 40,000 = \$(71,700 Depreciated Cost of Improvements = \$ 308,852 *As-is* Value of Site Improvements = \$ 25,000									
Estimated Remaining Economic Life (HUD and VA only) 55 Years INDICATED VALUE BY COST APPROX. = \$ 408,852									
INCOME APPROACH TO VALUE (not required by Fannie Mae)									
INCOME	<small>Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach Summary of Income Approach (including support for market rent and GRM) The income approach was considered but not applicable due to most residences in the area being owner-occupied.</small>								
	<small>Is the developer/builder in control of the Homeowners' Association (HOA)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unit types(s) <input checked="" type="checkbox"/> Detached <input type="checkbox"/> Attached Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.</small>								
PUD INFORMATION	<small>Legal Name of Project Total number of phases Total number of units Total number of units sold Total number of units rented Total number of units for sale Data source(s) Was the project created by the conversion of existing building(s) into a PUD? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, date of conversion. Does the project contain any multi-dwelling units? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source Are the units, common elements, and recreation facilities complete? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe the status of completion. Are the common elements leased to or by the Homeowners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe the rental terms and options. Describe common elements and recreational facilities.</small>								
	<small>PROJECT INFORMATION FOR PUDs (if applicable)</small>								
<small>Freddie Mac Form 70 March 2005 UAD Version 9/2011 Page 3 of 6 Fannie Mae Form 1004 March 2005</small>									

NOTES: For MH Property Transactions, Check below snap From Appraisal report page-2 to identify Replacement cost calculation on Appraisal as it will be located differently.

ESTIMATED	<input type="checkbox"/> REPRODUCTION OR	<input checked="" type="checkbox"/> REPLACEMENT COST NEW			
Source of cost data	Marshall/Swift Cost Services		Effective date of cost data	06/1	
OPINION OF SITE VALUE			\$	25,000	
Section One	720 Sq. ft. @ \$	75.00	\$	54,000	
Section Two	720 Sq. ft. @ \$	75.00	\$	54,000	
Section Three	Sq. ft. @ \$		\$		
Section Four	Sq. ft. @ \$		\$		
	Porch/Deck	\$	10,000		
		\$			
		\$		N.A.D.A. Data	
	Sub-total:	\$	118,000	MH State: Gray pg.	
	Cost Multiplier (if applicable):	x			
	Modified Sub-total:		118,000	15 years and Comments	
	Physical Depreciation or Condition Modifier:				
	Functional Obsolescence (not used for N.A.D.A.):				

- d) On Purchase Transaction, HOI term must be effective from the month file is closing.
- e) Verify Mortgagee Clause on Evidence of Insurance. Mortgagee name has to be read Lender name as “ALL WESTERN MORTGAGE, INC” with Lender address and AWM Loan #. If there is any discrepancy in this date, reach out to processor for correction in Mortgagee clause.

ADDITIONAL INTEREST(S)	
NAME AND ADDRESS	<input checked="" type="checkbox"/> MORTGAGEE <input checked="" type="checkbox"/> LOSS PAYEE LOAN # 1234567890 AUTHORIZED REPRESENTATIVE
#1 ALL WESTERN MORTGAGE INC ISAOA/ATIMA 8345 W. SUNSET ROAD # 380 LAS VEGAS, NV 89113	

Evidence of Insurance

****REMARKS**** - We do not require Dwelling Coverage to be sufficient on HO6 Policy to cover 20% of appraised value as per FNMA guideline . REMEMBER – This is only for Conventional Condo loans having master policy and HO6 with it. We are okay and can proceed if Coverage is not sufficient on HO6 policy.

- ix) **Flood Insurance – (if property is in Flood Zone)** – Docs team to update highlighted Information from attached Flood Insurance policy. (if applicable)

The screenshot shows a software window titled "45 Flood Insurance". The main title bar says "Flood Insurance". On the right side of the window, there is a button labeled "Copy to Settlement Service Provider". The form is divided into two main sections. The left section contains fields for Company Name, Address, City, State, Zip, Relationship, Line Item Number, Company License #, Lic. Issuing Authority Name, Lic. Authority Type, Lic. Authority State Code, and Lic. Issue Date. The right section contains fields for Agent Name, Phone, Email, Fax, Cell, Policy #, Comments, Contact License #, Lic. Issuing Authority Name, Lic. Authority Type, Lic. Authority State Code, and Lic. Issue Date. Each field has a small icon next to it, likely for file attachments or validation.

[Encompass >> Tools >> File Contacts >> Flood Insurance](#)

▪ **Flood Insurance section**

1. Verify Borrower information on Flood certificate (Borrower name, Property address, AWM Loan #)
2. Verify if Subject property is in Flood Zone(Code: A,V) per flood certificate.
3. If Yes, Verify all fields with reference to the Flood Insurance policy & paid receipt (invoice).
4. Agent Name and Email may remain blank if not available on the FLOODpolicy.
5. Max Allowable Coverage limit on Flood Insurance is \$250k.
6. If loan amount is greater than \$250k- Max coverage on Flood Insurance to be \$250K
7. If loan amount is less than \$250k – Ensure the Dwelling coverage on flood insurance covers at least the loan amount.
8. **If Flood Zone and NFIP MAP number** from Flood certificate doesn't match either with Flood Insurance or Appraisal report then PTF as below & proceed with Doc's,

- a) "UTR – Correct Flood Map # on appraisal report/flood insurance to match Flood Certificate"
- b) "UTR – Correct Flood zone on appraisal report/flood insurance to match Flood Certificate"

B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING			
MAP DATA	1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A") 04013C 2070M	2. NFIP Map Panel Effective/Revised Date 11/04/15	Community Rating Information
FEMA Special Flood Hazard Area: Yes Map Number: 04013C2070M Zone: AE Map Date: November 04, 2015 FIPS: 04013	4. Flood Zone AE	5. No NFIP Map	Community Name: Maricopa County* Community Number/Map Panel/Suffix: 040037 - 2070 - M FIRM Type: Post Program: Regular Current Flood Zone: AE Rating BFE: 965.0 Current Flood Zone: AE Current BFE: 965.0 Current Map Date: 11/04/2015

Appraisal report

Flood Certificate

Flood Insurance

REMARKS: If property is Condo & in Flood zone and there is no HO6 available for Flood insurance then Docs draw to verify whether Master policy is combined with Hazard and Wind (flood) or not. If master policy is covering Hazard and flood both then no need of HO6 is required for Flood insurance separately. Only Hazard HO6 premium will be collected at closing if due and impounded to Escrow.

- x) **Docs Prepared by** – Docs team to verify highlighted Information if CD team has correctly updated it or not.

43 | Docs Prepared By

Docs Prepared By

Company Name	Address	City	State	Zip	Contact Name	Phone	Email	Fax
Relationship	Line Item Number	Company License #	Lic. Issuing Authority Name	Lic. Authority Type	Lic. Authority State Code	Lic. Issue Date	Cell	Reference #
								Comments
								Contact License #
								Lic. Issuing Authority Name
								Lic. Authority Type
								Lic. Authority State Code
								Lic. Issue Date

Encompass >> Tools >> File Contacts >> Docs Prepared By

****NOTE**** Docs Prepared By – Select Lender name & address (All Western Mortgage Inc.) from Business Contact for all states except **Texas state** where Docs Prepared by address will be “**Black Mann & Graham, LLP**” which need to be selected from Business contacts >> Attorney category.

STEP-10: Closing Vendor Information – Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents. Once File Contacts form is finished as per **Step-9 from SOP**, You will see all the required information will be auto-populated here. Docs team need to ensure each screen has the information updated. Verify “**Trustee**” section and re-update if incorrectly selected from Business contact by clicking on the Rolodex.



Closing Vendor Information					
Lender			Contact		
Company Name	All Western Mortgage Inc.		Contact Name		
Address	8345 West Sunset Road Suite 380		Contact Title		
City	Las Vegas		Phone		
State	NV	Zip 89113	Email		
Org. State			Fax		
Org. Type			Case #		
NMLS #	14210		Lender Type	State Licensed Lender - Non Deposit	
Relationship			Home State		
Line Item Number			License Type	Mortgage Broker	Update
			License #	204	
			Exempt	No	
			Comments		
Investor			Contact		
Company Name			Contact Name		
Address			Contact Title		
City			Phone		
State		Zip	Email		
Org. State			Fax		
Org. Type			Reference #		
Relationship			License Type		
Line Item Number			License #	Update	
			Comments		
Title Insurance Company					
Company Name			Officer Name		
Address			Phone		
City			Email		
State / Zip		Zip	Fax		
Relationship			ABA Number		
Line Item Number			Account Number		
Title Case #			Comments		
Escrow Company					
Company Name			Officer Name		
Address			Phone		
City			Email		
State		Zip	Fax		
Relationship			ABA Number		
Line Item Number			Account Number		
Escrow Case #			Comments		

Trustee					
Trust Name	<input type="text"/>		Phone	<input type="text"/>	
Address	<input type="text"/>		Trust Date	<input type="date"/>	
City	<input type="text"/>		Org. State	<input type="text"/>	
State	<input type="text"/>	<input type="text"/> Zip	Org. Type	<input type="text"/>	
County	<input type="text"/>		Comments	<input type="text"/>	

Docs Prepared By					
Company Name	<input type="text"/>		Contact Name	<input type="text"/>	
Address	<input type="text"/>		Phone	<input type="text"/>	
City	<input type="text"/>		Email	<input type="text"/>	
State	<input type="text"/>	<input type="text"/> Zip	Fax	<input type="text"/>	
Relationship	<input type="text"/>		Reference #	<input type="text"/>	
Line Item Number	<input type="text"/>		Comments	<input type="text"/>	

[Encompass >> Forms >> Closing Vendor Information](#)

- 1- Lender – Auto-populated if it is updated under File Contacts
- 2- Investor – Auto-populated if it is updated under File Contacts
- 3- Title Insurance Company – Auto-populated if it is updated under File Contacts
- 4- Escrow Company – Auto-populated if it is updated under File Contacts
- 5- **Trustee** –
 - a) Trustee will be same as Title Company for listed states – Nevada, California, Arizona, Washington, Utah, Oregon etc
 - b) Trustee will be as County name & address when subject property is in Colorado state (Select from Business contacts >> No Category).
 - c) Trustee will be as Attorney (*Thomas E Black Jr.*) address to be used as Trustee address when property is located in Texas state. (Select from Business contacts >> Attorney Category)
 - d) **NO** Trustee Information to update for states such as Florida & Michigan
- 6- Docs Prepared By – Auto-populated if it is updated under File Contacts

STEP-11: Property Information –Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents.

Property Information

Subject Property			
Address	123 New Property St	First Time Home Buyer	No
City	Las Vegas	Condo / PUD Name	New Town
State	NV	Zip	89135
County	Clark	# of Stories	
Unincorporated Area		Flood Cert Number	
123456789		123456789	
Flood Zone	X	<input type="checkbox"/> Subject Property is in a Rural Area	
Property Type	PUD	<input type="checkbox"/> Subject Property is in a Rural/Underserved Area	
# of Lot Acres		<input type="checkbox"/> Subject Property is a Condotel	
Construction Method	2. Manufactured Home	<input type="checkbox"/> Subject Property is a Non-Warrantable Project	
Notice of Special Flood Hazard and Availability of Federal Disaster Relief Assistance			
<input type="checkbox"/> Community in which the property is located participates in the National Flood Insurance Program (NFIP) where federal flood insurance is available. <input type="checkbox"/> Community Name <input type="text"/>			
<input type="checkbox"/> Community in which the property is located does not participate in the NFIP. Federal flood insurance is not available.			
NFIP Community Number		<input type="text"/>	
NFIP Map Panel Effective/Revised Date		//	<input type="button" value="Calendar"/>
Mailing Address			
Address	11253 Dumbo Mist	City	Las Vegas
State	NV	Zip	89135

[Encompass >> Forms >> Property Information](#)

****NOTE**** - Please note that Encompass reads & pulls required "Rider" as per selected Property type and Occupancy. There are no other options to add up riders and same as for Occupancy

1. Property Type – Verify the property type in Encompass (Property Information tab) & Appraisal report and ensure it is selected correctly in order to system reads the correct "RIDER" that required for file like PUD, CONDO, 1-4 FAMILY & SECOND HOME Riders as per Property type and occupancy type as well as for the accuracy of pricing that is based on correct Property type that is selected under Property Information tab.

Appraisal report

Census Tract 0058.33			
<input checked="" type="checkbox"/> PUD	HOA \$	15	<input type="checkbox"/> per year <input checked="" type="checkbox"/> per month

Final Approval (DU)

Property Information Property Address abc, Las Vegas, NV 12345	
Property Type	<input checked="" type="checkbox"/> Planned Unit Development(PUD)

2. Project Name (Condo / PUD Name) – If Property type is PUD/CONDO, Ensure correct Project name is updated from Legal Description (Exhibit A) in Prelim Title report & verify as below :
 - a) If the PUD name on the underwriters 1008 and in Encompass match the PUD name on the appraisal (Neighborhood name), it will be the same PUD(Project) name used on Appraisal for docs
 - b) If the PUD name on the underwriters 1008 and in Encompass doesn't match the appraisal but does match the prelim, we will use the same PUD name on the prelim for docs. Either is acceptable.
3. PUD/Condo name on UW Final Approval docs will match with either Prelim or Appraisal report.

Prelim Report >> Legal Description (Exhibit A)

EXHIBIT "A"
The land referred to in this Commitment is situated in the County of Clark, State of Nevada and is described as follows:
Parcel I:
Lot 45 in Block U of Northern Terrace at Providence Unit 9, as shown by map thereof on file in Book 133 of Plats, Page 65, in the Office of the County Recorder of Clark County, Nevada.
Parcel II:
An easement for ingress and egress over private streets and common areas as shown and delineated on said map.

Legal Description	NORTHERN TERRACE AT PROVIDENCE U PLAT
Assessor's Parcel #	126-13-214-018
Neighborhood Name	NORTHERN TERRACE AT PROVIDENCE
Occupant	<input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant <input type="checkbox"/> Special Assessm

Appraisal Report >> Neighborhood Name

- Below are the Riders which possibly used in the various kind of transaction.
 - a) PUD: PUD Rider is required when Property Type is “PUD”
 - b) CONDO: CONDO Rider is required when Property Type is “CONDO”
 - c) 1-4 FAMILY: 1-4 Family Rider is required when Occupancy Type is “Investment”
 - d) Second Home: Second Home Rider is required when Occupancy Type is “Secondary”
 - e) Manufacturing Home: MH Rider and Affixation of Affidavit are required when Property Type is “Manufacturing Home”
 - f) When docs are drawn in Trust Name then “**Revocable Trust Rider**” is required.
 - g) When Special program is 203K then “**203K Rehabilitation rider**” is required
 - h) When docs are drawn on Second Lien Loan then “**Second Lien Rider**” is required.

****REMARKS** - Update for Tax Exempt Financing Rider – US MRBP no longer requires “Tax Exempt Financing rider” to be added with Deed of Trust for Government (FHA/VA) HIP Programs.**

- **Important checkpoints to note regarding Riders:**
 - a) If the Property type per Appraisal Report &Encompass is **SFR(Detached)** and there are NO Monthly HOA fees listed on Final 1003/Approval then property type on AUS should read as “**Detached**”
 - b) If the Property type per Appraisal Report &Encompass is **SFR(Detached)** and there are **Monthly HOA fees** listed on Final 1003/Approval then property type in AUS (Final Approval) should read as “**PUD**”. Doc drawer will select Property type as PUD in Encompass no matter what Appraisal says.
 - c) If the Property type in Encompass is PUD and monthly HOA fees apply then property type on AUS (Final Approval) should read as “**PUD**” and Doc drawer has to ensure Property type is selected as PUD even if the property is a detached SFR per Appraisal.
 - d) If the Property type as per Appraisal report is: **2-4 Units** then the property type on AUS must read Detached even if Appraisal show it as Attached. If 2-4 units were attached to

another structure then it would be attached. 1-4 family rider is compulsory to be drawn on DOCS even if occupancy is Primary residency. Docs Draw team to ensure 2-4 Units are selected under "**FHA LT or Conventional LT form**" in order to pull up 1-4 Family rider on loan. **IMP:** If File is FHA with Occupancy as Primary and there are multi-units (2-4) property as per Approval Final & Appraisal report then **1-4 Family Rider** is not mandatory to add on FHA loan. This is only required in Conventional files.

4. Flood Zone – Update / Verify Flood Zone as per attached Flood Cert.
5. Mailing Address – Update mailing address if it is different than present address. Review attached Final 1003 for the same.

[Encompass >> Forms >> Property Information](#)

****NOTE****

- 1- Special Endorsement – Update / Verify Endorsement list that is required as per transaction – **Standard Endorsement –**
 - For SFR / Detached / Attached – 8.1, 9.10-06**
 - For PUD – 8.1, 9.10-06, 5.1-06, 115.4**
 - For Condo – 8.1, 9.10-06, 4.1-06, 116.2**
 - For ARM and Detached – 8.1, 9.10-06, 111.5**
 - For ARM and PUD – 8.1, 9.10-06, 111.5, 5.1-06, 115.4**
 - For ARM and Condo – 8.1, 9.10-06, 111.5, 4.1-06, 116.2**
 - For Manufacture – 8.1, 9.10-06, ALTA7**
 - For Manufacture and PUD – 8.1, 9.10-06, ALTA7, 5.1-06, 115.4**

- 2- Parcel Number – Update / Verify Parcel Number as per attached Tax Summary / Tax cert / Preliminary Title report.
- 3- Title Report Date – Update / verify Effective Date of Title report as per attached Title report.
- 4- Legal Description – Click on “**Copy from Page 1 of 1003**” button which will take up the legal description from 1003 that would be updated by UW. If it is not updated then paste the legal description details from Title Report- Exhibit-A under Yellow box or write up “**See Prelim**”
- 5- Custom “Other” Rider Description – Type up the rider names which are pulled up separately from Investor portals or provided by Attorney. It will update Additional rider names check boxes on 2nd page of DOT by doing that.

Manufactured Housing Details

Make	123	Anchored	<input type="button" value="▼"/>	
Model	456	Serial #	123456789	
Year	2019	HUD Label #	123456789	
New / Used	New <input type="button" value="▼"/>	Cert of Title #		
Length	56	Cert of Title Type	<input type="button" value="▼"/>	
Width	60	Manufacturer ABCDEFGH <input type="button" value="..."/>		
Street				
City				State <input type="text"/> Zip <input type="text"/>
Phone				<input type="button" value="tel:"/>
A. Name of Lien Holder				
Street				
City				State <input type="text"/> Zip <input type="text"/>
Original Principal Amount Secured	\$ <input type="text"/>			
B. Name of Additional Lien Holder				
Street				
City				State <input type="text"/> Zip <input type="text"/>
Original Principal Amount Secured	\$ <input type="text"/>			
Enter the description or make of the manufactured home 123456789123456789				

[Encompass >> Forms >> Property Information](#)

- 1- **Manufactured Housing Details** – Enter highlighted details from Appraisal report on above screen shot only if property type is Manufactured home in Encompass & Appraisal report.

ORE 408624 , 408623 NEW OR USED USED TITLE IS HELD AS: AFFECTS THE SECTION 32 TESTS	
HUD DATA Manufacturer's Serial #(s)/VIN #(s) H019050AB HUD Certification Label #(s) ORE 408624 & 408625 Manufacturer's Name Marlette Trade/Model 28029 Do the Wind, Roof Load, and Thermal Zones meet the minimum HUD requirements for the location of the subject property? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, explain	

[Appraisal report Page-1](#)

- a) Ensure manufacturing home rider and Affixation of affidavit regarding manufacturing home riders is added on the transaction.
- b) Affixation of affidavit regarding MH is compulsory to add on purchase transaction but for refinance, it can't be if it is already recorded as per Preliminary title report with previous lender on Previous Deed of trust / Mortgage
- c) Docs team to verify the Correct Width and Length of the property on MH loan from House map given on Appraisal report. Length and Width will be counted only for Bedroom part and not for Garage or Parking. Above is the screenshot from Appraisal map given for reference.

REMARKS: Docs Team need to pull / download Affixation of affidavit from the closing package on any manufactured loan & Send it to Joshua Shearer with Escrow officer's information. In Addition, Docs Team need to remove LO's name from Signature line on last page of this rider before emailing it Joshua Shearer. Additional Notes for email **Subject line: Borrower name, Loan number & NOTE Date**

STEP-12: HUD 92900ALT FHA Loan Transmittal (Only FHA) –Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents. Only for FHA Transaction.

HUD-92900LT FHA Loan Transmittal

Encompass >> Forms >> HUD 92900ALT FHA Loan Transmittal

* General Information *			
Case Number Assigned on: 08/04/2014 FHA Case Number: 332-5940917 Lender Case Ref: 1407310006			
Field Office: Las Vegas, NV Is this a Sponsored Originator Case? No Originator ID: 7771800008 ALL WESTERN MORTGAGE INC LAS VEGAS NV 891132092 NMLS ID: 14210 Loan Officer Name: KENNY SALAME Loan Officer NMLS ID: 313873 Case Type: Regular DE ADP Code: 703	Sponsor/Agent ID: Not Entered Processing Type: N/A Program ID: (00)-Default	Financing Type: N/A Loan Term: 360	
ADP Code Characteristics: Amortization Type Fixed Special Program No Special Program		Housing Program FHA Standard Mortgage Program (203b) Buydown No	
This is a Forward Purchase case.			

FHA Case Assignment number document

****NOTE** -**

- 1- FHA Case# , Case Assigned Date & SOA – Verify / Update as per attached FHA Case assignment document
- 2- Attached is the FHA ADP Code list which Docs team can refer to identify the correct one to use on the basis of loan program.



STEP-13: FHA Management (Only FHA) –Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents. Only for FHA Transaction.

The screenshot shows the 'FHA Management' interface in Encompass. The 'Refi Authorization' section is highlighted with a black box. It contains fields for 'Date' and 'By' (both with calendar icons), and a 'Prior Endorsement Date' field with a calendar icon. Below these fields are boxes for 'Old FHA Case #' and 'MIP Refund'. A tooltip 'Order' is visible next to the 'Order' button.

[Encompass >> Forms >> FHA Management >> Tracking >> Refi Authorization](#)

****NOTE**** - Docs Team need to verify Refi authorization which is only required when transaction is FHA Refinance as MIP Refund only applies in refinance transaction (if there is any). Docs Team need to review MIP Refund amount & Prior Endorsement date with attached Refinance authorization in Encompass efolders. Docs Team will ensure MIP Refund is updated here in positive (+) sign. Do not input minus opposite to amount as system consider it in minus figure by the field name. MIP Refund needs to be considered for the month file is closing in and If Encompass amount & Refi authorization doesn't match then DOCS team need to request UW to have the amount corrected in Encompass and update UW's Final Approval / 1003. Once MIP Refund is updated on above screenshot, it will directly reflect on **1003 page -3**. Docs Team need to make sure the amount reflects there too. See attached for reference.

The screenshot shows the '1003 Page 3' form under 'VII. Assets and Liabilities (continue)'. In the 'Additional Credit Received' section, there is a table for 'Details of Transaction'. Item 'i. Cash Deposit on sales cl' is circled in blue. In the adjacent table, the 'Lender Credit' row has 'MIP Refund' highlighted in yellow, and the 'New First Mortgage CC from 2nd' row shows a value of 7,500.00.

>>How to update / verify MIP Refund on Final CD will be explained under Closing disclosure page-3 form on SOP.

STEP-14: VA Management (Only VA) –Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents. Only for VA Transaction.

The screenshot shows the 'VA Management' form in Encompass. The top navigation bar has tabs for 'Basic Information', 'Qualification', and 'Tracking'. The 'Basic Information' tab is active. The form is titled 'VA Management' and includes the file numbers '1003 P1' and '1003'. The 'Borrower Information' section contains fields for 'VA Agency Case #' (highlighted with a black border), 'First Name', 'Last Name', 'SSN', 'Sex', 'Date of Birth', 'Ethnicity and Race from 1003', 'Entitlement Code from VA Cert of Eligibility', 'Entitlement Amount', 'Branch of Service', 'Status', 'Type of Veteran', 'Is this the first use of the VA loan program?', and 'Disability Amount Collected'. The 'VA Loan Data' section includes fields for 'Federal Income Tax' (labeled 'Borrower' and 'Spouse'), checkboxes for 'Borrower / Co-Borrower are Married' and 'One or More Borrowers Qualifies as a veteran', and a 'Fees' section with fields for 'Funding Fee Exempt Status', 'VA Funding Fee Amount' (with a checked checkbox), 'Paid in Cash Portion', 'Post Report Fee', and 'Financed Portion'.

[Encompass >> Forms >> VA Management](#)

****NOTE** -**

- 1- VA Agency Case# - Verify / Update as per attached VA Case assignment, Final Approval & Final 1003/92900A
- 2- Funding Fee Exempt Status – Verify / Update as per attached Certificate of eligibility
- 3- VA Funding Fee amount – Verify / Update with attached Final Approval / 1003 and according to the fee structure shown below, See below revised VA Funding table for the loans that are closing **on or after Jan 1, 2020. MOST IMP:** New VA Funding fee chart applies the same % for “Regular Military, Reserves and National Guard” officers. There will be no separate % for Military & Reservist. All has the same % of VA Funding fee.

b. Adjustment of Loan Fees: The Act amends 38 U.S.C. § 3729(b)(2) by replacing the loan fee / funding fee table. The below table summarizes funding fee rates for the most common types of loans for all Veterans (Regular Military, Reserves, and National Guard) for loans closed on or after January 1, 2020, and before January 1, 2022.			
2			
August 9, 2019		Circular 26-19-23	
Type of Loan	Downpayment	Percentage for First Time Use	Percentage for Subsequent Use
Purchase and Construction Loans	None 5% but less than 10% 10% or more	2.30% 1.65% 1.40%	3.60% 1.65% 1.40%
Cash-Out Refinance Loans	n/a	2.30%	3.60%
IRRRLs	n/a	0.50%	0.50%
Loan Assumptions	n/a	0.50%	0.50%

[Funding Fee Chart](#)

REMARKS: On VA Transactions, there is no Option for NO C/O deals. The only options we have to select the Loan type is: 1) VA Purchase 2) VA IRRRL 3) VA C/O.

VA doesn't have a rate and term Option (No C/O). They only allow for an IRRRL and Cash out however we have a few investors that will allow for the loan to be locked as RATE and TERM for price but file will always need to be processed and underwritten as Cash out. So In this Case, Encompass will reflect as No Cash out however all UW docs will show CASH out as Loan purpose due to VA Guidelines.

STEP-15: USDA Management (Only USDA) –Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents. Only for USDA Transaction

The screenshot shows the 'USDA Management' section of the Encompass software. At the top, there are four tabs: 'Rural Assistance URLA', 'Req for SFH Loan Guarantee/Resv. of Funds', 'Loan Closing Report', and 'Tracking'. The 'Rural Assistance URLA' tab is active. Below the tabs, there is a section titled 'Rural Assistance URLA' containing two checkboxes: 'The income / assets of a person other than Borrower will be used...' and 'The income / assets of the Borrower's spouse will not be used...'. At the bottom of this section are two input fields: 'Agency Case No' and 'Lender Case No', both of which are empty. At the very bottom of the screenshot, the URL 'Encompass >> Forms >> USDA Management' is displayed.

****NOTE** -**

- 1- Verify / Update Agency Case No as per attached USDA Commitment form.
- 2- If file is locked with USDA government program then Docs team need to verify & update in Encompass from USDA Conditional Commitment (if available) with Last LE, Initial CD, Final 1003 & Approval Final (GUS);
 - Borrower name, Mortgage Clause, Loan Amount, Commitment number (9 digits) and Funding fee factor for Upfront Guarantee fee and Annual Renewal Premium. (under RegZ CD Form – Mortgage Insurance Section)

STEP-16: VA 26-1820 Loan Disbursement –Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents. (Only for VA Loan)

The form is a VA 26-1820 Loan Disbursement document. It includes sections for automatic and prior approval procedures, veteran information, relative information, loan purpose, property securing the loan, terms of the loan, type of lien, title of property vested in, annual real estate taxes, insurance, and a section for veterans' certification. The 'Section III - Veteran's Certification' section contains a list of checkboxes for various occupancy scenarios.

Section III - Veteran's Certification

27b. Occupancy

- I now actually occupy the above-described property as my home or intend to move into and occupy said property as my home within a reasonable period of time or intend to reoccupy it after the completion of major alterations, repairs or improvements.
- My spouse is on active military duty and in his or her absence, I occupy or intend to occupy the property securing this loan as my home.
- The veteran is on active military duty and in his or her absence, I certify that a dependent child of the veteran occupies or will occupy the property securing this loan as their home.
- I previously occupied the property securing this loan as my home. (For interest rate reduction loans.)
- While my spouse was on active military duty and unable to occupy the property securing this loan, I previously occupied the property that is securing this loan as my home. (For interest rate reduction loans.)
- While the veteran was on active military duty and unable to occupy the property securing this loan, the property was occupied by the veterans dependent child as his or her home. (For interest rate reduction loans.)

[Encompass >> Forms >> VA 26-1820 Loan Disbursement](#)

DOCS team need to fill up Section – 6, 7, 12 and 27B under this form in Encompass on all VA loans. Attached is the snip and information from where you can find information.

#6 – RELATIVE – Update from – Disclosures – VA Nearest Living Relative3

#7- Loan Purpose – Refer Final VA 92900A – page no.1 & 2

#12 – Vested – Refer Final VA 92900A – page no.1 & 2

#27B – Occupancy – Refer Final VA 92900A – page no.1 & 2

Originations			
<p>VA: The veteran and the lender hereby apply to the Secretary of Veterans Affairs for Guaranty of the loan described here under Section 3710, Chapter 37, Title 38, United States Code, to the full extent permitted by the veteran's entitlement and severally agree that the Regulations promulgated pursuant to Chapter 37, and in effect on the date of the loan shall govern the rights, duties, and liabilities of the parties.</p>			
18. First Time Homebuyer?	19. VA Only: Title will be Vested In: <input checked="" type="checkbox"/> Veteran <input type="checkbox"/> Veteran & Spouse <input type="checkbox"/> Other (specify):	20. Purpose of Loan (blocks 9 - 12 are for VA loans only)	
a. <input type="checkbox"/> Yes b. <input checked="" type="checkbox"/> No		<p>1) <input checked="" type="checkbox"/> Purchase Existing Home Previously Occupied 2) <input type="checkbox"/> Purchase Existing Home Not Previously Occupied 3) <input type="checkbox"/> Finance Improvements to Existing Property 4) <input type="checkbox"/> Refinance (Refi) 5) <input type="checkbox"/> Purchase New Condo. Unit 6) <input type="checkbox"/> Purchase Existing Condo. Unit</p> <p>7) <input type="checkbox"/> Construct Home (proceeds to be paid out during construction) 8) <input type="checkbox"/> Finance Co-op Purchase 9) <input type="checkbox"/> Purchase Permanently Sited Manufactured Home 10) <input type="checkbox"/> Purchase Permanently Sited Manufactured Home & Lot 11) <input type="checkbox"/> Refi. Permanently Sited Manufactured Home to Buy Lot 12) <input type="checkbox"/> Refi. Permanently Sited Manufactured Home/Lot Loan</p>	
<p>HUD Instructions: The capitalized terms used in this form refer to those terms as used in the relevant sections of the current version of Single Family Housing Policy Handbook, HUD 4000.1.</p> <p>Part II - Lender/Mortgagee Certification</p> <p>21. The undersigned lender/mortgagee makes the following certifications to induce the Department of Veterans Affairs to issue a certificate of commitment to guarantee the subject loan or a Loan Guaranty</p>			

25. I, the Undersigned Borrower(s) Certify that:

(1) I have read and understand the foregoing concerning my liability on the loan and Part III Notices to Borrowers.

(2) **Occupancy: HUD Only (CHECK APPLICABLE BOX)**

I, the Borrower or Co-Borrower will occupy the property within 60 days of signing the security instrument, and intend to continue occupancy for at least one year; or

I do not intend to occupy the property as my primary residence.

Occupancy: VA Only

(a.) I now actually occupy the above-described property as my home or intend to move into and occupy said property as my home within reasonable period of time or intend to reoccupy it after the completion of major alterations, repairs or improvements.

(b.) My spouse is on active military duty and in his or her absence; I occupy or intend to occupy the property securing this loan as my home.

(c.) I previously occupied the property securing this loan as my home. (for interest rate reduction loans).

(d.) While my spouse was on active military duty and unable to occupy the property securing this loan, I previously occupied the property that is securing this loan as my home. (for interest rate reduction loans).
Note: If box 2b or 2d is checked, the veteran's spouse must also sign below.

(e.) The veteran is on active military duty and in his or her absence, I certify that a dependent child of the veteran occupies or will occupy the property securing this loan as their home.
Note: This requires that the veteran's attorney-in-fact or legal guardian of the dependent child sign the Borrower's Certificate below.

(f.) While the veteran was on active military duty and unable to occupy the property securing this loan, the property was occupied by the veteran's dependent child as his or her home (for interest rate reduction loans).
Note: This requires that the veteran's attorney-in-fact or legal guardian of the dependent child sign the Borrower's Certificate below.

(3) Mark the applicable box (not applicable for Home Improvement or Refinancing Loan) I have been informed that (\$ 273,000.00) is :

(4) _____
(5) _____
(6) _____
(7) _____

eFolder>>9.Closing >> VA 92900A document

STEP-17: RegZ – CD –Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents.

RegZ - CD

Closing Docs		Closing Document Data	
Loan Program	CF30	X	
Plan Code		Description	All Fixed Rate Conventional 1st Lien Loans X
Ellie Mae Plan ID	00000001	Investor	🔍
Alt Lender		X	
Disclosure Information			
Last CD Sent Date	//	Current APR	5.311
By		Disclosed APR	
Method		Current Finance Charge	397,893.36
Comments		Disclosed Finance Charge	
Last CD Received Date	//	Disclosed Daily Interest	
		Current Product	Fixed Rate
		Disclosed Product	
		Current Prepayment	No
		Disclosed Prepayment	
Loan Information			
Purchase Price	500,000.00	Loan Number	1901900055
Appraised Value		Export	
1st Payment Date	03/01/2019	MERS MIN	100690919010000523
CD Date Issued	01/23/2019	<input type="button" value="Copy from Current Loan Lock"/>	
Application Date	01/11/2019	<input type="checkbox"/> Non-rescindable Transaction	
Rate Lock Date	//	Rescission Date //	
Rate Lock Exp. Date	//	Disbursement Date 01/25/2019	
Document Date	01/24/2019	<input checked="" type="checkbox"/> Sync with Prepaid Interest Date	
Closing Date	01/24/2019	Last Audit Date 1/23/2019 6:56:11 AM	
Doc Signing Date	//	Last Docs Ordered 1/23/2019 5:56:03 AM	
		Doc Request GUID 8271533d-1a74-4b9a-ac12-dc70b16	

Encompass >> Forms >>RegZ – CD

****Closing DOCS****

1- Loan Program & Plan Code – Select/Verify the loan program code as per Loan Transaction.

****REMARKS**** - TEXAS State Loan program – When Transaction is Cash out Refinance with Primary as Occupancy for Texas Property files, DOCS Drawer to select Loan program as “TX HOME EQUITY”.

2- Investor – Select / Verify the Investor if any

****Disclosure Information****

1- Disclosed APR – For Docs Draw- Verify with Last disclosed CD APR

****LOAN INFORMATION****

1- Purchase Price – Verify from Purchase agreement / addendum

2- Appraised Value – Verify from Appraisal report

3- 1st Payment date – Verify if it is correct. (always one month after the NOTE / Closing Date)

4- **CD Date Issued** – For Docs Draw – Select the Same Date as your Closing Date

5- Verify Application Date from Initial 1003, Rate Lock date & Lock Expiration date (Verify from last LE)

****REMARKS**** - If lock expiration date in Encompass and Last LE do no match and lock is extended then reach out to processor to confirm whether lock extension fee is charged to borrower or not.

- i. If yes, COC CD is required. Docs will be on HOLD until COC CD request is Completed, Sent and Acknowledged by borrower.
- ii. If No, Proceed for DOCS and Update Comment under Docs Order Milestone.

Remarks for Lock extension: As Per the Compliance Partner (FIS) and investors it is confirmed AWM is allowed to add a discount point for lock extension via COC CD. Doc drawer still has to confirm with LO/Processor if there is lock extension in Encompass whether it is charged to Borrower / Seller or Lender. If there is a charged to Borrower/Seller for lock extension after Confirmation with Processor, COC CD requires and it has to identifies that the delay in closing was the result of lack of performance by the Either Borrower / Seller.

6- Document Date – Select the Same date as your Closing / NOTE Date

7- Closing Date –

- i. Verify / Update the Closing Date and ensure it is after 3 days of acknowledgement of CD. Example: If Initial CD is acknowledged by borrower on 06/30/2016 then 3 days compulsory waiting starts from 06/30(Thursday) and ends on 07/02 (Saturday)

so earliest Signing or NOTE date can be on DOCS is Monday 07/04/2016.

- ii. Sunday and Federal Holidays are not counted in three business days waiting period calculation.
- iii. Review Encompass UW Conditions from UW team related to either
 - a. Pre Note Verbal's
 - b. LQI dates

Example:

UW Comment –“Attn. Doc Team If docs are dated after 02/11 please reach out to UW as an updated LQI report is required”

i.e.—If docs are being prepared on 02/12 then doc processes must be hard stopped until an ALL CLEAR is received from the UW

- 8- Rescission Date – Update Rescission end date when Transaction is Refinance & Occupancy is Primary. Rescission date includes Monday to Saturday except Sunday and Federal holidays. Ex; 01/26/2019 is your Closing Date i.e. Saturday so your first day of rescission starts from 01/28/2019 Monday and ends on 01/30/2019 Wednesday. Your Rescission Date will be **01/30/2019**.

****REMARKS**** - Rescission Period is not applicable on Purchase transaction and Refinance - Secondary or Investment Occupancies. It only applies on Refinance & Primary Occupancy transaction.

- 9- Disbursement Date – Next day after Closing date (for dry state), Same day as Closing date (for wet state). In Refinance Primary – It will be next day after your rescission date. Disbursement date includes Monday to Friday only (do not count Saturday-Sunday & Federal holidays)
- **NOTE**** - If Disbursement Date is already updated in Encompass then do not change it unless the date is passed away.

- 10- Sync With Prepaid Interest Date – Always make sure this button is Checked.

RegZ - CD

Purpose of Loan		Property Will Be	
<input checked="" type="checkbox"/> Purchase	<input type="checkbox"/> Construction	<input checked="" type="checkbox"/> Primary	Gross Rent <input type="text"/>
<input type="checkbox"/> Cash-Out Refi	<input type="checkbox"/> Construction - Perm	<input type="checkbox"/> Secondary	Occup Rate <input type="text"/> %
<input type="checkbox"/> No Cash-Out Refi	<input type="checkbox"/> Other - <input type="text"/>	<input type="checkbox"/> Investment	
<input type="checkbox"/> Construction Perm Disclosed Separately			
Purpose of Refinance			
Refinance with Original Creditor <input type="checkbox"/> Yes <input type="checkbox"/> No			
Loan Type		Lien Position Type	
<input checked="" type="checkbox"/> Conventional	<input type="checkbox"/> First	<input checked="" type="checkbox"/> Fixed Rate	<input type="text"/> Years <input type="button" value="Search"/>
<input type="checkbox"/> FHA	<input type="checkbox"/> Subordinate	<input type="checkbox"/> GPM - Rate	
<input type="checkbox"/> VA	<input type="checkbox"/> Sub. Financing	<input type="checkbox"/> ARM -	
<input type="checkbox"/> USDA-RHS	<input type="checkbox"/> Other - <input type="text"/>	<input type="checkbox"/> Other -	
<input type="checkbox"/> Other - <input type="text"/>	<input type="checkbox"/> Gov't Loan Type	Product	
<input type="checkbox"/> Heloc	<input type="checkbox"/> Fixed Rate		
Loan Terms		Interest Only	
Loan Amt <input type="text"/> 400,000.00		<input type="text"/> months	
w/ MIP,FF <input type="text"/> 400,000.00			
Note Rate <input type="text"/> 5.250 %		<input type="checkbox"/> Qualify using P&I	
Qual Rate <input type="text"/> 5.250 %			
Term <input type="text"/> 360 mths		Days Per Year	
Due In <input type="text"/> 360 mths		Number of Days <input type="text"/> 365 <input type="button" value="▼"/>	
Adjustable Rate Mortgage		Buydown Mortgage	
Rate Adjustment		Buydown	
1st Adj Cap <input type="text"/> %		<input type="checkbox"/> Buydown	<input type="text"/>
1st Change <input type="text"/> mths		Contributor <input type="text"/>	<input type="button" value="▼"/>
Adj Cap <input type="text"/> %		Rate <input type="text"/> % Term <input type="text"/> mths	
Adj Period <input type="text"/> mths		Rate <input type="text"/> % Term <input type="text"/> mths	
Life Cap <input type="text"/> %		Rate <input type="text"/> % Term <input type="text"/> mths	
Apply Life Cap Low <input type="checkbox"/>		Rate <input type="text"/> % Term <input type="text"/> mths	
Max Life Int. Rate <input type="text"/> 5.250 %		Rate <input type="text"/> % Term <input type="text"/> mths	
Margin <input type="text"/> %		Graduated Pymnt Mtg	
Index <input type="text"/> %		Years <input type="text"/>	
Get Index		Rate <input type="text"/> %	
Margin + Indx <input type="text"/> %		Extra Payment <input type="text"/>	
Floor <input type="text"/> %		Conversion Option	
Floor Basis		Max Rate Adj <input type="text"/> %	
Round <input type="checkbox"/> up <input type="checkbox"/> dn <input type="text"/> %		Min Rate Adj <input type="text"/> %	
Floor Vrbg <input type="text"/>		Conversion Begin <input type="text"/>	
Index Lookback Period <input type="text"/>		Conversion End <input type="text"/>	
Adjustable Payment (AP) Table <input type="checkbox"/> Ignore 1st ARM Adjustment			
Interest Only Payments? <input type="checkbox"/> No <input type="text"/> For your first <input type="text"/> payments			
Optional Payments? <input type="checkbox"/> No <input type="text"/> For your first <input type="text"/> payments			
Step Payments? <input type="checkbox"/> No <input type="text"/> For your first <input type="text"/> payments			
Seasonal Payments? <input type="checkbox"/> No <input type="text"/>			
Monthly Principal and Interest Payments			
First Change/Amount <input type="text"/>			
Subsequent Changes <input type="text"/>			
Maximum Payment <input type="text"/>			
ARM Index Type <input type="text"/>			

Encompass >> Forms >>RegZ – CD

- 1- Purpose of Loan – Verify with Final Approval, Final 1003, LE and Initial / COC CD to ensure it is selected correctly
- 2- Property will be – Verify with Final Approval and Final 1003 to ensure it is selected correctly
- 3- Purpose of Refinance –when Loan Purpose if Refinance , Docs team to verify with Approval Final, Final 1003 , LE and Initial / COC CD to ensure it is selected correctly.
- 4- Loan Type – Verify with Final Approval , Final 1003, LE and Initial / COC CD to ensure it is selected correctly
- 5- Lien Position Type – Verify with Final Approval and Final 1003to ensure it is selected correctly
- 6- Amortization Type – Verify with Final Approval, Final 1003, LE and Initial / COC CD to ensure it is selected correctly
- 7- Loan Terms – Verify with attached Final Approval, Final 1003, Last LE, Initial / COC CD to ensure it is updated correctly
- 8- Adjustable Rate Mortgage – Verify this section with Last LE and Initial / COC CD when Transaction is Adjustable Rate Mortgage only. This data will be already updated by Secondary when loan will be locked with Investor.
- 9- Interest Only – Update / Verify only when Loan program is Interest Only
- 10- Days Per Year – Must be “365 days”

MORTGAGE INSURANCE

Required Reserves

- Interest Rate: [] %
- Rate Type: []
- Inspection Fee: \$ []
- Initial Acquisition of Land: []
- Refinance: []
- Estimated Construction Interest: []
- Mortgage Insurance**

 - 1. MI Months: []
 - 2. MI Months: []
 - Mortgage Insurance: [] %
 - Cancel at: [] %
 - Months of PMI premiums: []
 - Prepaid: []

- Projected Payments**: Period: [] Years: 1 - 1.87
- Principal & Interest**: Only Interest: [] 1.87
- Estimated Taxes, Insurance & Assessments**: Total Est. [] Payment: []
- Payment Schedule**: []

MIP/PMI/Guarantee Fee Calculation

- Upfront Mortgage Insurance Premium / Funding / Guarantee Fee**: Base Loan Amount: 359,920.00
- MIP / Funding / Guarantee**: Amount Paid in Cash: [] Lock: []
- Upfront MIP/Funding/Guarantee Fee Financed**: Loan Amount with Upfront MIP/Funding Fee: 359,920.00
- Refund prorated unearned Up Front**: []
- Round to nearest \$50**: []
- Charges for the insurance are added to your loan payments**: []
- Charges for the insurance are collected upfront at loan closing**: []
- Lender Paid Mortgage Insurance**: []
- MI Factor Field Locked**: []
- Monthly Mortgage Insurance**: Calculated Based On: []
- 1. [] % Months []**
- 2. [] % Months []**
- Cancel At**: []
- Calculate based on remaining balance**: []
- Midpoint payment cancellation**: []
- Declining Renewals**: []
- Number of Months MI being Collected**: [] Prepaid: [] Prepaid Amount: []
- Mortgage Insurance (FHA and VA)**: Type of Veteran: []
- Is this the first use of the VA loan program?**: []

OK Cancel

****NOTE**** - Docs Team to verify Mortgage Insurance section as per the loan type and attached are the reference of Conventional loan (More than 80% LTV), FHA & VA

<u>Borrower Paid MI Example</u>						
Renewal Type	CONSTANT	Refundable	NO			
Plan Code	S080417	BORROWER PAID				
Loan Term	30 Yrs					
	0.73% of loan amt 1st 1 yr(s). Renewals of 0.73% of loan amt yr 2 thru 10. Renewal of 0.2% yr of 11 thru term of loan.					
MI Premium		Assessment/Tax		Rate with Assmt/Tax	Premium with Assmt/Tax	Premium Due
Initial 1-10 Years	.73%	\$167.02 /mo	n/a	\$0.00	n/a	n/a
Renewal 11+ Years	.2%	\$45.76 /mo	n/a	\$0.00	n/a	DEFER
					Grand Total Due	\$0.00
					Total Remittance	\$_____
Lender Loan Number						
<u>Lender Paid MI Example</u>						
Renewal Type	N/A	Refundable	NO			
Plan Code	S080417	LENDER PAID				
Loan Term	30 Yrs					
	2.25% of loan amount					
MI Premium		Assessment/Tax		Rate with Assmt/Tax	Premium with Assmt/Tax	Premium Due
Single Premium	2.25%	\$6,783.75	n/a	\$0.00	n/a	\$6,783.75
					Grand Total Due	\$6,783.75
					Total Remittance	\$_____
Lender Loan Number						

MI Certificate Examples

Mortgage Insurance section: To be updated on Conventional loans (> 80% LTV) only.

1. **Upfront PMI:** To be updated / verified only on “Single Premium” mortgage insurance files. Review mortgage insurance certificate to identify the Premium type and “**Charges for the Insurance are collected upfront at loan closing**” button must be checked for Conventional Single Premium MI loans.
2. **1st Renewal:** 1stblock : Enter 1st renewal % found on the MI certificate
 2ndblock : Enter number of months found on the MI Certificate
 Quote and months will be 120 always
3. **2nd Renewal:** 1stblock: Enter 2nd renewal % found on the MI Certificate which
 will be most usually 0.20%
 2nd block: Enter number of months which will be remaining
 months of loan term
4. **Renewal Calc Type:** **Ensure Declining Renewals is Unchecked** on Conventional BPMI loans
5. **Cancel at:** Always to update as “78.000”.

****IMP NOTE**** - Single Upfront Premium – If Premium is not financed in the loan however need to show Premium amount on Sec-B (CD) then ensure we first update % of Single premium then click on “lock” check box and then manually update the same Premium amount under “Paid in cash” box and Click Ok. Your base & total loan amount will remain same and your premium amount will be collected at closing.

FHA section

1. UPFRONTMI%: 1stblock: Always 1.75%

2. Renewal Calc Type: always auto- checked as “Calculate based on remaining balance”

3. MI Renewal %: 1stblock: Auto-Populated – per below chart and verify with Last LE / Approval Final / Final 1003 and Initial / COC CD.

Annual Mortgage Insurance Premium (MIP)			
Applies to all Mortgages except:			
<ul style="list-style-type: none"> • Streamline Refinance and Simple Refinance Mortgages used to refinance a previous FHA endorsed Mortgage on or before May 31, 2009 • Hawaiian Home Lands (Section 247) 			
Hawaiian Home Lands (Section 247) do not require Annual MIP.			
Mortgage Term of More Than 15 Years			
Base Loan Amount	LTV	MIP (bps)	Duration
Less than or equal to \$726,200	$\leq 90.00\%$ $> 90.00\% \text{ but } \leq 95.00\%$ $> 95.00\%$	50 50 55	1 1 years Mortgage term Mortgage term
Greater than \$726,200	$\leq 90.00\%$ $> 90.00\% \text{ but } \leq 95.00\%$ $> 95.00\%$	70 70 75	1 1 years Mortgage term Mortgage term
Mortgage Term of Less than or Equal to 15 Years			
Base Loan Amount	LTV	MIP (bps)	Duration
Less than or equal to \$726,200	$\leq 90.00\%$ $> 90.00\%$	15 40	1 1 years Mortgage term
Greater than \$726,200	$\leq 78.00\%$ $> 78.00\% \text{ but } \leq 90.00\%$ $> 90.00\%$	15 40 65	1 1 years 1 1 years Mortgage term

Revised FHA Annual MIP Calculation Chart (NOTE Date on or after 03/01/2023)

4. Click “GET MI” button: Please click on “GET MI” button before any DOCS are Issued on all FHA loans.

Monthly Mortgage Insurance			
Calculated Based On	Base Loan Amount	Get MI	
1. <input type="text" value="0.850000"/> %	<input type="text" value="360"/> Months		
2. <input type="text"/> %	<input type="text"/> Months		
Cancel At <input type="text"/> %			
<input checked="" type="checkbox"/> Calculate based on remaining balance <input type="checkbox"/> Midpoint payment cancellation <input type="checkbox"/> Declining Renewals			
Number of Months MI being Collected		<input type="checkbox"/> Prepaid	<input type="text"/>
		Prepaid Amount	<input type="text"/>

VA Section

1. Funding Fee: Verify if correct Funding fee % updated by previous Department and verify with Last LE , Initial / COC CD.



VA_Revised
Funding Fee_Circula

Attached is the Revised VA Funding table for the loans that are closing on or after April 7, 2023 for reference to verify the correct funding fee % on VA loans. **MOST IMP:** VA Funding fee chart applies the same % for "Regular Military, Reserves and National Guard" officers. There will be no separate % for Military & Reservist. All has the same % of VA Funding fee.

Late Charge		Get Late Fee	
If a payment is more than	15	days late,	
you will be charged	5.000	% of the principal and interest overdue	<input checked="" type="checkbox"/>
Minimum late charge is	0.00	Maximum late charge is	0.00
Additional details			
Late Fee	110.44		
Total Late Payment	2,319.25		

[Encompass >> Forms >>RegZ – CD](#)

****Late Charge****

- 1- If a payment is more than _____ days late – always ensure it reads 15 days.
- 2- You will be charged -
 - a. For Conventional – it is 5%
 - b. For FHA, VA and USDA – it is 4%
- 3- Minimum & Maximum late charge – N/A or 0.00

STEP-18: Tools>> UW Summary– Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents.

Tools		Services	
File Contacts	Conversation Log	Investor	Investor's Loan #
Tasks	Rate Is Locked		
Disclosure Tracking	Rate Lock Exp Date	01/28/2019	
Fee Variance Worksheet	Income, Assets, Liabilities, and Expenses		
Net Tangible Benefit	Present Housing Expense	Appraised Value 450,000	
Compliance Review	Total Verified Assets 97,720.62	Sales Price 449,900.00	
Status Online	Total Liabilities 32,334.00	Loan Amount 359,920.00	
Amortization Schedule	Net Tangible Benefit Required	Interest Rate 4.750 %	
Co-Mortgagors	Proposed Housing Expense 2,156.32	Term 360 months	
Piggyback Loans	P & I Payment 1,877.51		
Cash-to-Close	LTV 80.000 %		
Underwriter Summary	CLTV 80.000 %		
APR 4.926 %			
Borrower's Income 4,244.00			
Co-Borrower's Income 2,244.00			
Other Income 12,700.00			
Income Excluded From HMDA			
Employee Loan			
Ratios and Funds Needed			
Borrower Funds to Close			

Encompass >> Tools >> Underwriter Summary

****NOTE**** - Identify LTV & CLTV % of the loan and can also check if file has any Subordinate Financing or not if DPA lock confirmation is available in Documents.

STEP-19: Aggregate Escrow Account – Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents.

The screenshot shows two windows side-by-side. On the left is the 'Aggregate Escrow Account' form. It includes fields for Servicer (All Western Mortgage Inc.), Address (8345 West Sunset Road Suite 380), City (Las Vegas), State (NV), Zip (89113), and Phone (702-369-0905). Below these are payment dates: 1st Payment Date (03/01/2019) and Escrow 1st Payment Date (03/01/2019). A table lists monthly payments for Tax (176.12), Yearly (2,113.44), Pay To (Clark County), Hazard Insurance (137.59), Yearly (1,651.08), Pay To (Farmer Ins), and Mortgage Insurance (highlighted with a red box). Other sections include Flood Insurance, City Property Tax, and USDA Annual Fee. Total Monthly Payment is 313.71, and Escrowed Payment is 313.71. A 'Starting Balance' of 825.54 minus Single Line Analysis (1,452.96) results in an 'Aggregate Escrow' balance of -62. A 'Setup' button and a table for cushion and tax distributions follow.

The right window is the 'MIP/PMI/Guarantee Fee Calculation' dialog. It has tabs for 'Upfront Mortgage Insurance Premium / Funding / Guarantee Fee' and 'Monthly Mortgage Insurance'. Under 'Upfront', it shows a base loan amount of 400,000.00, MIP/Funding/Guarantee fees at 0%, and an amount paid in cash with a lock. Under 'Loan Amount with Upfront MIP/Funding Fee', it shows 400,000.00. A list of checkboxes includes options for refund proration, rounding, charges for insurance, lender paid insurance, and MI factor field locking. Under 'Monthly', it shows calculated based on loan amount with two rates (1. and 2.) and months. It includes options for calculate based on remaining balance, midpoint payment cancellation, declining renewals, and prepaid amounts. A 'Number of Months MI being Collected' field is present. The 'Mortgage Insurance (FHA and VA)' tab shows type of veteran and a checkbox for first use of VA loan. Buttons for 'OK' and 'Cancel' are at the bottom.

Encompass >> Forms >> Aggregate Escrow Account

- 1- Servicer – Always Lender (All Western Mortgage Inc.) – Verify / Update the name & address details from business book or can type it down.
- 2- 1st Payment Date – Make sure your first payment date is correct which is one month after your Closing Date. Ex; Closing Date – 01/24/2019 so your first payment date will be 03/01/2019

- 3- Taxes, Special Assessments & hazard or flood Insurance (if applicable) – Update / Verify Monthly & yearly amount both for taxes & insurance as per Tax Summary , HOI Policy and also update Pay to names. Verify monthly amounts with Final Approval / 1003. If there is any discrepancy then reach out to UW for Correction.

PROPOSED MONTHLY PAYMENT		
First P&I (Qualifying)	\$706.68	
Second P&I	\$0.00	
Hazard Insurance	\$29.92	
Taxes	\$61.05	
Mortgage Insurance	\$133.38	
HOA Fees	\$225.00	
Other	\$0.00	
Total Housing Payment	\$1156.03	
FINANCING		

EXPENSE INFORMATION		
Combined Monthly Housing Expense	Present	Proposed
Rent	\$	
First Mortgage (P&I)	1,027.06	\$ 706.68
Other Financing (P&I)		
Hazard Insurance		29.92
Real Estate Taxes		61.05
Mortgage Insurance		133.38
Homeowner Assn. Dues	34.00	225.00
Other:		
Total	\$ 1,061.06	\$ 1,156.03

base tax returns and financial statements

- 4- Mortgage Insurance (when applicable) – Verify / Update Upfront Mortgage Premium, Funding Fee, Guarantee fee and Monthly Mortgage insurance whenever it is applicable. Update details & select appropriate boxes and select OK to calculate the monthly MI.
 5- Setup – Click on Set up to update your cushion months & Due dates for taxes, insurance & Mortgage Insurance.

Initial Escrow Account Setup									
Escrow First Payment Date: 03/01/2019									
Date	Tax	Haz Ins	Mtg Ins	Fld Ins	City Taxes	User #1	User #2	User #3	Annual Fee
Cushion	2	2	0						
Due Date 1	10/01/2019	08/01/2019	03/01/2019						
Due Date 2	03/01/2020		04/01/2019						
Due Date 3			05/01/2019						
Due Date 4			06/01/2019						
03/2019			1						
04/2019			1						
05/2019			1						
06/2019			1						
07/2019			1						
08/2019		12	1						
09/2019			1						
10/2019		6	1						
11/2019			1						
12/2019			1						
01/2020			1						

Servicer to refund Mtg Ins Cushion upon termination

OK Clear All Impound Settings Cancel

- i) Cushion – Update Cushion months as “2” for Taxes & Insurance... If there is Mortgage Insurance is applicable it will be “0” for MI.
- ii) Due Dates for Taxes & Insurance – Update your next due dates for Taxes & Insurance. You can notice the auto fill within chart for taxes & insurance
- iii) Mortgage Insurance Due Dates – Start with First payment date i.e. 03/2019, enter a “1” twelve times (12 mos) down the column; you have to stop at the month prior to initial first payment date for the following year i.e. 02/2020.

Please note, if you add too many “1’s” you will receive a warning message. You will not receive Warning message If there are less than twelve “1’s” so make sure you verify before continuing.

Click on Ok after everything is updated correctly under “Set Up”.

- 6- Starting / Initial Balance – Make sure it stays in positive only.
- 7- Aggregate Escrow Adjustment – it will always be in Negative or ZERO.

****REMARKS**** - Refer to the “Tax Impound Schedule” for the due dates to verify them in Encompass for accuracy purpose.



State Tax Impound
Chart.pdf

Remarks – If Property is Current year (New) construction as per appraisal or Under Construction (Builder loan) then property taxes are to be calculated on below transactions

1. For Nevada, Arizona states;

1% of sales price / 12 = monthly tax amount

2. For CA state (Purchase Transaction whether property is new/under construction, resale);

1.25% of sales price / 12 = monthly tax amount Vs. Tax Summary amount – whichever is higher

3. For Colorado state- Either Mill levy rate as per attached tax cert or 1% of Sales price whichever is used by UW on their Final Approval. We are no longer using land value for New Construction properties. Mill Levy rate Calculation just in case if UW use the same on their approval

Mill Levy Calculation for CO New Construction if it is used by UW:

- 1) Assessed value - \$412,000.00 appraisal value * 7.96% tax rate = \$32795.20
- 2) Mill rate as per Tax cert = \$166.608 / 1000 = \$0.166608
- 3) Total tax = Assess value \$32795.20 * Mill rate 0.166608 = \$5463.94
- 4) Monthly amount = \$5463.94 / 12 months = \$455.33

4. On all Non-Builder Purchase, Resale(Except CA State) and Refinance transactions:

Consider Tax amount higher of what is available on UW certified Tax certificate or Preliminary Title report for Tax Calculation purpose.

If discrepancy between your calculation and the amount appearing on the documents in Encompass loan file, you must "stop" the process and have monthly property taxes confirmed by the assigned underwriter on the loan file

**If Impound is "NO" and property is under flood zone and Flood insurance is provided then Doc drawer to ensure that Flood Insurance is impounded to Escrow. (Flood insurance is Compulsory to impound whether Impound is Yes or NO)

Remarks (Update for Impounds): Impounds should not be confirmed by viewing the 1003 (initial or final); it should be confirmed by:

1. Loan Type
2. Locked information in Direct
 - If loan type = FHA or VA then
 - IMPOUNDS required = must be YES; impounds for both taxes and insurance are required.
 - If Initial CD, LE does not reflect YES for both taxes and insurance; hard stop Docs Process and request Processor for a CofC CD to correct impounds to "YES"for both taxes and insurance
 - If Final 1003 and UW LT does not reflect both taxes and insurance; hard stop Docs process and apply a condition for UW to correct Final LT and Final 1003 to reflect both taxes and insurance in proposed PITIA payment or request UW for correction.
 - If Loan type = Conventional, then Impound is optional however If LTV is more than 80% then it is mandatory and above marked steps will need to followed.

CA is the only state which allows the option for "no impounds" up to 90% LTV. This is only applicable for Conventional transactions.

STEP-20: 2015 Itemization– Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents.



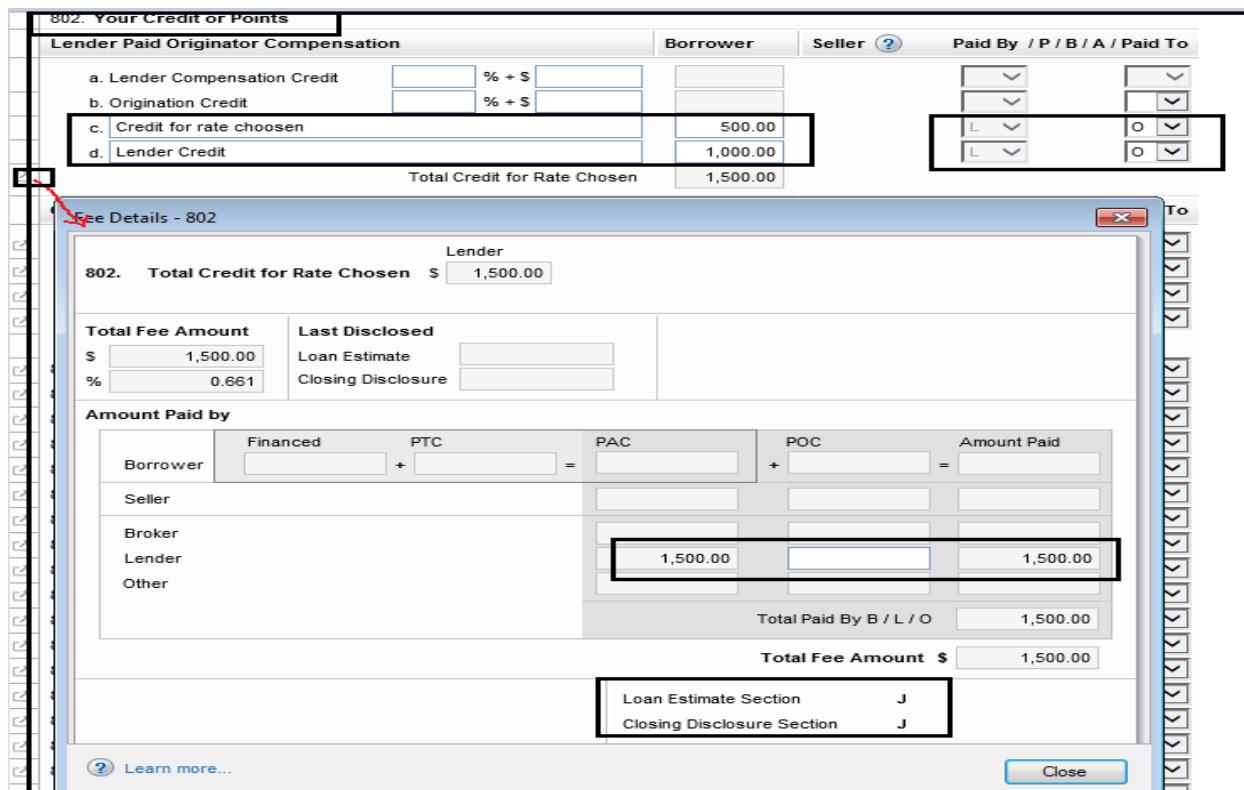
Encompass >> Forms >> 2015 Itemization

- 1- Firstly, Go thru the details updated on TOP of the above screen shot which shows the full form of short letters that we are going to use during our itemization.
- 2- Verify Loan Program & Closing Cost Program
- 3- **800 Section** – Items Payable in Connection with Loan
- 4- **801 Our Origination Charge** – We will verify / update Lender's Origination, Processing or UW Fees as per attached LE's, Initial / COC CD. If there are any Investor related fees like Compliance / Admin , Funding Fees will also go under this section

Encompass >> Forms >> 2015 Itemization

- i) Update / Verify Paid to name as "All Western Mortgage Inc."
- ii) Update / Verify amount under Borrower or Seller Column as per LE& CD. Please note; if Origination fees are paid by Broker / Lender or Other, Select the appropriate letter from "Paid by" Dropdown. i.e. B / L / O
- iii) Paid to Type will always be "Lender". Paid to type will change as "Investor" if there are any Investor related fees like Compliance / Funding Fee.
- iv) Letter A – stands for APR. All Origination fees are APR fees so it must be checked.
- v) Click on this box  to view the summary of fees and ensure you verify the highlighted details mentioned on above screen shot. PAC – stands for Paid at Closing, POC stands for Paid Out side Closing.
- vi) Check the bottom of screen shot which states that this fee will show in Sec-A of CD. You need to make sure that fee is going in correct section.
- vii) "Impacts APR" it will always checked for Origination fees.

5- **802 Your Credits or Points** – We will verify / update Lender Credit or Credit for rate chosen as per attached LE's and Initial / COC CD.



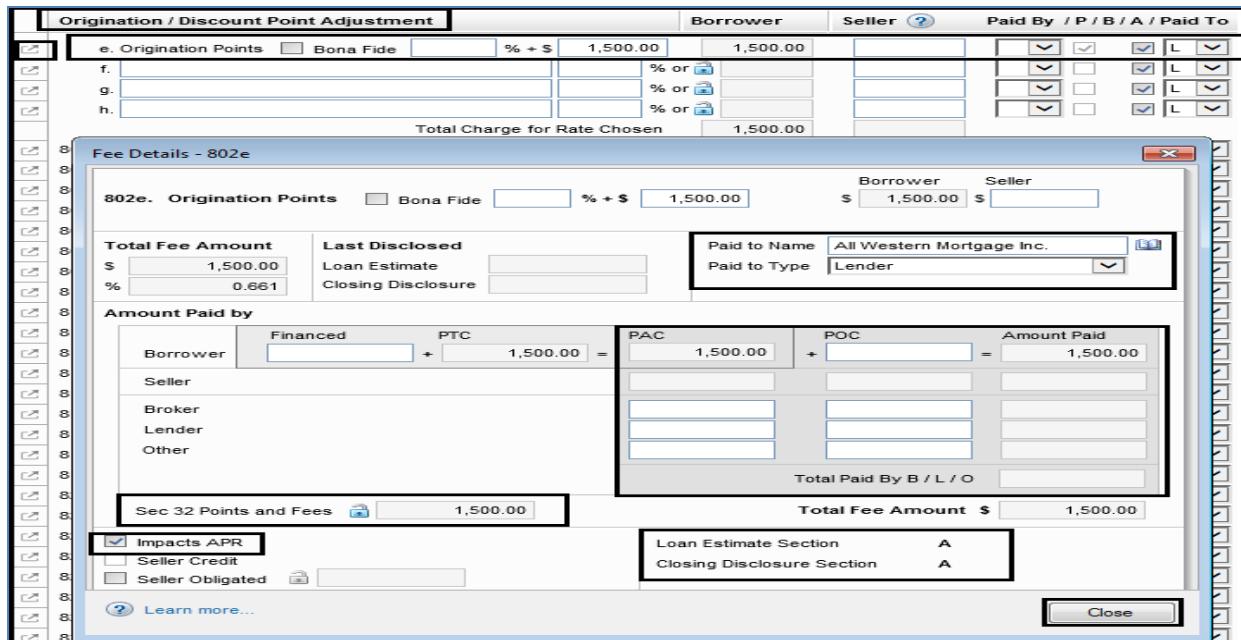
The screenshot shows the Encompass software interface for managing credits or points. At the top, there is a main form titled "802. Your Credit or Points" with sections for "Lender Paid Originator Compensation" and "Paid By / P / B / A / Paid To". Below this, a modal dialog box titled "See Details - 802" displays detailed information about the total credit for the chosen rate. The modal includes fields for "Total Fee Amount" (\$1,500.00), "Last Disclosed" (Loan Estimate and Closing Disclosure), and a breakdown of "Amount Paid by" (Borrower, Seller, Broker, Lender, Other). The "Lender" section is highlighted with a red box, showing values of \$1,500.00 for both the "Total Paid By B / L / O" and "Total Fee Amount". The "Close" button is visible at the bottom right of the modal.

Encompass >> Forms >> 2015 Itemization

- i) Paid by Name will be as “Lender (L)”
- ii) Update / Verify amount under Borrower Column as per LE and Initial CD. Amount will be updated in positive (+) side. System will consider it as Negative (Credit).
- iii) Paid to will always be “Other (O)”.
- iv) Click on this box  to view the summary of fees and ensure you verify the highlighted details mentioned on above screen shot. PAC – stands for Paid at Closing, POC stands for Paid Out side Closing.
- v) Check the bottom of screen shot which states that this fee will show in Sec-J of CD. You need to make sure that fee is going in correct section.

****REMARKS ON LENDER CREDIT**** - Lender credit (not credit for rate) must be updated under 1400 series of this same form and will reflect the amount under Sec-J of CD page-2

- 6- **802 Your Credits or Points** – We will verify / update Loan discount points as per attached LE’s, Initial / COC CD.

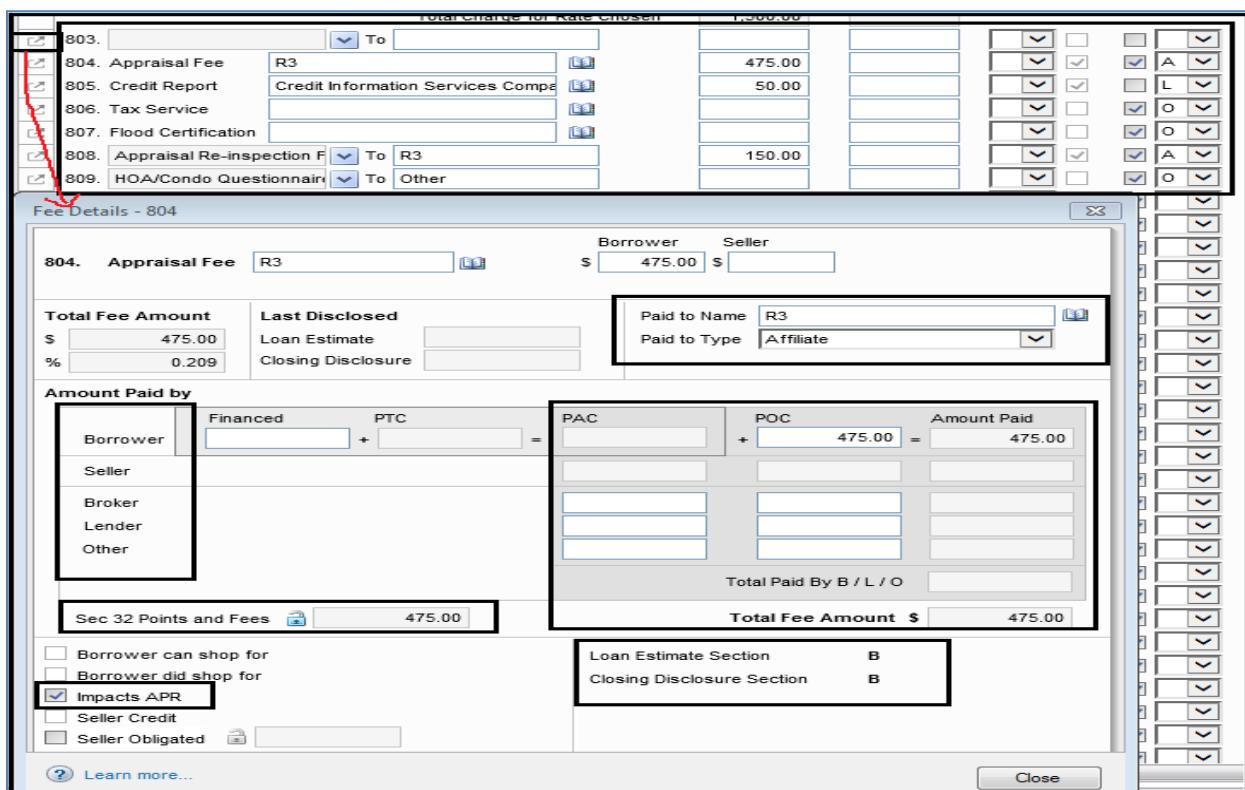


Encompass >> Forms >> 2015 Itemization

- i) Verify / Update Paid to name as "All Western Mortgage Inc."
- ii) Update / Verify amount under Borrower or Seller Column as per LE. Please note; if Loan discount points are paid by Broker / Lender or Other, Select the appropriate letter from "Paid by" Dropdown. i.e. B / L / O
- iii) Paid to Type will always be "Lender".
- iv) Letter A – stands for APR. Discount points fees are APR fees so it must be checked.
- v) Click on this box  to view the summary of fees and ensure you verify the highlighted details mentioned on above screen shot. PAC – stands for Paid at Closing, POC stands for Paid Out side Closing.
- vi) Check the bottom of screen shot which states that this fee will show in Sec-A of CD. You need to make sure that fee is going in correct section.
- vii) "Impacts APR" it will always checked for loan discount points.

****REMARKS**** - If there is discount / origination points on any of the loan then "**Bonafide button**" must be checked from above screen shot.

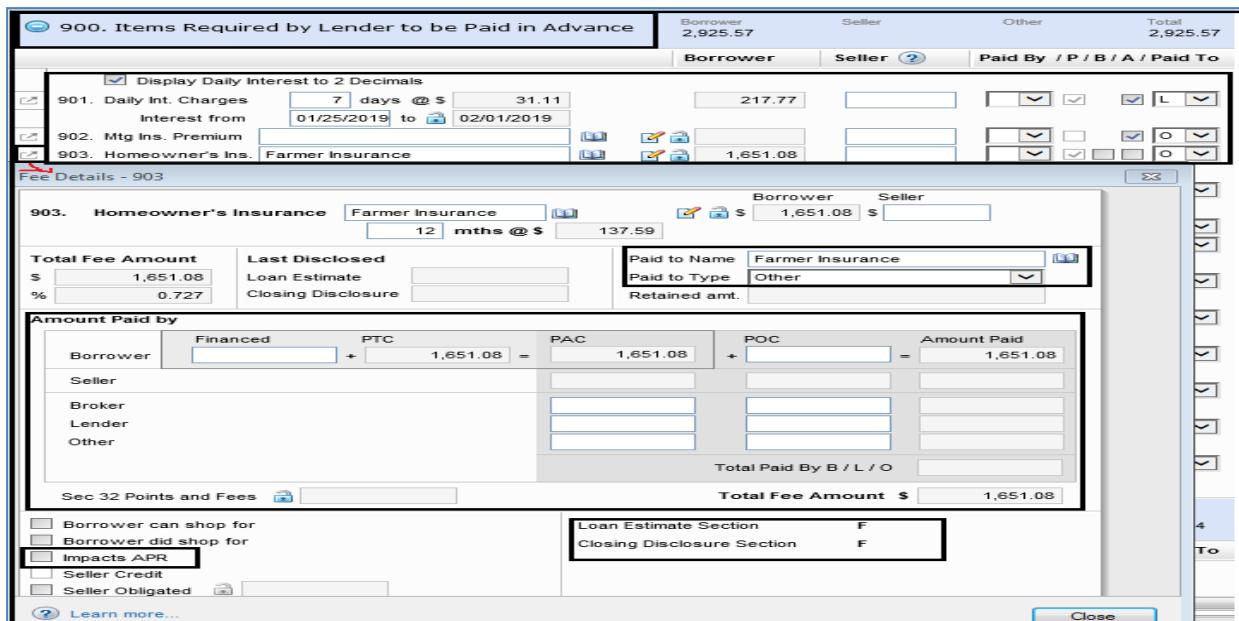
- 7- **803 – 835 Series** – We will verify / update Appraisal fee, Appraisal re-inspection, Credit report fee, Tax service, Upfront MI Premium whenever it is applicable as per attached LE's, Initial CD / COC CD & Invoices.



The screenshot shows a software interface for managing loan fees. At the top, there is a list of fees: 803., 804. Appraisal Fee (R3), 805. Credit Report, 806. Tax Service, 807. Flood Certification, 808. Appraisal Re-inspection F (R3), and 809. HOA/Condo Questionnaire (Other). Below this is a 'Fee Details - 804' window. It displays the 'Appraisal Fee' of \$475.00 for 'Borrower'. The 'Paid to Name' is listed as 'R3' and 'Paid to Type' as 'Affiliate'. Under 'Amount Paid by', there are dropdowns for 'Financed' and 'PTC', and a breakdown for 'PAC' and 'POC' with an amount of \$475.00. The 'Total Paid By B / L / O' is also \$475.00. At the bottom of the window, there is a section for 'Sec 32 Points and Fees' (\$475.00), checkboxes for 'Borrower can shop for', 'Borrower did shop for', and 'Impacts APR' (which is checked), and sections for 'Loan Estimate Section' and 'Closing Disclosure Section' both labeled 'B'. A 'Learn more...' link is also present.

- i) Update / Verify Paid to name as “the Service provider” as per attached Invoice. Update / Verify amount under Borrower or Seller Column as per Invoice. Please note; if these fees are paid by Broker / Lender or Other, Select the appropriate letter from “Paid by” Dropdown. i.e. B / L / O
- ii) Paid to Type can be “Affiliate (A)” or “Lender(L)” or “Other(O)”. Ex; When AMC is R3 for Appraisal / re-inspection fees then ensure “Paid to Type” is always selected as “Affiliate (A) ” or else it will be “Others (O)” for all other AMC’s.
- iii) For Credit Report fee, Paid to Type will always as “Lender(L)”
- iv) Letter A – stands for APR. Appraisal fees with R3 AMC is always APR fees otherwise it will be Non-APR. Credit Report fee will be Non-APR, UFMIP will always APR checked.
- v) Click on this box  to view the summary of fees and ensure you verify the highlighted details mentioned on above screen shot. PAC – stands for Paid at Closing, POC stands for Paid Out side Closing.
- vi) Check the bottom of screen shot which states that this fee will show in Sec-B of CD. You need to make sure that fee is going in correct section.
- vii) “Impacts APR” it will always checked for APR related fees only.

8- 900 Section – Items required by Lender to be paid in Advance (Sec-F) – We will verify / update Prepaid interest, Home owner insurance premium , Flood insurance Premium (when applicable) and Property / special assessment / supplemental taxes whenever it is applicable as per attached HOI / Flood Invoices or updated tax summary. These fees are always Non-APR except Prepaid interest.



The screenshot shows the '900. Items Required by Lender to be Paid in Advance' window. At the top, there are tabs for Borrower, Seller, Other, and Paid By / P / B / A / Paid To. The Borrower tab is selected, showing a total of \$2,925.57. Below the tabs, there are three rows of fees:

- 901. Daily Int. Charges: Interest from 01/25/2019 to 02/01/2019, amounting to \$217.77.
- 902. Mtg Ins. Premium: Farmer Insurance, amounting to \$1,651.08.
- 903. Homeowner's Ins.: Farmer Insurance, amounting to \$1,651.08.

A sub-dialog for 'Fee Details - 903' is open, showing the breakdown for Homeowner's Insurance. It includes fields for Total Fee Amount (\$1,651.08), Last Disclosed (12 mths @ \$137.59), Paid to Name (Farmer Insurance), Paid to Type (Other), and Amount Paid (\$1,651.08). Below this, an 'Amount Paid by' section shows the breakdown by Borrower, PTC, PAC, and POC, all totaling \$1,651.08. At the bottom, there are checkboxes for 'Borrower can shop for', 'Seller did shop for', 'Impacts APR', 'Seller Credit', 'Seller Obligated', and a 'Learn more...' link.

- i) Verify / Update Paid to name as “the Service provider” as per attached HOI / Flood Invoice. Update / Verify amount under Borrower or Seller Column as per Invoice. Please note; if these fees are paid by Broker / Lender or Other, Select the appropriate letter from “Paid by” Dropdown. i.e. B / L / O
- ii) Paid to Type will always as “Other(O)” except Prepaid interest which will have as “Lender (L)”.
- iii) Letter A – stands for APR. All fees from this section will be considered as Non-APR so button must be unchecked except Prepaid interest which is an APR Fee.
- iv) Click on this box  to view the summary of fees and ensure you verify the highlighted details mentioned on above screen shot. PAC – stands for Paid at Closing, POC stands for Paid Out side Closing.
- v) Check the bottom of screen shot which states that this fee will show in Sec-F of CD. You need to make sure that fee is going in correct section.
- vi) “Impacts APR” it will always un-checked for all Sec-F fees except Prepaid interest.

****IMP NOTES**** - Docs team to ensure 901. Prepaid interest – “**Display Daily Interest to 2 Decimals**” button is always **UNCHECKED**. CD must show 4 Decimals for prepaid interest.

9- **1000 Section – Reserves Deposited with Lender (Sec-G – Impounds / Escrow)** – We will verify monthly Home owner insurance premium , Flood insurance Premium (when applicable) , Mortgage Insurance Premium (when applicable) and Property / special assessment / supplemental taxes are correctly updated or not. This Section will auto fill up when we complete “**Aggregate Escrow Account**” Form in Encompass.

****IMPORTANT NOTE**** - Do not make any changes to cushions here as it auto-calculates from system when you complete Aggregate Escrow account form. Refer Step-20 from this SOP about how to complete Aggregate Escrow Account form.

1000. Reserves Deposited with Lender		Borrower 825.54	Seller	Other	Total 825.54
		Borrower	Seller	Paid By / P / B / A / Paid To	
1001. Initial Deposit For Your Escrow Account		825.54			
<input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other					
1002. Homeowner's Ins.		8 mths @ \$ 137.59	= 1,100.72	<input type="checkbox"/>	<input type="checkbox"/>
1003. Mortgage Ins.		mths @ \$  88.95		<input type="checkbox"/>	<input checked="" type="checkbox"/>
1004. Property Taxes		2 mths @ \$  176.12	= 352.24	<input type="checkbox"/>	<input checked="" type="checkbox"/>
1005. City Property Tax		mths @ \$		<input type="checkbox"/>	<input type="checkbox"/>
1006. Flood Ins. Reserve		mths @ \$		<input type="checkbox"/>	<input type="checkbox"/>
1007.  To				<input type="checkbox"/>	<input type="checkbox"/>
1008.  To				<input type="checkbox"/>	<input type="checkbox"/>
1009.  To				<input type="checkbox"/>	<input type="checkbox"/>
1010. USDA Annual Fee  To				<input type="checkbox"/>	<input type="checkbox"/>
1011. Aggregate Adjust. 		-627.42	Aggregate Setup		
<small>* Will be added to 1001 Initial Deposit For Your Escrow Account</small>					

Encompass >> Forms >> 2015 Itemization

- i) Paid to Type will always as “Other (O)” for all fees here.
- ii) Letter A – stands for APR. All fees from this section will be considered as Non-APR so button must be unchecked except Monthly Mortgage Insurance which is an APR Fee.
- iii) Amounts will always paid by “Borrower”
- iv) Click on Aggregate Set Up if you want to re-check your Tax / Insurance / Mortgage Insurance due dates and cushion months and make changes if required.

VERIFY IMPOUNDS

We also must verify whether LE is reflecting Impounds as Yes or No. Then we must cross verify it along with the Lock details. Please refer screenshot provided below:

Go to **TOOLS** then to **SECONDARY REGISTRATION**, then to **CURRENT LOAN INFO** and under **TRANSACTION DETAILS** you will get **IMPOUNDS** and that should match with last disclosed LE. If they are mismatch, then confirm with processor/LO and then get it corrected whichever needed.

PLEASE note that the CD must match the lock details for Impounds, if they are different then Lock desk need to correct accordingly encompass (if needed)

The screenshot shows the Encompass software interface. The top navigation bar has 'Forms' selected. Below it is a sidebar with various menu items: File Contacts, Funding Balancing Worksheet, Funding Worksheet, Net Tangible Benefit, Piggyback Loans, Secondary Registration (which is highlighted with a blue box), Status Online, Tasks, TQL Services, Underwriter Summary, Verification and Documentation Track..., and a checkbox for 'Show in Alpha Order'. The main workspace is titled 'Current Lock' and 'Current Loan Info' (also highlighted with a blue box). It contains a 'Registration' tab. The 'Transaction Details' section is expanded, showing the following settings:

- Purpose of Loan: No Cash-Out Refi
- Lien Position Type: First
- Term / Due (in months): 360 / 360
- Amortization Type:
 - Fixed Rate (selected, checked)
 - GPM - Rate
 - ARM -
 - Other -
- Impounds: Not Waived
- Impound Types
- Prepay Penalty
- Penalty Term

10- 1100 Series – Title Charges (Sec-B or Sec-C Fees) – We will only verify All Title related fees are correctly updated by CD Team as APR or not and Service provider listed on LE and Title report are same or not.

The screenshot shows the '1100. Title Charges' screen in the Encompass software. At the top, it displays the total amount: Borrower 3,010.00, Seller 1,245.00, Other 0.00, and Total 4,255.00. Below this, there's a grid for 'Title Insurance Services' with columns for 'To', 'Seller', 'Paid By', and 'Paid To'. A red arrow points from the 'Paid By' column to a detailed 'Fee Details - 1101a' dialog box. This dialog box contains fields for 'Closing Protection Letter' (\$25.00), 'Total Fee Amount' (\$25.00), 'Last Disclosed' (Loan Estimate and Closing Disclosure), and 'Paid to Name' (First American). It also includes sections for 'Amount Paid by' (Borrower, Seller, Broker, Lender, Other) and 'Sec 32 Points and Fees' (0.00). At the bottom of the dialog box, there are checkboxes for 'Borrower can shop for', 'Borrower did shop for', 'Impacts APR', 'Seller Credit', and 'Seller Obligated'. The 'Close' button is visible at the bottom right of the dialog box.

Encompass >> Forms >> 2015 Itemization

- i) Paid to Type will always be “Other(O)” for this section.
- ii) Letter B – stands for Borrower choose the Service Provider or not.
 - If Title Company on Service provider list is the same as Company we are closing with, All Title fees **will fall** under 10% tolerance and will be moved to Sec-B of CD. Make sure “B” box is Unchecked in this case.
 - If Title Company on Service provider list is different than the Company we are closing with, All Title fees **will not** fall under 10% tolerance and will be moved to Sec-C of CD. Make Sure “B” box is checked in this case.
- iii) Letter A – stands for APR. You need to determine which fees are APR and which are not and check the “A” box accordingly. Refer attached CFPB APR Fee list for your reference.



CFPB APR Defined
Fees.xlsx

- iv) Click on this box to view the summary of fees and ensure you verify the highlighted details mentioned on above screen shot. PAC – stands for Paid at Closing, POC stands for Paid Out side Closing.
- v) Check the bottom of screen shot which states that this fee will show in Sec-B or Sec-C of CD, depend on Borrower did shop for or not. You need to make sure that fee is going in correct sections.
- vi) “Impacts APR” it will be checked or unchecked depends on which fee falls under APR / Non-APR.

****IMPORTANT NOTE**** - There will be Title – Owner’s Coverage Premium too under this section however it falls under Sec-H but need to updated here and system will put it under correct section on CD.

11- 1200 Series – Government Recording & Transfer Charges (Sec-E Fees) – We will verify All Recording & Transfer tax related fees as per attached LE's & what is taken on Initial CD to identify cures.

Encompass >> Forms >> 2015 Itemization

- i) Paid to Type will always be “Other(O)” for this section.
- ii) Letter A – stands for APR. All fees will be Non-APR for this Section so it must be unchecked for all Recording & Transfer tax charges.
- iii) Click on this box to view the summary of fees and ensure you verify the highlighted details mentioned on above screen shot. PAC – stands for Paid at Closing, POC stands for Paid Out side Closing.
- iv) Click on this box to categorize the Recording fee for Deed / Mortgage / Release or any other recording fees
- v) If you see on above screen shot as there are notes for your reference.
 - *Will be added to 1201 Recording Fees & Other Taxes – fees which have been added only One “*” star will go under Recording fee boxes
 - ** Will be added to LE Transfer Tax - Make sure Transfer tax are added under fees which has two “**” stars so it goes on correct section of CD.
- vi) Check the bottom of screen shot which states that this fee will show in Sec-E. You need to make sure that fee is going in correct sections.
- vii) “Impacts APR” it will be always unchecked as Sec-E fees are Non-APR’s.

12- 1300 Series – Additional Settlement Charges (Sec-H Fees) – We will only verify if there is any Home Inspection / Pest Inspection / EMD Refunded or not.

1300. Additional Settlement Charges

		Borrower	Seller	Paid By / P / B / A / Paid To
1302. Home Warranty	To			<input type="checkbox"/>
1303. Property Taxes	To			<input type="checkbox"/>
1304. HOA Fees	To			<input type="checkbox"/>
1305. Real Estate Transaction F	To			<input type="checkbox"/>
1306. Pest Inspection	To			<input type="checkbox"/>
1307. Land Survey	To			<input type="checkbox"/>
1308. Homeowner's Dues	To			<input type="checkbox"/>
1309.	To			<input type="checkbox"/>
1310. Home Warranty Premium	To TBD			<input type="checkbox"/>

Fee Details - 1310

1310. Home Warranty Premium	To TBD	Borrower	Seller
		\$ 500.00	\$ _____
Total Fee Amount	Last Disclosed	Paid to Name TBD	
\$ 500.00	Loan Estimate	Paid to Type Other	
% 0.220	Closing Disclosure		
Amount Paid by			
Borrower	Financed	PTC	PAC 500.00 + POC = Amount Paid 500.00
Seller			
Broker			
Lender			
Other			
Total Paid By B / L / O			
Sec 32 Points and Fees		Total Fee Amount \$ 500.00	
<input type="checkbox"/> Impacts APR <input type="checkbox"/> Seller Credit <input type="checkbox"/> Seller Obligated		Loan Estimate Section H Closing Disclosure Section H	

Encompass > Forms > 2015 Itemization

- i) Paid to Type will always be “Other(O)” for this section.
- ii) Letter A – stands for APR. All fees will be Non-APR for this Section so it must be unchecked for all these settlement charges.
- iii) Click on this box to view the summary of fees and ensure you verify the highlighted details mentioned on above screen shot. PAC – stands for Paid at Closing, POC stands for Paid Out side Closing.
- iv) If you see on above screen shot as there are notes for your reference.
 - *Will be added to 1301 Required Services that you can shop for – fees which have been added only One “*” star will go under Sec-B / C fees depend on Letter “B” is checked or not.
 - ** Will be added to Section H on LE & CD Section.
- v) Check the bottom of screen shot which states that this fee will show in Sec-H. You need to make sure that fee is going in correct sections.

vi) "Impacts APR" it will be always unchecked as Sec-H fees are Non-APR's.

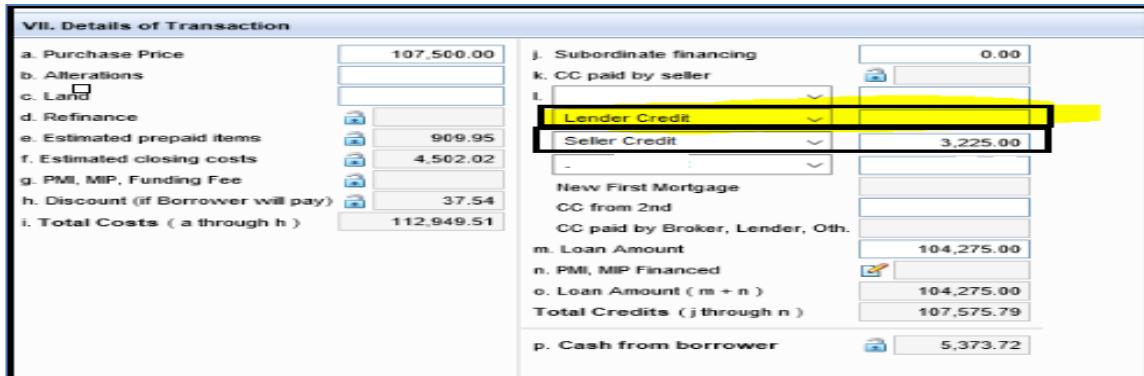
NOTES - You will see certain boxes that will pop up that is "Seller Credit" and "Seller Obligated". Be mindful when to check these boxes and when to not.

- a) Seller Credit – If any fees are to be paid by Seller and if you want to itemize any Buyer charged cost from Seller credit especially on VA loans then this box needs to be checked.
- b) Seller Obligated – this button needs to be checked when Responsible party is Seller & fee is also payable by Seller. It will not be considered from Seller credit when this button is checked. You need to mindful while any fees you are putting as charge on Seller side. You need to check this box as well if it is seller responsible fees otherwise it will be count from Seller credit.

The screenshot shows a window with a blue border. Inside, there are two checkboxes. The first checkbox, labeled "Seller Credit", is empty. The second checkbox, labeled "Seller Obligated", is filled with a grey color and has a small lock icon to its right. Below the checkboxes is a large empty rectangular field.

13- 1400 Series – Total Estimate Settlement Charges – We will verify / update any Lender / Seller credit we have as per attached LE's, Purchase Contract / addendum & Initial / COC CD. You can also check MIP Refund here under highlighted section if there is any. FYI – Only Lender / Seller credit reflects on CD if it is updated here however MIP Refund won't go and you will need to update it manually under CD page-3 >> Liability / Payoff Statement section.

*NOTE – Lender credit & Seller credit must be updated under highlighted section as show below and nowhere else. If you see Seller credit updated on this screen and is not mentioned on contract or any addendum given, then you have to ask processor to provide it but do not remove Seller credit without LO / Processor's concern.



The screenshot shows a software interface titled "VII. Details of Transaction". It displays various transaction details in a grid format. The "Seller Credit" field, located in the row for item "i.", is highlighted with a yellow box and contains the value "3,225.00". Other visible values include "Purchase Price" (107,500.00), "Subordinate financing" (0.00), "Total Costs" (112,949.51), "Loan Amount" (104,275.00), and "Total Credits" (107,575.79).

Encompass >> Forms >> 2015 Itemization

STEP-21: Fee Variance – Next Form in Encompass where we have to identify Zero, 10% tolerance cures are to be updated / verified.

Fee Variance Worksheet					
Items that Cannot Decrease	Itemization #	Initial LE	LE Baseline	CD Baseline	Itemization
Form 1003 Sec. L Lender Credits		//	//	//	Current
Total Credit for Rate Chosen	# 802b-d				
Lender Paid Closing Costs					
Tolerance Cure					
Total Lender Credit					
Section J Credit (Disclosed)					
Variance between LE and Itemization					
Difference between LE and CD (Disclosed)					
Variance between CD and Itemization					
Charges that Cannot Increase	Itemization #	Initial LE	LE Baseline	CD Baseline	Itemization
A. Origination Charges	# 801, #802e-h	//	//	//	Current
B. Services Cannot Shop For					
C. Services Can Shop For (Paid to L/B/I/A)					
E2. Transfer Taxes	# 1203				
F4. Prepaid Property Taxes/Other	# 904, #907 - #912				
Good Faith Baseline					
Baseline Adjustment					
Net Good Faith Baseline					
Disclosed Amount					
Variance between LE and Itemization					
Difference between LE and CD (Disclosed)					
Variance between CD and Itemization					

Fee Variance Worksheet					
Charges that in Total Cannot Increase More Than 10%	Itemization #	Initial LE	LE Baseline	CD Baseline	Itemization
Government Recording Charges	# 1201	//	//	//	Current
	#				
	#				
	#				
	#				
	#				
	#				
	#				
	#				
	#				
	#				
	#				
	#				
Good Faith Baseline					
Baseline Adjustment					
Net Good Faith Baseline					
Legal Limit (Net Baseline + 10%)					
Disclosed Amount					
Variance between LE and Itemization					
Difference between LE and CD (Disclosed)					
Variance between CD and Itemization					

[Encompass >> Tools >> Fee Variance Worksheet](#)

Encompass >> Tools >> Fee Variance Worksheet

****Tolerance Cure****

- 1- Identify Required Cure amount – this will auto calculate depend on fee disclosed on LE & CD. You can manually enter the amount too.
 - 2- Applied Cure Amount – this will auto calculate depend on once you update cure under line-3
 - 3- Cure applied to Lender Credit – Verify / Update required cure amount (per line-1) under this line.
 - 4- Cure Applied to Principal (POC) - Only when needed

5- Date – Update the day if you apply any new cures otherwise keep the same what it shows. Do not change the date if CD team has applied cures on transaction.

6- Resolved By – Your name & Comments – Update if you apply / revise any cures with short details of for which fees cure is applied.

STEP-22: Closing Disclosure – 1 – Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents.

The screenshot displays the 'Closing Disclosure Page 1' form in the Encompass software. The top navigation bar includes tabs for REGZ-LE, Itemization, LE1, LE2, LE3, REGZ-CD, CD1, CD2, CD3, and CD4. The main content area is divided into several sections:

- Disclosure Information:** Contains checkboxes for 'Fee Level Disclosures' and a list of reasons for changes, including 'Change in APR', 'Change in Loan Product', 'Prepayment Penalty Added', 'Change in Settlement Charges', 'Changed Circumstance - Eligibility', 'Revisions requested by the Consumer', 'Interest Rate dependent charges (Rate Lock)', '24-hour Advanced Preview', 'Tolerance Cure', 'Clerical Error Correction', and 'Other'.
- Changed Circumstance:** A sidebar section containing fields for 'Changes Received Date' and 'Revised CD Due Date', both with calendar icons. It also includes a large text area for 'Changed Circumstance' with a search icon and a 'Comments' text area.
- Tolerance Cure:** A section with fields for 'Required Cure Amount' (with a lock icon), 'Applied Cure Amount', 'Cure applied to Principal (POC)', 'Cure applied to Lender Credit', 'Date' (with a calendar icon), and 'Resolved by'.

Encompass >> Forms >> Closing Disclosure – 1

****NOTE** -**

- 1) Disclosure Information** – This section is needed only when there is any COC CD requirement comes after Initial CD is sent out to borrower. COC CD team will update this section in order to create COC CD on particular file.

****REMARKS** - 2nd COC CD requirement for Closing date extension:** If a COC CD is issued that changes the borrower costs of the loan (origination charges i.e. loan discounts) and/or changes the loan product/type before consummation of the loan. However, the loan MUST close within 7 business days of receiving the COC CD.

If the loan does not close within the 7 business days and Processor request to redraw the file for change in signing date which is after 7 days of Initial Docs drawn, Docs drawer to ensure there is an additional COC CD attached in the file identifying “borrower requested change in closing date to be extended”.

These timelines apply when a COC CD is included in the loan file. Verbiage required on the COC CD Details:

“Extension to the closing date per borrower request”.

Remarks – COC CD requirement–

- **There is NO required 3 day waiting period when:**

A COC (CIC) CD is issued that:

1. Renders the APR “inaccurate”

Inaccurate = decrease in APR from Initial CD

- **There IS a required 3 day waiting period when:**

A COC (CIC) CD is issued that:

2. Renders the APR “inaccurate”

(increase in APR of >.125%)

3. Changes the loan “product” =

a) switch from Jumbo to Conforming (or vice versa), Conforming to Government (or vice versa), FHA to VA (or vice versa).

b) Any change to amortization: Fixed to Arm (or vice versa)

c) Change from an Interest only fixed rate to normal Fixed rate loan

OR

4. Adds a prepayment penalty

- 2) Tolerance Cure** – You will see Tolerance cure details here which were updated in Fee Variance Worksheet. Docs team needs to double check this if cures are correctly applied or make any changes if needed so.

Closing Disclosure Page 1		REGZ-LT	Itemization	LE1	LE2	LE3	REGZ-CD	CD1	CD2	CD3	CD4	
Closing Information		Loan Information										
CD Date Issued	01/23/2019	Loan Term	30	yrs	<input type="checkbox"/>	mths						
Closing Date	01/24/2019	<input type="checkbox"/> Construction Period Included in the Loan Terms										
Disbursement Date	01/25/2019	Purpose	<input checked="" type="checkbox"/> Purchase		<input type="checkbox"/>							
Settlement Agent	FIDELITY NATIONAL TITLE	Product	<input checked="" type="checkbox"/> Fixed Rate		<input type="checkbox"/>							
File#												
Property		Loan Type										
Address	123 New Property St	<input checked="" type="checkbox"/> Conventional	<input type="checkbox"/> USDA-RHS									
City	Las Vegas	<input type="checkbox"/> FHA	<input type="checkbox"/> Other									
State	NV	<input type="checkbox"/> VA										
Zip	89135											
Estimated Value	500,000											
Appraised Value	249,000											
Sale Price	254,000.00											
Transaction Information		Seller's Info										
Borrower's Info		Lender's Info										
Borrower	Tory Santo Teunis	Name	FRONTIER ESTATES LLC		<input type="checkbox"/> Not a Natural Person (legal entity)							
Co-Borrower		Address	9067 W. POST RD #A									
Address	11253 Dumbo Mist	City	Las Vegas									
City	Las Vegas	State	NV	Zip	89148							
State	NV	Zip	89135									

Encompass >> Forms >> Closing Disclosure – 1

Below are the details that to verify while working on this section:

A. Closing Information:

- a. **CD Date Issued** – Update the same date as your Closing Date.
- b. **Settlement Agent** – Verify If settlement agent name is updated correctly
- c. **File#** - Verify Escrow order number as per attached Title report

B. Loan Information:

- a. Loan Term – Verify if loan term is correctly updated in (yrs). Please make sure you **do not** check the Box updated as “**Construction Period included in the Loan terms**”. Consult with your team lead when it applies only on Construction loans.
- b. Purpose – Verify / Update Purpose as “Purchase” or “Refinance” or “Construction” or “Home Equity” as per transaction.
- c. Product: Verify if Product is updated correctly whether Fixed Rate / Adjustable rate as per transaction.

C. Property :

- a. Property address – Verify Property address with all attached documents (like Initial 1003, USPS, Tax Summary, HOI, Title report, Purchase Contract, Appraisal report etc...) If there is any discrepancy, it will be Docs Team's final call for correct address and to add required PTF Condition for Incorrect documents. Final address should be valid as per Tax certificate, USPS and as per County records.
- b. Appraised Value – Verify / Update Appraised value with attached Appraisal report & Last CD.
- c. Sales Price – Verify / Update Sales Price with attached Purchase Contract / addendum & last CD.
****NOTE**-** If there is AM West Builder loan and if Base Sales Price is updated under CD page-1 & 3 then DOCS team have to re-update the Final / Contract Sales price as per attached Purchase agreement / addendum under CD page-1 & 3 in order to show the same on Final CD.

D. Loan Type :

- a. Loan Type – Verify Loan type as per transaction and with Initial CD.
- b. Loan ID# - It will be AWM Loan number. Just verify it is correctly updated.
- c. MIC# - It will be your FHA / VA Case number and for Conventional >80% - it will be your Mortgage Certificate number whichever applies per transaction.

E. Transaction Information :

- a. Borrower's Info – Verify Borrower & Co-Borrower name and their present address with attached Final 1003 / Approval.
- b. Seller's Info – Make sure Seller's name & address is updated here and it will come up from File Contacts under Tools tab.
- c. Lender's Info – Make sure Lender's name & address is updated here and it will come up from File Contacts under Tools tab or you can select it from Business contacts too.

Loan Terms Customize

Can this amount increase after closing?

Loan Amount \$ 227,100.00	No <input type="button" value="▼"/>
Interest Rate 5 %	No <input type="button" value="▼"/>
Monthly Principal & Interest \$ 1,219.12	No <input type="button" value="▼"/>

Does the loan have these features?

Prepayment Penalty	No <input type="button" value="▼"/>
Balloon Payment	No <input type="button" value="▼"/>

[Encompass >> Forms >> Closing Disclosure – 1](#)

F. Loan Terms :

- a. Loan amount, Interest rate, Monthly Principal & Interest – Verify loan amount , interest rate & monthly principal & interest with attached last LE, Initial CD / COC CD, Approval Final / 1003.

Please note that “Can this amount Increase after Closing? – will always selected as “**NO**” on all transactions.

- b. Prepayment Penalty & Balloon Payment – always selected as **NO**.

Projected Payments		<input checked="" type="checkbox"/> Customize	<input type="button" value="Edit"/>	<input type="button" value="View Payment Schedule"/>										
Period		Years 1 - <input type="text" value="9"/>	Years <input type="text" value="10"/> - <input type="text" value="30"/>											
Principal & Interest		<input type="text" value="1,219.12"/>	<input type="text" value="1,219.12"/>											
<input checked="" type="checkbox"/> Mortgage Insurance		<input type="checkbox"/> Only Interest <input type="text" value="88.95"/>	<input type="checkbox"/> Only Interest <input type="text" value="-"/>											
<input checked="" type="checkbox"/> Estimated Escrow		<input type="checkbox"/> Only Interest <input type="text" value="313.71"/>	<input type="checkbox"/> Only Interest <input type="text" value="313.71"/>											
Total Est. <input type="radio"/> Monthly <input type="radio"/> Payment		<input type="text" value="1,621.78"/>	<input type="text" value="1,532.83"/>											
Estimated Taxes, Insurance & Assessments \$ <input type="text" value="373.71"/> a month														
<input type="checkbox"/> This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: <input type="text"/>		<input type="checkbox"/> In escrow? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No												
Costs at Closing <table border="1"> <tr> <td>Loan Costs</td> <td><input type="text" value="7,975.00"/></td> </tr> <tr> <td>Other Costs</td> <td><input type="text" value="3,374.98"/></td> </tr> <tr> <td>Lender Credits</td> <td><input type="text" value="1,420.00"/></td> </tr> <tr> <td>Total Closing Costs</td> <td><input type="text" value="9,929.98"/> See page 2 for details.</td> </tr> <tr> <td>Total Cash to Close</td> <td><input type="text" value="33,179.98"/> See page 3 for details.</td> </tr> </table>					Loan Costs	<input type="text" value="7,975.00"/>	Other Costs	<input type="text" value="3,374.98"/>	Lender Credits	<input type="text" value="1,420.00"/>	Total Closing Costs	<input type="text" value="9,929.98"/> See page 2 for details.	Total Cash to Close	<input type="text" value="33,179.98"/> See page 3 for details.
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Total Cash to Close	<input type="text" value="33,179.98"/> See page 3 for details.													

Encompass >> Forms >> Closing Disclosure – 1

G. Projected Payments :

- a. Projected Payments – Verify your monthly Mortgage Insurance (if applicable), Estimated Escrow are populated correctly as per what you have updated in your Aggregate Escrow account form.
- b. Estimated Taxes, Insurance & Assessments – Boxes would have been checked as per what is Impounded and what is not on your Aggregate Escrow statement and have to verify the same with your Last LE.
- c. Costs at Closing – it includes your loan & other costs, lender credit, Total Closing Cost and lastly Total Cash to Close which needs to be verify before Sending DOCS to all parties..

STEP-23: Closing Disclosure – 2 – Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents.

Loan Costs																																																											
A. Origination Charges																																																											
<table border="1"> <thead> <tr> <th colspan="4">Borrower-Paid</th> </tr> <tr> <th></th> <th>At Closing</th> <th>Before Closing</th> <th></th> </tr> </thead> <tbody> <tr> <td>01</td> <td>0.661 % of Loan Amount (Points) To All Western Mortgage Inc</td> <td>1,500.00</td> <td></td> </tr> <tr> <td>02</td> <td>Origination Fee To All Western Mortgage, Inc</td> <td>1,000.00</td> <td></td> </tr> <tr> <td>03</td> <td>Processing Fees To All Western Mortgage, Inc</td> <td>895.00</td> <td></td> </tr> <tr> <td>04</td> <td>Underwriting Fees To All Western Mortgage, Inc</td> <td>895.00</td> <td></td> </tr> <tr> <td>05</td> <td>To</td> <td></td> <td></td> </tr> <tr> <td>06</td> <td>To</td> <td></td> <td></td> </tr> <tr> <td>07</td> <td>To</td> <td></td> <td></td> </tr> <tr> <td>08</td> <td>To</td> <td></td> <td></td> </tr> </tbody> </table>				Borrower-Paid					At Closing	Before Closing		01	0.661 % of Loan Amount (Points) To All Western Mortgage Inc	1,500.00		02	Origination Fee To All Western Mortgage, Inc	1,000.00		03	Processing Fees To All Western Mortgage, Inc	895.00		04	Underwriting Fees To All Western Mortgage, Inc	895.00		05	To			06	To			07	To			08	To																		
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	At Closing	Before Closing	Paid by Others																																																								
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B. Services Borrower Did Not Shop For																																																											
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	At Closing	Before Closing	Paid by Others																																																								
Show More Lines Total: 675.00																																																											

[Encompass >> Forms >> Closing Disclosure – 2](#)

A. Loan Costs:

- A. Origination Charges – All sec-A fees will be populated here as per what you have updated / verified on 2015 Itemization form. You just need to verify if all your fees are having correct amounts at Closing(PAC) or Before Closing (POC) and updated under correct paid by Parties Column.
- B. Services Borrower did not Shop for – All Sec-B fees will be populated here as per what you have verified / updated on 2015 Itemization form. You just need to verify if all your fees are having correct amounts at Closing(PAC) or Before Closing (POC) and updated under correct paid by Parties Column.

****NOTE**** - You can click on “**Show More Lines**” button if you are having more fees updated under any of the sections. Title fees will fall under Sec-B when Title Company on service list provider & Title Company you are closing with one and the same.

Closing Disclosure Page 2		REGZ-LE	Itemization	LE1	LE2	LE3	REGZ-CD	CD1	CD2	CD3	CD4	CD5
C. Services Borrower Did Shop For												
		Borrower-Paid						Seller-Paid				
				At Closing	Before Closing			At Closing	Before Closing	Paid by Others		
01	Title - Closing Fee	To First American	250.00				250.00					
02	Title - Closing Protection Letter	To First American	25.00									
03	Title - Doc Preparation Fee	To First American	100.00									
04	Title - Endorsement Fee	To First American	150.00									
05	Title - Examination Fee	To First American	80.00									
06	Title - Lender's Title Insurance	To First American	1,955.00									
07	Title - Loan Tie In Fee	To First American	150.00									
08	Title - Notary Fee	To First American	200.00									
Show More Lines		Total:	3,010.00									
D. TOTAL LOAN COSTS (Borrower-Paid)		Borrower-Paid										
Section Total A		4,290.00										
Section Total B		675.00										
Section Total C		3,010.00										
Total Borrower Paid:		7,975.00		At Closing	Before Closing							
		7,325.00		7,325.00	650.00							

[Encompass >> Forms >> Closing Disclosure – 2](#)

- c. C. Services Borrower Did Shop for – All Sec-C fees will be populated here as per what you have verified / updated on 2015 Itemization form. You just need to verify if all your fees are having correct amounts at Closing(PAC) or Before Closing (POC) and updated under correct paid by Parties Column.

****NOTE**** - You can click on “**Show More Lines**” button if you are having more fees updated under any of the sections. Title fees will fall under Sec-C when Title Company on service list provider & Title Company you are closing with are not same.

- d. D. Total Loan Costs: this section shows your Total summary of Sec- A to C.

Closing Disclosure Page 2		REGZ-LE	Itemization	LE1	LE2	LE3	REGZ-CD	CD1	CD2	CD3
Other Costs										
ETaxes and Other Government Fees										
		Borrower-Paid At Closing Before Closing				Seller-Paid At Closing Before Closing				Paid by Others
01	Recording Fees Deed:	25.00	Mortgage:	40.00		65.00				
02	Transfer Taxes		To	First American						
		Total:				65.00				
Show More Lines										
F. Prepaids										
		Borrower-Paid At Closing Before Closing				Seller-Paid At Closing Before Closing				Paid by Others
01	Homeowner's Insurance Premium To	Farmer Insurance			1,651.08					
	12 mths @ \$				137.59					
02	Mortgage Insurance Premium To									
03	Prepaid Interest \$	31.11	per day			217.77				
	from 01/25/2019 to 02/01/2019									
04	Property Taxes To	Clark County Treasurer			528.36					
	3 mths @ \$				176.12					
05			To							
Show More Lines		Total:				2,397.21				
G. Initial Escrow Payment at Closing										
		Borrower-Paid At Closing Before Closing				Seller-Paid At Closing Before Closing				Paid by Others
01	Homeowner's Insurance	137.59	for	3 mths	412.77					
02	Mortgage Insurance		for	mths						
03	Property Taxes	176.12	for	2 mths	352.24					
04			for	mths						
05			for	mths						
06			for	mths						
07			for	mths						
08	Aggregate Adjustment				-352.24					
Show More Lines		Total:				412.77				

[Encompass >> Forms >> Closing Disclosure – 2](#)

B. Other Costs:

- E. Taxes & Other Government Fees – All sec-E fees will be populated here as per what you have verified / updated on 2015 Itemization form. You just need to verify if all your fees are having correct amounts at Closing(PAC) or Before Closing (POC) and updated under correct paid by Parties Column.
- F. Prepaids – All Sec-F fees will be populated here as per what you have verified / updated on 2015 Itemization form. You just need to verify if all your fees are having correct amounts at Closing(PAC) or Before Closing (POC) and updated under correct paid by Parties Column.

****NOTE**** - You can click on “Show More Lines” button if you are having more fees updated under any of the sections.

- c. G. Initial Escrow Payment at Closing – All Sec-G fees will be populated here as per what you have verified / updated on 2015 Itemization and Aggregate Escrow Account form. You just need to verify if all your fees are having correct amounts at Closing(PAC) or Before Closing (POC) and updated under correct paid by Parties Column.

H. Other		Borrower-Paid		Seller-Paid	
		At Closing	Before Closing	At Closing	Before Closing
					Paid by Others
01	Home Warranty Premium	To TBD	500.00		
02	Real Estate Commission	To Real Agency		5,000.00	
03	Real Estate Commission	To Real Agency		5,000.00	
04	Title - Owner's Title Insurance (op)	To First American		995.00	
05	Transaction Fee - Listing Broker	To Real Agency		500.00	
06		To			
07		To			
08		To			
Show More Lines		Total:	500.00		
I. TOTAL OTHER COSTS (Borrower-Paid)					
Borrower-Paid					
Section Total E	65.00				
Section Total F	2,397.21				
Section Total G	412.77				
Section Total H	500.00	At Closing	Before Closing		
Total Borrower Paid:	3,374.98	3,374.98	0.00		
J. TOTAL CLOSING COSTS (Borrower-Paid)					
Borrower-Paid				Seller-Paid	
Closing Costs Subtotals(D+I)	10,699.98	650.00	At Closing	Before Closing	Paid by Others
Lender Credits -	1,420.00		13,445.00	0.00	80.00
Total Borrower Paid:	9,929.98				

[Encompass >> Forms >> Closing Disclosure – 2](#)

- d. H. Other – All Sec-H fees will be populated here as per what you have verified / updated on 2015 Itemization form. You just need to verify if all your fees are having correct amounts at Closing(PAC) or Before Closing (POC) and updated under correct paid by Parties Column.
- e. I. Total Other Costs – this section shows your Total summary of Sec- E to H.
- f. J. Total Closing Costs: this section shows your Total summary of Sec- D + I and if Total Lender credits (includes cost to cure) if any.

STEP-24: Closing Disclosure – 3 – Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents.

The screenshot shows the 'Closing Disclosure Page 3' in the Encompass software. The top navigation bar includes tabs like REGZ-LE, Itemization, LE1, LE2, LE3, REGZ-CD, CD1, CD2, CD3, CD4, CD5, and Disclosure Tracking. Below the tabs are sections for 'Summaries of Transactions' and 'Borrower's Transaction'. The 'Seller's Transaction' section is visible. A red arrow points from the 'Payoffs & Payments' button in the top right corner to a specific row in the 'M. Due to Seller at Closing' table, which contains items 01 through 08. The table has columns for Description, Sub Total, and Action (file icon). The 'Payoffs & Payments' button is located in the top right of the main grid area.

Encompass >> Forms >> Closing Disclosure – 3

A. **Summaries of Transactions:** We will start with “Summary of Transactions” first when we reach at CD page-3 during review. FYI – If Transaction is refinance then this page will be only showing Liabilities / Payoff section.

I. **Section – K& M – Due from Borrower at closing& Due to Seller at Closing –**

- 1) Line – 4 – This is usually to add if any “Principal reduction to Borrower” (When needed) or “Additional Payoff or debts” to add on transaction as per UW’s Condition.

How to Add Principal reduction to Borrower?

- Click on “Payoffs & Payments” button from above screen shot
- Click on “Plus” icon on right corner of the below screen and update Principal reduction details and Click Ok. FYI – You will check “Credit” box if we are adjusting Principal reduction from Excess Credit rate otherwise not.

This screenshot shows the 'Payoffs and Payments' dialog box. The main grid lists 'Disbursement to Others' with rows for Paid Off, Include, Pair, and Creditor Name. A sub-dialog 'Add Other Adjustment' is open, showing fields for Adjustment Type (set to 'Principal Reduction'), Adjustment Description (set to 'Principal Reduction to Borrower'), Paid By (checkbox checked), Adjustment Other Description (text input 'PrincipalReduction'), and Adjustment Amount (checkbox checked). The main grid shows a total payoff amount of 1,000.00 and a UCD Type of 'Other'. At the bottom, a 'Calculating Cash to Close' section displays loan amounts and totals, with a 'Cash to Close' field set to 217,820.02.

How to Add Additional debts or payoff(s)?

- Go to Calculation Cash to Close Section and select the Pen box under “Adjustment and Other Credits” show under below screen.
- Go to UCD side tab and you will find line – 4 – Due from Borrower at Closing where you can add up multiple debts or Payoff as per UW Conditions.
- Find the location of “UW Conditions” from Encompass>>e-Folder>> UW Conditions.

IMP UPDATEon Payoff(s)-When the PTF condition(s) identify debt payoff is required through closing, the following steps must be followed:

- 1- At Con / Final CD must reflect full name of creditor and full account numbers for any item listed as a required payoff. Until the payoff's (if applicable) are received in the file, the creditor name and account number from ENC form 1003 must be displayed on the CD.
- 2- Lenders Instructions to Escrow: must identify ALL PTF conditions, to include, but not limited to any/all required debt payoff. The Lenders Instructions to Escrow must also identify the creditor name and full account number.

The screenshot shows the 'Closing Disclosure Page 3' software interface. The top navigation bar includes tabs for REGZ-LE, Itemization, LE1, LE2, LE3, REGZ-CD, CD1, CD2, CD3, CD4, CD5, and Disclosure Tracking.

Calculating Cash to Close

	Loan Estimate	Final	Did this Change?	Remarks
Total Closing Costs (J)	0.00	9,929.98	YES	• See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	0.00	650.00	YES	• You paid these Closing Costs before closing.
Closing Costs Financed	0.00	0.00	NO	
Down Payment/Funds from Borrower	0.00	26,900.00	YES	• You increased this payment. See details in Section K and L.
Deposit	0.00	0.00	NO	
Funds for Borrower	0.00	0.00	NO	
Seller Credits	0.00	3,000.00	YES	• The amount the seller will pay for the loan costs has Increased. See details in Section L.
Adjustments and Other Credits	0.00	0.00	NO	

Adjustments and Other Details (highlighted with a red bracket)

For loans planned for GSE delivery, access the UCD tab to enter details for Sections K and L to ensure data points required for the UCD export are included in the loan file. For non-GSE loans, Non-UCD tab.

UCD Non-UCD

Section K - Due from Borrower at Closing

Due from Borrower at Closing (line 4)			Subtotal
Fee Description	Amount	Paid To	Adjustment Type
04 See attached page for additional information	\$ 3,000.00		
Principal Reduction to Borrower	\$ 1,000.00		Other
Ditech Mortgage	\$ 2,000.00		
Show More Lines			

II. Section – L&N – Paid already by on or behalf of Borrower at Closing (Due to Borrower at closing) & Due from Seller at Closing –

L. Paid Already by or on Behalf of Borrower at Closing	Sub Total	230,100.00	N. Due from Seller at Closing	Sub Total	16,445.00
01 Deposit			01 Excess Deposit		
02 Loan Amount		227,100.00	02 Closing Costs Paid at Closing (J)		13,445.00
03 Existing Loan(s) Assumed or Taken Subject to			03 Existing Loan(s) Assumed or Taken Subject to		
04			04 Payoff of First Mortgage Loan		
05 Seller Credit		3,000.00	05 Payoff of Second Mortgage Loan		
Other Credits			06		
06			07		
07			08 Seller Credit		3,000.00
Adjustments			09		
08			10		
09			11		
10			12		
11			13		
Adjustments for Items Unpaid by Seller			14 City/Town Taxes	//	to //
12 City/Town Taxes	//	to //	15 County Taxes	//	to //
13 County Taxes	//	to //	16 Assessments	//	to //
14 Assessments	//	to //	17		
15			18		
16			19		
17					

Encompass >> Forms >> Closing Disclosure – 3

- 2) Line -1 – Deposit / Excess Deposit – Verify Deposit / EMD / Options if any as per UW's Condition and Last CD.
- 3) Line – 4 (Sec-L) – This is usually to add if you have Subordinate Financing. You can click on lock button in order to verify / update manually
- 4) Line – 5 (Sec-L) & Line – 8 (Sec-N) – Seller Credit – This one will be populated as per what you have updated under 2015 Itemization form under Sec-1400 series.
- 5) Line 6- 7 – You can add if any Other Credits to Borrower (Sec-L) or Seller (Sec-N) is to provide as per UW's Condition or Agreement addendum Ex; Gift Funds , Buyer's agent credit to Borrower.

III. Calculation – Verify entire UW's Cash to Close Condition in Encompass to identify if Borrower is coming with enough Cash at Closing & meeting the minimum / maximum investment requirement or not on Final CD.

In Addition, DOCS Drawer must have to check IPC Max Credit limits from UW's Cash to Close condition to ensure the current credits (Seller / Agent) doesn't exceed than allowable limit. (refer guidelines for IPC Max Credit limit based on loan types)

Calculation		Calculation	
Total Due from Borrower at Closing (K)	266,279.98	Total Due to Seller at Closing (M)	254,000.00
Total Paid Already by or on Behalf of Borrower at Closing (L)	- 230,100.00	Total Due from Seller at Closing (N)	- 16,445.00
Cash	36,179.98	Cash	237,555.00

How to Add / Verify Additional debts or payoff(s) or MIP Refund in Refinance Transaction?

Paid Off	Include	Pair	Creditor Name	Description of Purpose	Balance	Payoff Amount	UCD Type
<input type="checkbox"/> 1	<input type="checkbox"/>	1	AMERICAN EXPRESS		659.00		
<input type="checkbox"/> 2	<input type="checkbox"/>	1	CHASE CARD		406.00		
<input type="checkbox"/> 3	<input type="checkbox"/>	1	US BANK		113.00		

Total Payoffs & Payments: \$ 11,405.75

Encompass >> Forms >> Closing Disclosure – 3 >> Payoff & Payments

1. Click on Payoffs & Payments
2. Click on Add New Icon
3. Select Adjustment Type as “Rebate Credit”, update Adjustment Description as **MIP Refund** and the amount as per refinance authorization document.
4. Click OK and this is how it will reflect on your CD page-3.

Item	Amount
01 MIP Refund	-1,000.00
02	
03	
04	
05	

5. If you want add **Additional Debt(s) or Payoff** as per UW’s Condition then add it up under Adjustment Type “Other”, Update description field and amount. Make sure “Credit” button is not checked when you add any additional debt(s) on CD under “Others”

B. Calculating Cash to Close: The last Section to verify on CD page-3 as follow:

	Loan Estimate	Final	Did this Change?
Total Closing Costs (J)	0.00	9,929.98	YES
Closing Costs Paid Before Closing	0.00	650.00	YES
Closing Costs Financed	0.00	0.00	NO
Down Payment/Funds from Borrower	0.00	26,900.00	YES
Deposit	0.00	0.00	NO
Funds for Borrower	0.00	0.00	NO
Seller Credits	0.00	3,000.00	YES
Adjustments and Other Credits	0.00	0.00	NO
Cash to Close	0.00	33,179.98	

Remarks

- See [Total Loan Costs \(D\) and Total Other Costs \(I\)](#)
- You paid these Closing Costs before closing.
- You [Increased](#) this payment. See details in Section [K and L](#)

The amount the seller will pay for the loan costs has [Increased](#). See details in Section L.

[Encompass >> Forms >> Closing Disclosure – 3](#)

- a. Total Closing Costs (J) – This will be auto populated – Do not make any changes to it (on Purchase Transaction). Verify / Update Last LE figure on LE side and ensure “Did this Change” is updated correctly
- b. Closing Cost Paid Before Closing – NO review required for this section
- c. Closing Costs Financed – Verify / Update amount on LE side from last LE if given. No changes on CD side to be done
- d. Down Payments / Funds from Borrower – Verify / Update amount on LE side from Last LE. No changes on CD side to be done and ensure “Did this Change” is updated correctly
- e. Deposit – Verify / Update amount on LE side from Last LE. No changes on CD side to be done and ensure “Did this Change” is updated correctly
- f. Funds for Borrower – Verify / Update amount on LE side from Last LE. No changes on CD side to be done and ensure “Did this Change” is updated correctly
- g. Seller Credits – Verify / Update amount on LE side from Last LE. No changes on CD side to be done and ensure “Did this Change” is updated correctly
- h. Adjustments and Other Credits – Verify / Update amount on LE side from Last LE. No changes on CD side to be done and ensure “Did this Change” is updated correctly.

STEP-25: Closing Disclosure – 4 – Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents.

[Encompass >> Forms >> Closing Disclosure – 4](#)

This is very much important section to determine which boxes to be checked while reviewing **Loan Disclosures** section.

- A. **Assumption:** Docs team to ensure which box to be checked as per the loan type;
 - i. For FHA, VA & USDA & Fixed Amortization– Always check “**Assumption will allow**” box.
 - ii. For All Conventional & Fixed Amortization – Always check “**Assumption will not allow**” box.
 - iii. For Conventional & Adjustable (ARM) Amortization locked with Chase, SGCP, Wellsfargo ,Caliber Non-Agency ARM, Rushmore & TIAA investors then “**Assumption will allow**” box must be checked. Assumptions will be NO on ARM loan with IMPAC, Galton Investor. DOCS team need to verify last LE as well if LE has correct box checked or not. If you find any new investor other than above list in ARM transaction then reach out to QC Manager if Assumption will be Yes or NOT before sending out Final Docs.
- B. **Demand Feature:** This will always need to be checked as “**does not have a demand feature**” irrespective of any loan types.

C. **Late Payment:** Just verify if correct late payment information is updated or not:

If a payment is more than _____ days late – always ensure it reads 15 days.

You will be charged -

a. For Conventional – it is 5%

b. For FHA, VA and USDA – it is 4%

Minimum & Maximum late charge – N/A or 0.00

D. **Negative Amortization:** This will always need to be checked as “**do not have a negative amortization feature**” irrespective of any loan types.

Partial Payments	Your Lender
<input type="checkbox"/> may accept payments that are less than the full amount due (partial payments) and apply them to your loan.	
<input type="checkbox"/> may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.	
<input checked="" type="checkbox"/> does not accept any partial payments.	
If this loan is sold, your new lender may have a different policy.	
 Security Interest You are granting a security interest in  123 New Property St, Las Vegas, NV 89135	
You may lose this property if you do not make your payments or satisfy other obligations for this loan.	

[Encompass >> Forms >> Closing Disclosure – 4](#)

E. **Partial Payments:** This will always need to be checked as “**does not accept any partial payments**” irrespective of any loan types.

F. **Security Interest:** Just ensure Property address is updated here correctly.

Next Section to ensure correct boxes are checked while reviewing **Loan Disclosures-Escrow** section.

[Encompass >> Forms >> Closing Disclosure – 4](#)

- Will have an Escrow account:** Docs team to ensure this box will be auto-checked when Impounds are updated under Aggregate Escrow Account form. Team need to ensure correct fees is updated under “Escrowed” or “Non-Escrowed” section. This is directly related to 1003 page-2 form and Aggregate Escrow account form so you won’t be able to edit anything here. All other details need to be skipped in verification as they are auto-calculative.
- Will not have an Escrow account because:** This button will be auto-checked when there are no impounds updated under Aggregate Escrow account form. DOCS team need to ensure “**you declined it**” box is checked when there is no Impounds on the transaction. All other details need to be skipped in verification as they are auto-calculative.

[Encompass >> Forms >> Closing Disclosure – 4](#)

- C. **Adjustable Payment (AP) Table:** This section will be auto-populated when transaction is Adjustable rate Mortgage (ARM) and will be mapped according to what has been updated under Reg-Z CD form. DOCS team need to verify this section with Last LE and Initial CD as well.

STEP-26: Closing Disclosure – 5– Next Form in Encompass where only highlighted details related to Loan is updated / verified with attached documents.

Closing Disclosure Page 5		REGZ-LE	Itemization	LE1	LE2	LE3	REGZ-CD	CD1	CD2
Loan Calculations									
Total of Payments		455,794.63							
Finance Charge		226,459.63							
Amount Financed		221,142.23							
Annual Percentage Rate (APR)		5.524							
Total Interest Percentage (TIP)		93.352							
Other Disclosures									
<input type="checkbox"/> state law may protect you from liability for the unpaid balance.									
<input type="checkbox"/> state law does not protect you from liability for the unpaid balance.									

[Encompass >> Forms >> Closing Disclosure – 5](#)

- A. **Loan Calculations:** This section is auto-calculated and Docs Team do not have to verify anything from it. There is “**Annual Percentage Rate (APR)**” that DOCS team will ensure APR is not hitting up more than 0.125 % on Final CD than what is on COC CD (if there is any). If it is increasing then there is additional 3 day waiting required before Closing Date. Please refer below notes related to it:

▪ **There IS a required 3 day waiting period when:**

A COC (CIC) CD is issued that:

5. Renders the APR “inaccurate”
(increase in APR of >.125%)
6. Changes the loan “product” =
 - d) switch from Jumbo to Conforming (or vice versa), Conforming to Government (or vice versa), FHA to VA (or vice versa).
 - e) Any change to amortization: Fixed to Arm (or vice versa)

OR

7. Adds a prepayment penalty
- B. **Other Disclosures:** This will always need to be checked as “**state law may protect you from liability for the unpaid balance**” irrespective of any loan types.

Closing Disclosure Page 5		REGZ-LE	Itemization	LE1	LE2	L
Contact Information		<input type="button" value="Copy From 1003"/>				
Lender		Mortgage Broker				
Name	All Western Mortgage Inc.	Name				
Address	8345 West Sunset Road Suite 380	Address				
City	Las Vegas	City				
State	NV	Zip	89113	State		
NMLS ID	14210	NMLS ID				
ST License ID	204	ST License ID				
Contact	Loan Officer	Contact				
Contact NMLS ID	1111	Contact NMLS ID				
Contact ST License ID	1111	Contact ST License ID				
Email	tom@allwestern.com	Email				
Phone	702-466-4467	Phone				
Real Estate Broker (B)		Real Estate Broker (S)				
Name	VEGAS PRO REALTY, LLC	Name	SIGNATURE REAL ESTATE GROUP			
Address	6276 SPRING MOUNTAIN ROAD SUITE 1	Address	9525 HILLWOOD, #180			
City	Las Vegas	City	Las Vegas			
State	NV	Zip	89146	State	NV	
NMLS ID		NMLS ID				
ST License ID	57982	ST License ID	BO056386			
Contact	VIVIAN LIAO	Contact	MICHELLE MCOREIGHT			
Contact NMLS ID		Contact NMLS ID				
Contact ST License ID	S1051854	Contact ST License ID				
Email	vivanrealty1314@gmail.com	Email	ms.michellemcwright@gmail.com			
Phone	702-960-9623	Phone	702-408-2288			
Settlement Agent						
Name	FIDELITY NATIONAL TITLE	Name				
Address	2850 W. HORIZON RIDGE PKWY #120	Address				
City	Henderson	City				
State	NV	Zip	89052	State		
NMLS ID		NMLS ID				
ST License ID	8.1.9.10-06	ST License ID				
Contact	MELISSA MOSES	Contact				
Contact NMLS ID		Contact NMLS ID				
Contact ST License ID	8.1.9.10-06	Contact ST License ID				
Email	melissa.moses@fnf.com	Email				
Phone	702-755-1884	Phone				
Confirm Receipt						
Signature Type	By Name					

[Encompass >> Forms >> Closing Disclosure – 5](#)

- C. **Contact Information:** Docs team to ensure Lender, Real Estate Broker (B & S – when required) and Settlement agent details are updated on this page. This will take this information from File Contacts where all this information are updated by Processing team or you can select it from Business contacts or it is free form of typing.

****IMP NOTE**** - Please click on “**Copy Form 1003**” button to get Lender information if it is updated blank. Mortgage Broker information will always blank as we do not deal in any Broker transaction.

D. **Confirm Receipt:** Docs team need to Select Signature type as “**By Name**” always.

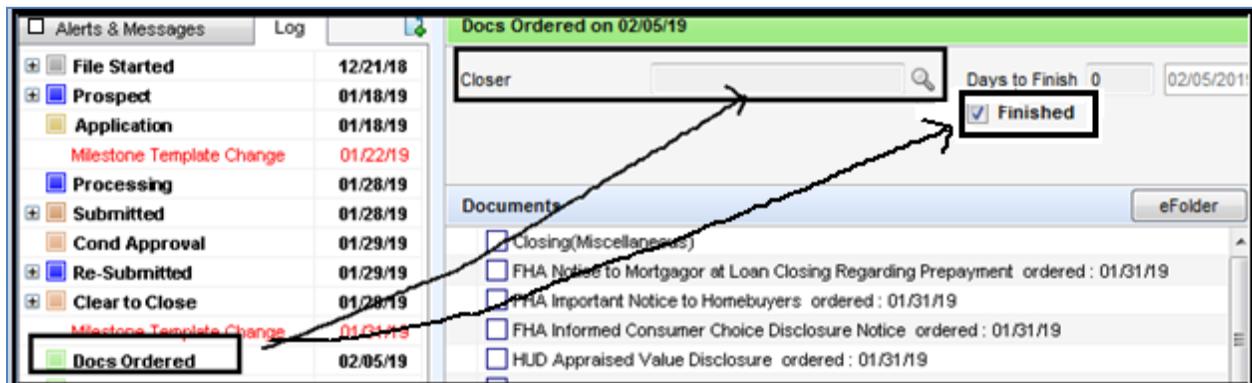
STEP-27: How to Run Mavent / Compliance Review Report before ordering Final Closing DOCS?

1. Go to “**Tools**” and Click on “**Compliance Review**”

The screenshot shows the 'Compliance Service - Warning' window. On the left, there's a sidebar with tabs for 'Forms', 'Tools' (which is selected and highlighted with a red box), and 'Services'. Under 'Tools', several options are listed: File Contacts, Business Contacts, Conversation Log, Tasks, Disclosure Tracking, Fee Variance Worksheet, Net Tangible Benefit, and Compliance Review (also highlighted with a red box). The main content area displays a 'Mavent An Ellie Mae Company' logo. Below it, loan details are shown: Customer: ALL WESTERN MORTGAGE INC (NMLS#14210) (3011207964), Loan ID: 4442025370, Review ID: 3011207984444202537084411833201903, Location: Main, Borrower: ROCHELLE HOSAKA. To the right, review status information is provided: Review Status: **WARNING**, Review Date: 2019-03-20, State: NV. At the bottom, a table titled 'Request Summary' shows loan status across various compliance categories: ATR/QM (Not Processed), TILA/RESPA (WARNING), High Cost (PASS), Higher Priced (PASS), State Rules (PASS), License (PASS), NMLS (WARNING), GSE (PASS), Enterprise Rules (WARNING), HMDA (WARNING), OFAC/SSN (PASS), and Other (PASS). The 'Result' is also labeled as **WARNING**. At the top right of the main content area, there are buttons for 'Order', 'Preview', 'View Error List...', 'Clear Alert', and 'Fee Detail'.

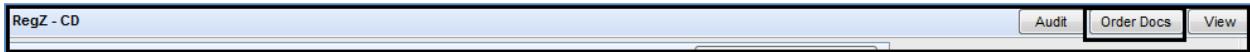
2. Click on Order button as show on above snapshot
3. Wait for few seconds to generate new Mavent report with your name populate on it.
4. Once Mavent report is generated, Check if we are failing on any stage or not. If you see fail on any Loan Status then inform your supervisor / team lead to review if fail is valid or not. Once it is confirmed by Team Lead, Proceed for Ordering Docs.

STEP-28: Update as “**Finished**” under Milestone Status “Docs Ordered” by checking on below box and update Comment under Milestone Comments “**DOCS Out on Date**”. If any error prevent to finish Docs order Milestone, It needs to be escalated and resolved prior to Order and send Closing DOCS to all parties. Please note that there should be not be any queries or Mavent issues pending before you perform this task and Closing Package must order and send out within few minutes after completing milestone.



STEP-29: How to Send Final DOCS to all parties (Escrow / Title , LO & Processors) ?

- 1- Go to “Reg-Z CD” form and click on “Order Docs” button and wait for few seconds.



- 2- Make sure you select Order Type as “Closing” always. Review Data audits and clear which are required to do so that are related to Final CD / DOCS only and Click on Order Docs button then.

The screenshot shows the "Closing Docs Audit" window. At the top, it displays "Audited on 02/08/2019 8:35 AM", "Loan Data", "Refresh Audit", and "Order Docs" buttons. The "Order Docs" button is highlighted with a black border. Below this, there are two main sections: "1812900026 - Data Audit Results" and "1812900026 - Compliance Review Results".

1812900026 - Data Audit Results

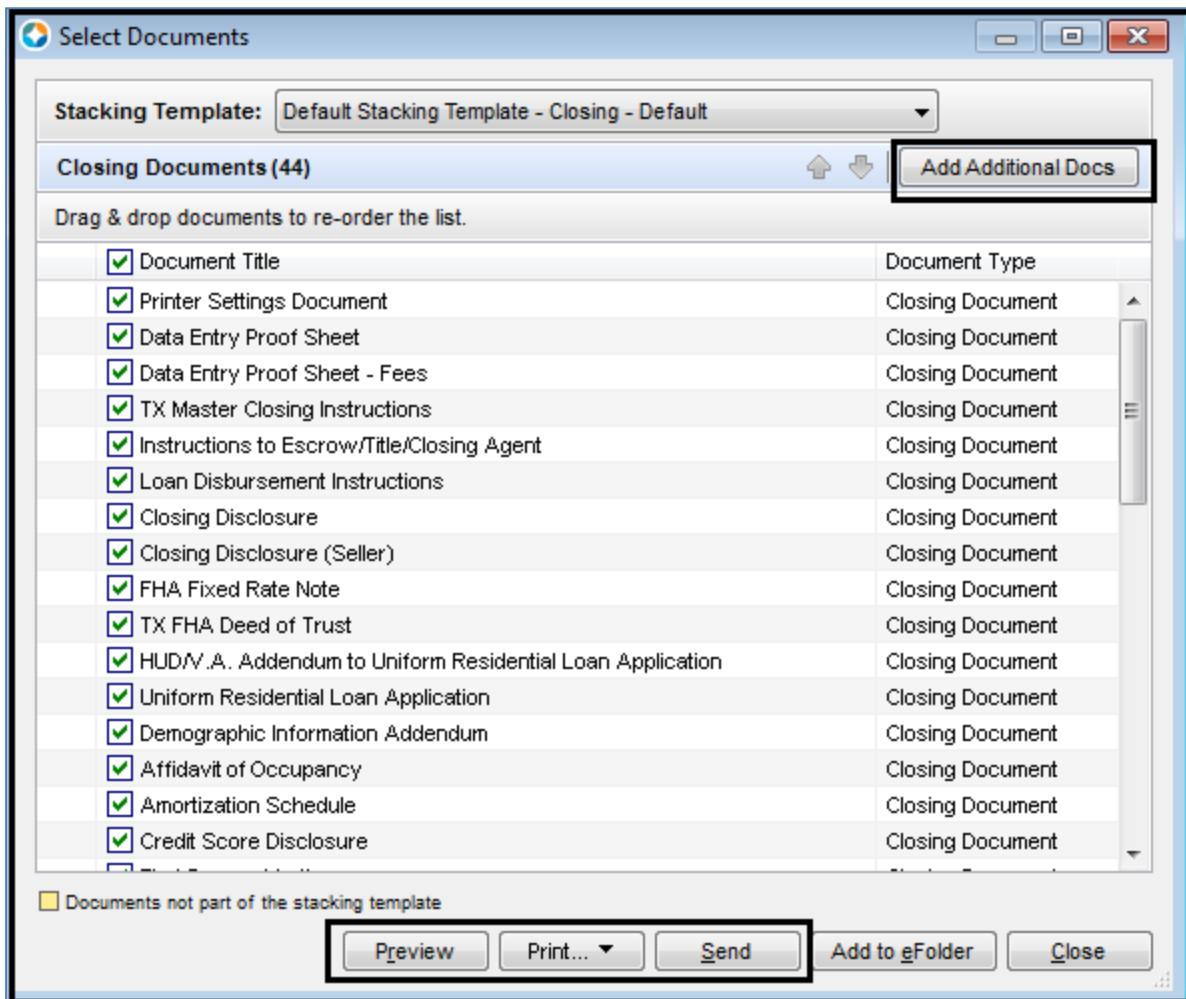
Type	Description	Go To Field
Recommended	Escrow Company name is missing.	610
Recommended	Lender Servicer Phone Number or Contact Name is missing.	
Recommended	An investor has not been selected.	412, 414
Recommended	Title Company address is missing.	CD5.X55
Recommended	Settlement Agent Name is required on Closing Disclosure page 5.	CD5.X65
Recommended	Settlement Agent Email Address is required on Closing Disclosure page 5.	CD5.X59, CD5.X58, CD5.X57
Recommended	Settlement Agent Address is required on Closing Disclosure page 5.	CD5.X66

1812900026 - Compliance Review Results

Type	Description	Go To Field
Required	The NMLS ID (1111) of the loan originator does not exist.	
Required	The Initial Closing Disclosure was provided on (2019-01-31) via (U.S. Mail). U	
Recommended	There is no geocode data for the property address. Please verify the address.	11
Recommended	An invalid Application Channel data field was reported. Please review the info	
Recommended	An invalid Reverse Mortgage was reported. Please review the information bel	
Recommended	An invalid Open-End Line of Credit was reported. Please review the informati	
Recommended	An invalid Automated Underwriting System data field was reported. Please re	
Recommended	Please verify the information below and update your file, if needed. 1) The re	
Recommended	No information was entered for Multifamily Affordable Units. There are HMDA	
Recommended	You did not submit an Intent to Proceed Date, which represents the date the	

At the bottom left, there is a checkbox labeled "Always show this window on top". At the bottom right, there is a "Close" button.

- 3- Now, Select “All Closing Docs” and select preview if you want to see the document and to Save it as PDF to your desk , Click on Send button in order to send it to all parties i.e. Escrow / Title Company, LO & Processors.



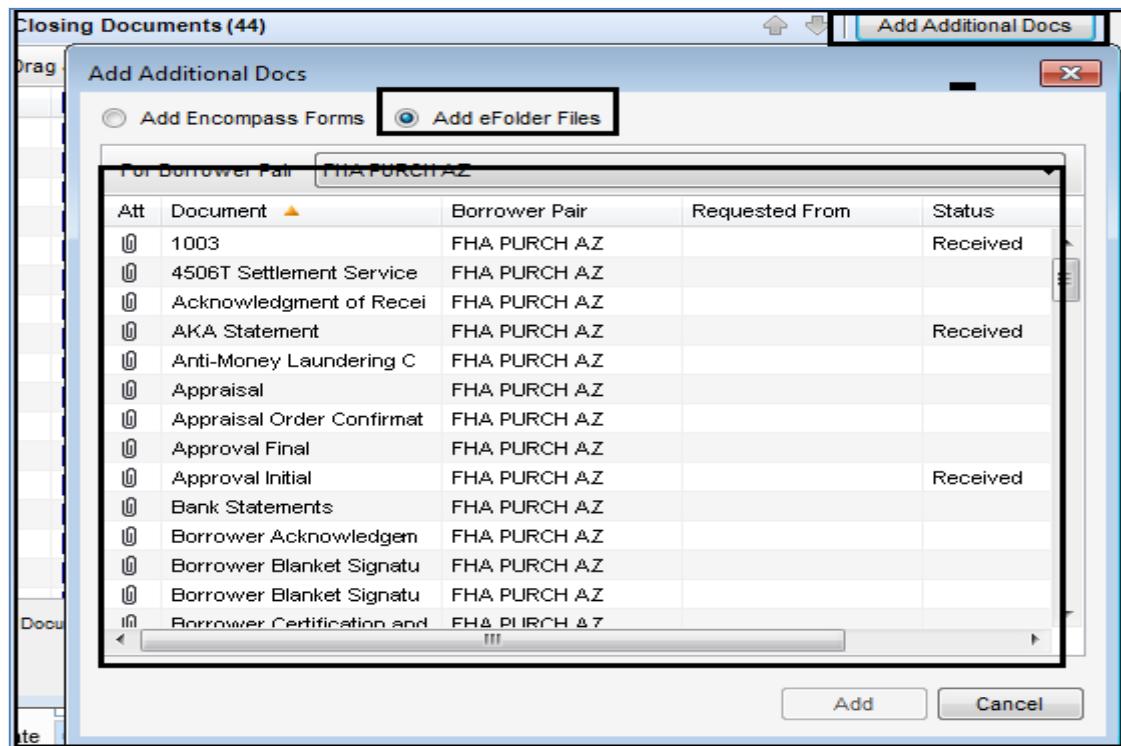
- 4- Remove / Uncheck Data Entry Proof Sheet, Data Entry Proof Sheet – Fees and Seller CD from Closing package before it is sent to all parties
- 5- If Property is under Nevada State then NV Repayment Ability Verification Worksheet doc needs to be unchecked from the closing package.
- 6- If file is draw without UW CTC then Final 1003 & 92900A is not need to be sent in the Closing package and need to uncheck.
- 7- When file is approved to draw without CTC as per Management request, Docs Team MUST need to attach "**Hold Harmless Disclosure and Closing Letter to Borrower disclosure**" with Closing package. Update AWM loan number and Borrower(s) name in form. (FYI – NO NBS & Only Borrower(s). Attach the same form in Additional documents and send it along with Closing package. Attached is the Hold Harmless disclosure blank sample for reference and Closing Letter to Borrower is available under Customs forms in Encompass which team need to use it when you receive DOCS request to draw without CTC.



HOLD HARMLESS
Sample.docx

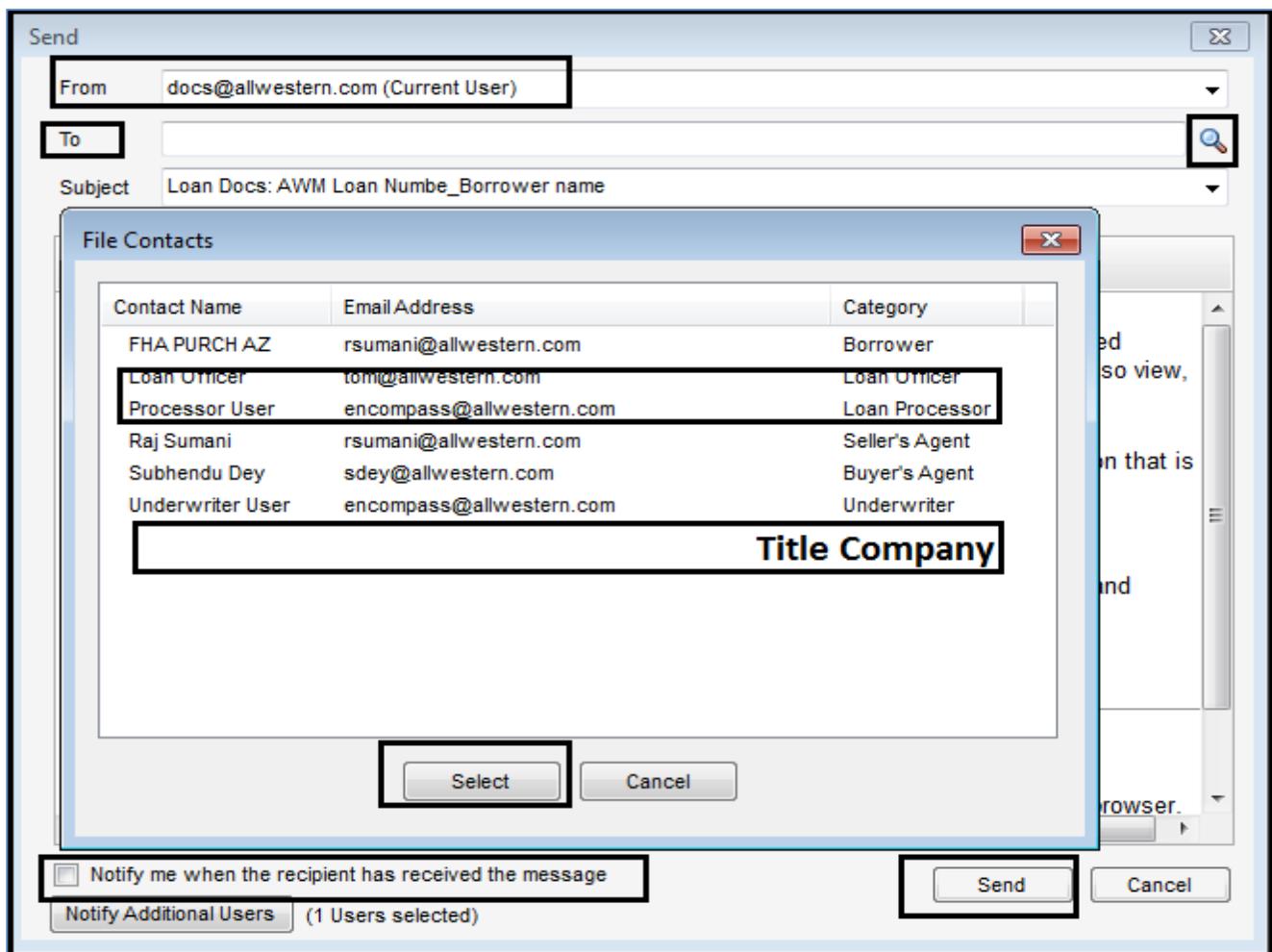
8- Click “**ADD Additional DOCS**” and choose all the additional files which require to upload along with the closing package.

- i. Additional docs to be signed(If Available under 9-Closing from Encompass)
- ii. Power of Attorney(If Applicable)
- iii. Attorney Package (Texas loans only)
- iv. Evidence of Insurance
- v. Appraisal Invoice
- vi. Credit Report Invoice
- vii. Final Inspection Invoice(If Applicable)
- viii. Payoff's (if any)



****IMP NOTES**** - Do not take Final 1003 / 92900A from e-folder as Additional DOCS. It has to go from what is generated in Closing package.

9- Now click on Send, You need to select highlighted details before you send it to all parties.



- To –Select on Search button and select LO, Processor, Title / Escrow Company and update docs@allwestern.com for monitoring purpose
- Subject – Loan Docs: AWM Loan number_Borrower name
- Click on Send and you will see successful Message.

ADDITIONAL UPDATES:

- 1. Update on FLORIDA HHF DPA Program Loans:** Transfer tax / Documentary Stamp / Intangible TAX are exempted on both first & 2nd mortgages. We don't have to charge this on CD even if it is disclosed on LE.

REMEMBER – This is the guideline on FLORIDA HHF DPA Product only.

- 2. Update on Non-Borrowing Spouse(NBS) Requirement:** In community property states, on *Refinance Primary – rescindable transactions*, the NBS must sign/acknowledge the CD's, sign the NORTC and sign the security instrument.

If a QCD has already been executed and recorded, and vesting shows sole and separate, then the NORTC and the security instrument need NOT to be signed by the NBS.

A copy of the QCD must be identified on the prelim or a copy retained in our file.

****IMP NOTES**** - We have compliance confirmation that if there is a NBS that will NOT be on title (executing a QCD) to the subject property then the NBS does NOT need to sign/acknowledge the CD as the NBS is not considered a consumer on the transaction. So, the only time a NBS in a community property state needs to acknowledge the CD is if the NBS is going to be on title to the subject property. In Addition, If NBS name is not updated on Title report vesting in community states but now he/she is signing as Title only on DOCS, we still do not require NBS to sign the Initial CD. If NBS is vested in Title report and if he/she is signing as title only then signature must required for Initial CD by NBS.

Reach out to your Team lead immediately for further research if Non-Borrowing spouse name is not updated in Encompass or Initial CD is not signed by NBS

Here is the community property states list:

Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, Wisconsin

- 3. UPDATE on DOCS Redrawn Request** – Whenever there is a request for redraw from LO or processor or any concerned person for any reasons,
You **MUST** need to verify **IMPORTANT** Points on the loan which should match with other documents (with CD / COC CD, Approval Final)

IMPORTANT Points to check will be:

- **LOAN AMOUNT,**
- **INTEREST RATE,**
- **LOAN TERM,**
- **PURCHASE PRICE,**
- **APPRAISAL VALUE,**
- **ORIGINATION FEES,**
- **LOAN DISCOUNT POINT,**

- **CREDIT FOR RATE** etc...

We won't redraw Closing DOCS without checking these points. If anything from above points doesn't match, **IT IS HARDSTOP and Reach out to your Team Lead.**

4. UPDATE on US MRBP – NV HIP / HAL Products –

Compliance fee has been changed on one of the program from HIP which is **HIP – First Time Home Buyers** – It has been changed from \$275 to \$225**But** All other Programs of HIP (Normal DPA , Heroes, Teachers) & HAL products are still the same which is - \$275 Compliance fee.

Docs Team to make sure that they check the DPA Reservation form when we work on Closing DOCS on these programs.

REMEMBER – Admin / Compliance fee is only changed for **HIP – First Time Home Buyers** to \$225 and not for any other HIP Programs and HAL programs which will still be \$275.

- **Other NV HIP Programs – Compliance / Admin fee - \$275**
- **NV HIP – First Time Home Buyer – Compliance / Admin fee - \$225**
- **NV HAL Products - Compliance / Admin fee - \$275**

5. Update on VA IRRRL loan – Refinance only – When you work on VA IRRRL loan program on refinance loan, You need to make sure all your Borrower charged fees must reflect under "Financed" section instead of "PTC".

See attached for reference. Any fee that is itemized in lender credit or paid by Other won't reflect in "Financed" section. It will stay in PTC only. This is only for Borrower charged fees – from Sec-A to Sec-H.

801g. Processing Fee	To All Western Mortgage, Inc.	Borrower \$ 695.00	Seller \$ []
Total Fee Amount \$ 695.00 % 0.356	Last Disclosed Loan Estimate 695 Closing Disclosure 695.00	Paid to Name All Western Mortgage, Inc. Paid to Type Lender	
Amount Paid by		Amount Paid	
Borrower Financed 695.00	PTC []	PAC 695.00	POC [] = 695.00
Seller			
Broker			
Lender			
Other			
Sec 32 Points and Fees 695.00		Total Paid By B / L / O	
Total Fee Amount \$ 695.00			

Your Mavent report won't pass if you do not update this way on **VA IRRRL loans**

6. Update on Early Release DOCS that are approved to Draw without CTC:

Docs Team need to check this below box on any files that you complete an EARLY RELEASE DOC order for. Please make sure you check this BOX once DOCS are Completed & Send out to all parties and not before that.

The screenshot shows the Encompass software interface for a loan file. At the top, it displays the loan number (1903904064), LTV (80.000/80.000/80.000), Rate (4.000%), and other details. On the left, there's a timeline of events with dates. Below the timeline, under 'Forms', the 'Closer Custom Fields' option is selected. In the main window, the 'Closer Custom Fields' section is open, showing a list of fields. One field, 'Early Release Docs Sent', has a yellow background and is checked. A red circle highlights this checked box. A black arrow points from the word 'Early Release Docs Sent' in the list below to the highlighted box in the screenshot.

123 TBD
Las Vegas, NV 89113

Loan #:
1903904064

Loan Amount: \$400,000.00

LTV: 80.000/80.000/80.000

Rate: 4.000%

DTI: 95.483/95.483

Not Locked

Alerts & Messages Log

File Started 03/24/19

Prospect 03/24/19

Application 03/25/19

Submitted 03/25/19

In UVN 03/27/19

Approval Review 03/30/19

Cond in Review 03/31/19

Docs Ordered 04/02/19

Docs at Escrow 04/03/19

Docs in Review 04/04/19

Funding Cond Needed 04/07/19

Funding Review 04/08/19

Shipping Hold 04/09/19

Shipping Received 04/11/19

Waiting for Purchase 04/25/19

Purchased Audit 04/25/19

Forms Tools Services

Buydown Disbursement Summary

CD Comparison

CD TEST

Closer Custom Fields

Closing Conditions

Closing Disclosure Page 1

Early Release Docs Sent

OVER-UNDER -101.250000

Encompass > Forms > Closer Custom Fields

7. Update on VA Cash Out Refinance Transactions:

Docs Team to make sure to include “VA Guaranteed Home Loan Cash out Refinance Comparison form” and issue the docs. It’s is underwriters responsibility to put it in the file. You can find the document under e-Folder in Encompass under the Closing Section (9) as “Additional Docs to be signed at closing”.

8. Update on FHA MIP Refund –MIP Refund in case of FHA Refinance transactions should be considered on the basis of Funding date not on the basis of NOTE DATE. For example if we have a note date of 08/30/2019 and funding is on 09/05/2019 then we should consider MIP Refund amount for September 2019 from the REFI AUTH document.

9. Update on Property TAX Collection –Please note that collecting tax installments when they become due in the same month the first payment is due. If we DO NOT have the tax bill because it is not available, then we should be collecting the upcoming tax installment in escrows Sec-G instead of making them prepaid in Sec-F. Example: currently in the state of Arizona the tax bills are not out yet and the next tax installment is due 10/1.

10. Update on MI Certificate – Effective 03/15/2022, DOCS Draw will be held for MI Certificate If the MI Certificate is not uploaded and Certified / Protected by UW. Docs Drawer need to complete the rest of the file review and hold the DOCS for MI Certificate if not available and request UW to ask for an ETA. Once MI Cert is received & certified by UW, DOCS Drawer will review MI Details in Encompass with attached MI Cert, Final Approval, verify APR with last disclosed CD and re-order Mavent.

11. Update on Principal Reduction limit – Please note that Principal Reduction Cannot be more than \$2000 in the CD, if such is the case then you need to change the loan amount and COC CD or LE need to be done depends on the situation.

12. Update on Adjustable Rate Loans (ARM)–Please note that any ARM loans you complete; it must be cleared or reviewed by Lock Desk Team before they go out – NO EXCEPTIONS. You must need to inform Lock Desk team to review ARM Details in Encompass and take approval prior to release DOCS. Do not send DOCS Out until they say ok so.

13. Update on Vesting – Please note that vesting of the borrower should exactly match with the signature line or the name of the borrower in the system and UW's Final Approval. Irrespective of any loan whether PURCHASE or REFINANCE this will not change. For Example, if borrower name in system is JOHN THOMAS DOE then vesting should also read as JOHN THOMAS DOE even if JOHN T. DOE is given on Title report will not be acceptable. You will need to add GBSD Condition in case vesting on title doesn't match with our Vesting line but Borrower's name on DOCS & Vesting must be the same.

14. Update on HOI Current & Renewal Policy – Please note that below steps are adhere when transaction is Refinance and HOI is being renewed within First Payment date:

- Ask Processor to provide Renewal policy if it is expiring within 30 days from Closing month and collect it in Sec-F once renewal policy is uploaded.
- If policy renews in the month of first payment date, then it needs to be collect from Impounds instead of Sec-F (If renewal policy is not given)

Ex; If the note date is in November 2019 and renewal policy is from January 2020 then update impounds as 01/01/2020 and it will be for 13 months and do not collect at closing

from section 900. Please remember, this is only in case where renewal policy is not available.

- Docs Team to make sure that current year policy is also given in the file and in force till disbursement date in case of Renewal policy provided only which is effective after disbursement date.

15. Update on VA IRRRL loan –Max Cash back limit – Effective immediately, cash back to borrower in VA IRRRL needs to be updated as \$500 maximum instead of \$250 (which was the previous limit), if UW conditions reflecting \$250 then let team lead know on this. The UW condition needs to be changed.

16. Update on USDA loans–A Technology fee of \$25 is to be charged to borrower on those loans where USDA conditional commitment for single family housing loan guarantee is **on or after January 1, 2020**. USDA Conditional Commitment RD-3555-18E Form should be verified from your end and where it is on or after 1st Jan, 2020, this update applicable there. The fees should be disclosed in section B and under 0% tolerance. Paid to party will be lender ALL WESTERN MORTGAGE, INC. and this fee should be an APR fee.

17. Update on Prosperity Branch for Impound Cushions – If any file is from Prosperity Branch where subject property is located in state of Nevada, we will not add cushion of 2 months for any HOI, Taxes for Escrow. This is specific for this branch only. In Addition, We no longer collect SID Impounds for Prosperity Branch loans.

18. Mavent Report – Mavent report must be run after the DOCS are Issued.

19. Update on Special Assessments – CD Team always have to confirm with the processors if they found there are SIDS in the loans , whether it should be Impounded or not that should be confirmed from the Processors. Even if it is impounded in LE, Confirm with processors to add Impounds for SIDS in CD. Only for Prosperity Branch – we no longer Impound SIDS on Escrow but for other branches it is optional depend on the confirmation from Processor if they wants to Impound or not.**Please note** that if SIDS are due within 60 days of First Payment date, they must be collected under Prepays Sec-F like we usually do.

20. Update on Metro DPA loan with Lakeview Investor – If file is locked as Metro DPA program with Lakeview Investor, Flood Certification fee and Tax related service fee need to be paid to “**Master Servicer**”.

21. Update on CHFA & US MRBP Investor with Manufacture Home Loans - If file is locked with CHFA or US MRBP Investor and if Property is Manufacture Home, DOCS Team must need to identify from Title report first if Real Property for Manufactured home is recorded or not. If it is recorded and if a recorded copy is not available in Encompass, DOCS team need to ask a record copy from Escrow Officer for reference and attach it to Encompass.

If MH property is recorded as Real Property, Docs Team need to ensure "**Affidavit of Real Property**" form is Completed & sent for recording if it was never recorded by Title.

If MH Property is not recorded as Real Property and do not have Affidavit or Real Property then "**Certificate of Permanent location document**" must be executed & sent for record / signing with DOCS package.

Team has to reach out to Team lead if any of the form needs to be filled up if Property is not recorded with county.

22. Update on Pre-NOTE VVOE – Pre-NOTE VVOE for Borrower who does job has to be dated within 3 Business days of NOTE Date and for Self Employed, it has to be within 10 business days of NOTE Date. Please note that we no longer ask Processor for updated Pre-NOTE VVOE if not available or within mentioned limit days, we will ensure that PTF is added for it which will be done by Funder and DOCS are out then.

23. Docs Redraw Update – We no longer redraw DOCS just for change in NOTE Date from one month to another. Borrower can sign DOCS next month on previous month dated DOCS. We will only redraw DOCS for next month if Branch wants it to be dated for next month because Borrower wants new First payment date otherwise not. Yes- Docs redraw will happen for other reasons like change in loan amount, rate, lock extension etc...

24. Escrow Balance – ZERO or Positive – Docs Team need to ensure Escrow Balance on CD Disclosure Summary Screen can't be negative. If it is negative then team need to adjust the Escrow to make it Zero or Positive. Team has to increase cushion months by one or two months each for Tax and Hazard Insurance until Escrow balance becomes Zero or Positive.

The screenshot shows the 'CD Disclosure Summary' section of the Encompass software. It includes fields for:

- Has there been a change in your file since the last LE? (dropdown)
- CD Balancing? (dropdown)
- Vesting (Located on the "Borrower Information - Vesting" form): JOHN W PERREAULT AND MARIA PERREAULT, HUSBAND AND WIFE AS JOINT TENANTS
- Escrow Fee Sheet Provided? (dropdown) Tax Cert Uploaded? (dropdown)
- IF HOI BALANCE DUE - INPUT INTO ITEMIZATION SCREEN! HOI Uploaded? (dropdown)
- Lock Ext Responsibility (If Expiring Before Funding): (dropdown)
- Closing Date: 10/04/2019 Disbursement Date: 10/04/2019 All Applicable Invoices Uploaded? (dropdown)
- Have you completed the File Contacts Page? (dropdown) Impounds? (dropdown)
- Non Borrowing Spouse? (dropdown) NIS Name: (dropdown)
- CD Correction/Rejection Notes (Internal): (dropdown) Escrow Balance (NO Negatives): 848.25

A red circle highlights the 'Escrow Balance (NO Negatives)' field, which contains the value '848.25'.

- 25. Update on HOI for Purchase loans –** On Purchase loans, It is not necessary that HOI is effective in the same month file is Closing in. So Ex; If you are closing in October-2020 and your HOI is effective from September-2020, Your Impound date on HOI will be 09/01/2021 as per HOI Policy.

DOCS Team will not add condition for updated HOI to provide for current month effective. Whatever policy you have in file, Just follow the same expiration date for Impounds. Team will only add PTF Condition if available HOI is effective after updated Funding date otherwise not.

- 26. Update on checking Approval Expiration dates:** Effective now, DOCS TEAM will check UW approval expiry date on all loans. Note date on DOCS cannot be beyond Approval expiration date. If you mistakenly violate this date then the milestone for docs won't be changed and you have to redraw docs again. If Docs team see Approval is expiring before NOTE Date as per system then reach out to UW to update Approval Expiration date in Encompass before Docs are Out. See below location where team can check Approval expiration date:

The screenshot shows the Encompass software interface. The top navigation bar includes 'Forms', 'Tools' (which is highlighted with a blue box), and 'Services'. The main workspace is titled 'Section 32 / High Cost Loan' and shows 'Total Closing Costs' of \$3,224.19. The 'Underwriting Decision' section contains fields for 'Approved By' (Esma Gonzales), 'Suspended By', 'Denied By', and 'Approved On Different Terms By'. It also includes checkboxes for 'Underwritten According to Contractual Agreement with Agency/GSE', 'Received Waiver for Agency/GSE Guidelines', and 'Manually Underwritten according to Agency/GSE Guidelines'. A dropdown menu for 'Underwriting Delegated' is set to 'Yes'. The 'Underwriter has evaluated the following factors' section lists numerous items, many of which are checked, such as 'Monthly Covered Loan Payment', 'Current Employment Status', and 'Debt to Income Ratio'. A blue box highlights the 'Approval Expires' field in the underwriting decision section.

[Encompass >> Tools >> Underwriter Summary](#)

- 27. Update on HOI or Flood Insurance Paid receipt requirement –** Effective now, On Refinance loans – Docs Team will ensure that the paid receipt for HOI or Flood Insurance is provided in e-folder by Processor if policy doesn't state Premium status on declaration page whether it is paid in full or due or partial paid.

Policy or Invoice must show "Paid in Full" or "Zero balance" or written confirmation from Insurance agent stating Policy is paid in full. If Processor fails to provide either of this information, Ask Processor to provide Paid receipt before DOCS is drawn.

28. Update on HOI / Flood Renewal Policy PTF for Refinance loans – If the HOI or Flood Policy is expiring within 60 days of First Payment date and if Renewal policy is not available. DOCS Team will add PTF Condition of HOI / Flood Renewal pending within 60 days. Do not ever remove it even if any processor come and force to do so. Reach out to team lead if anyone is forcing to remove.

29. Update on Florida Branch Loans – Effective Now, Any file which belongs to **Florida Branch**, Credit report fee will only be charged up to \$48.30 on CD even if Invoice has higher figure in file. You will only keep \$48.30 on CD for all Florida branch loans.

If Invoice has lower amount than 48.30 then team will charge it as per Invoice but if Invoice has higher amount than \$48.30, Team will only charge as \$48.30 on CD.

REMEMBER – This is only for Florida Branch loans. It doesn't mean you will apply this logic for other branches who deals in Florida State.

30. Update on Trust Checklist requirement – When any file is approved to draw in Trust, Docs Team must need to ensure that “TRUST CHECKLIST” filled up by UW must be in e-folder along with Trust paper work.

If TRUST Checklist is missing in the file, Docs Team will contact UW to attach it to e-folder before DOCS are drawn.

31. Update on 1003-URLA-Lender Form – DOCS TEAM need to make sure when docs go out that following box (Include Lender Information Pages in Borrower Package) is checked on the 1003 URLA – Lender screen in Encompass.

The screenshot shows the Encompass software interface for a 1003 URLA - Lender application. At the top, there are sections for 'Mid Credit Score 775' and 'Lock Expiration Date 04/16/2021'. Below these, the 'Trans Details Loan Program CF30' and 'Loan Purpose Purchase' are listed. The main form area is titled '1003 URLA - Lender' and includes a sub-section '1003 URLA P1 | 1003'. A yellow box highlights the 'To be completed by the Lender:' section, which contains three checkboxes: 'Print ULI / NULI on URLA', 'Print both ULI / NULI and Loan #', and 'Include Lender Information Pages in Borrower Package'. The third checkbox is checked. The 'Loan Program CF30' dropdown is also highlighted with a yellow box. Below this, the 'Uniform Residential Loan Application - Lender Loan Information' section is visible, followed by 'L1. Property and Loan Information' and 'Subject Property' details like Street Address (6465 MEADOW HILL DR), Unit Type, Unit #, City (Reno), State (NV), Zip (89519), County (Washoe), and Legal Description. At the bottom left, a navigation bar shows 'Forms', 'Tools', and 'Services', with '1003 URLA - Lender' selected. A sidebar on the right lists 'Community Property State' options: 'At least one borrower lives in a community property state.' (checked) and 'The property is in a community property state.' (checked). The page number '110' is located at the bottom center.

32. Update on Conventional loans with 80% above LTV and having monthly MI – If Number of units is 2 or more on 1003 page-4 then MI is required for the entire length of the loan. It will not automatically cutoff at 78%.

What you will do is, remove 78% Cutoff (Cancel At) from Mortgage Insurance section When Number of Units are 2 or more than that.

The screenshot shows the '1003 URLA Part 4' form with the 'Section 4: Loan and Property Information' and '4a. Loan and Property Information' tabs selected. In the 'Property Address' section, the street address is listed as '3780 TERRITORY STREET'. Under 'Unit Type', there is a dropdown menu. The 'Unit #' field is empty. In the 'City' field, 'Las Vegas' is entered. The 'State' field shows 'NV' and the 'Zip' field shows '89121'. The 'County' field shows 'Clark'. The 'Number of Units' field is highlighted with a yellow box and circled in blue, containing the value '1'. Below this, the 'Year Built' field shows '1971'. In the 'Monthly Mortgage Insurance' section, under 'Calculated Based On', there are two options: '1. 0.250000 %' and '2. 0.200000 %'. The 'Base Loan Amount' field shows '120 Months' for the first option and '240 Months' for the second. The 'Cancel At' field shows '78.000 %' with a checkmark in the box next to it. There is also a checkbox for 'Calculate based on remaining balance' which is unchecked. A 'See less' link is visible at the bottom of the form.

Remember – Cutoff 78% (Cancel At) is only to remove when Number of Units are equal to 2 or greater. If it is “1” unit then we will keep 78% cut off on MI Section on Conventional loans with 80% above LTV.

Make sure Docs team checks Number of Units on 1003 page-4 before they remove / keep 78% cutoff on MI Section.

33. Update on HOI / Flood Policy expiring within First Payment – if the HOI is expiring within First payment month then CD Team need to collect them at closing (under prepaid). In Addition, No need to collect additional 5%, collect the premium mentioned in current (previous year) policy.

DOCS TEAM needs to collect premium on the basis of current policy and no need to add additional 5%. Ask from processor on the renewal policy, if not available then proceed as said, if available then collect accordingly.

If the renewal is not available then collect premium and add PTF conditions for it.

34. Update on FHA Streamline Refinances – ALL FHA STREAMLINE REFINANCES (Without Appraisal) –

If file is FHA Streamline refinance on which Appraisal is waived then Appraised value in Encompass must match with Original Property Value from FHA CASE Refinance Authorization document.

Docs team will inform the processor and UW if value in Encompass doesn't match with value on Refinance Authorization because it directly impacts the FHA monthly MI.

The screenshot shows the FHA Connection software interface. At the top, it says "FHA Connection" and "Welcome SANDY SEELEY". Below that, it displays "Refinance Authorization Results" for case number 332-7247117. The form includes fields for FHA Case Number, Contact Name, Projected Closing Date, Pricing LTV, Term, Upfront MIP Factor, and Annual MIP Factor. It also shows "New Case" and "Old Case" details, including Borrower Name, Address, Lender ID, Lender Name, Computed Premium, Original Mortgage Amt, Old Term (in months), Original Annual MIP Factor (%), New Closing Month, Period of Insurance, Refund UFMIP Factor (%), UFMIP Earned by HUD, Unearned UFMIP, Unpaid Balance, Authorization No., and Expiration Date. The "Original Property Value" field is highlighted in yellow.

Remember – If there is an appraisal report in the file on FHA refinance loan then value in Encompass has to match with Appraisal report. It is fine if Refinance Authorization has old value in that case.

If Appraisal is waived on FHA Streamline without Appraisal – In that case, Origination value on Refinance Authorization must match with Encompass and Approval Final.

35. Update on Random fees restriction on Lender fee Section – A – Effective immediately, if in section 800 there are any random fees added by Processor apart from UNDERWRITING FEE & PROCESSING FEE, those files must be brought to Team lead or Manager's notice. File won't leave the queue without lead's approval.

For example – If there is ADMIN or ADMINISTRATION FEE added then we should be informed and when we finalize then the file will be moved out of queue. Only Docs Team can work on it and keep it on HOLD until Team lead or Manager gives an approval.

36. Do not allow Successor Trustee on Trust loans – If file is approved to draw in trust then Docs team to make sure that we do not allow a successor trustee on our Trust approved loans and Trust checklist.

37. Update Purchase Contract date on FHA Purchase files – Docs team need to ensure Purchase Contract date is updated under “FHA Management” in Encompass as attached below.

The screenshot shows the 'Property Information' section of the Encompass software. On the left, there is a sidebar with various links: Closing Vendor Information, Construction Management, Disclosure Summary, Fannie Mae Additional Data, **FHA Management**, Flood Information, Freddie Mac Additional Data, Funding Custom Fields, GSE Additional Provider Data, and HELOC Management. The 'FHA Management' link is circled in blue. The main area shows fields for Address (3594 Villa Knolls East Dr.), City (Las Vegas), State (NV), Zip (89120), Purchase Date (//), Last Refi Date (//), Existing Debt (\$), and Water Purification Maintenance Organization. To the right, there are checkboxes for Property Type (1 Unit checked, 2 Units, Condominium, Manufactured Housing), Previous Purchase Date (//), and Foreclosed Property.

This date can't be blank. If Purchase Contract date is blank, Docs team need to update Contract date from Purchase contract or consider latest Contract addendum date if given.

Remember – If there is any contract addendum given in the file, Docs Team need to update Contract date from most recent addendum instead of Purchase contract. If there is no addendum in the file then team need to take date from Purchase contract.

See below location of Contract date;

RESIDENTIAL PURCHASE AGREEMENT

(Joint Escrow Instructions) Date: **03/26/21**

Brayan E Castillo-Marure ("Buyer"), hereby offers to purchase ("Property"),
3594 Villa Knolls East DR, LASVEGAS, County of CLARK,
within the city or unincorporated area of LASVEGAS, NV 89120, A.P.N. # 161-30-114-008 for the purchase price of \$ 183,000.00 (One Hundred Eighty-Three Thousand dollars) ("Purchase Price")
on the terms and conditions contained herein: BUYER does -OR- does not intend to occupy the Property as a residence.

Buyer's Offer

1. FINANCIAL TERMS & CONDITIONS:
\$ 3,000.00 A. EARNEST MONEY DEPOSIT ("EMD") is presented with this offer -OR- wire to title company upon acceptance of 3 business days. Upon Acceptance, Earnest Money to be

**ADDENDUM NO. 1
TO PURCHASE AGREEMENT**

In reference to the Purchase Agreement executed by **Brayan E Castillo-Marure** as Buyer(s) and **L.R. Nevada Investments Llc** as Seller(s), dated **04/14/21**
covering the real property at **3594 Villa Knolls East DR, LASVEGAS, NV 89120**, the Buyer Seller hereby proposes that the Purchase Agreement be amended as follows:
The purchase price to be \$175K

38. Update On removal Unsigned copy of Initial / COC CD's from Encompass E-folder – Docs team will remove the unsigned Initial CD / COC CD which is uploaded in encompass. Once the Initial CD is acknowledged then there is no need of unsigned one. However, if the CD is not acknowledged and we are releasing docs after 7 days then in that case do not remove unsigned copy of CD / COC CD.

In Addition, if there are any COC forms attached with Initial / COC CD's in the file, They are not to remove from the file. Only CD pages if signed copies are available

39. Update On Property tax for Prepays – 900 Series – When Docs team came across with scenario where any Property taxes due and are to be paid at closing under 900 Series (Prepays) as per County records however if they are shown as paid on approval CD as per LO/ Processor's direction on email then team must need to make sure the Proof (Paid receipt for tax) has been attached already in file or provided on email. This Proof must be reviewed Managers before DOCS are released.

Remember – Only check Proof of Paid receipt when Encompass and Approved CD is showing Tax amount as Paid but County website is still reflecting as Due.

40. Update On 4506-C Form to be send with Closing package – Docs Team will need to check in every files in e-folder that if **Business Tax returns** are attached then team need to ensure 4506 I forms go in the Closing package.

Remember – If you see Personal Tax returns, we don't have to verify anything on it but if you see Business Tax returns, below are the details that need to be updated in Encompass from attached Business tax returns in file.

Ex; of **Business Tax returns looks like;**

Form **1120-S**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for an S Corporation

OMB No. 1545-0123

2019

► Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.
► Go to www.irs.gov/Form1120S for instructions and the latest information.

For calendar year 2019 or tax year beginning **2019**, ending **2019**.

A S election effective date **1/01/1998**

B Business activity code number (see instructions) **446190**

C Check if Schedule M-3 attached

D Employer identification number **11-3395679**

E Date incorporated **1/01/1998**

F Total assets (see instructions) **\$ 1,954,477**

G Is the corporation electing to be an S corporation beginning with this tax year? Yes No If 'Yes,' attach Form 2553 if not already filed

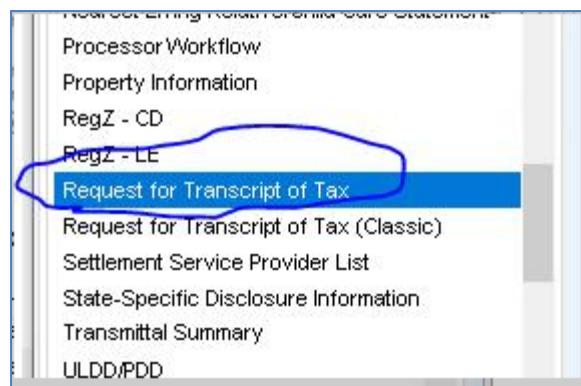
H Check if: (1) Final return (2) Name change (3) Address change
(4) Amended return (5) S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year. ► **1**

J Check if corporation: (1) Aggregated activities for section 465 at-risk purposes (2) Grouped activities for section 469 passive activity purposes

Caution: Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

- a) Go to this Highlighted Form in Encompass first



- b) Create a business and copy the generic data button (See Step – 1 and 2 on following screen shot) and then fill up following highlighted details from Business tax return (Step 4-8).

Remember – There will be one business for one Tax return. If you see multiple business tax returns in the file for different business that Buyer owns then you need to make sure all Business are created on this Encompass form separately. **1 Form per 1 Business!!**

The screenshot shows the 'Request for Transcript of Tax' form. The highlighted fields are:

- 1**: The 'Request For' dropdown, which has 'Borrower' selected.
- 2**: The 'Year' dropdown, which lists '2020,2019,2018'.
- 3**: The 'Tax Form is for' dropdown, which has 'Other' selected.
- 4**: The 'Name' field for line 1a, which contains 'SURGICAL SOCK SHOP II INC'.
- 5**: The 'Address' field for line 3, which contains '5818 13TH AVENUE'.

The form also includes sections for 'Request Details', 'Transcript Options', and 'Third Party Information'.

- c) **Most Important** – Step-6 on following screenshot, you need to change Form number as per Business return. Every business Tax return will have Form number written on Top of the Title. Ex; On this file – It is 1120-S on Business tax return so you will need to update the same here on Step No.6 on following screen shot.

6. **Transcript requested** Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below.
Enter only one tax form number per request. **G** **1120-S**

a. **Return Transcript**, which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days.

b. **Account Transcript**, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 10 business days.

c. **Record of Account**, which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years. Most requests will be processed within 10 business days.

7. **Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript.** The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2010, filed in 2011, will not be available from the IRS until 2012. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 10 business days.

8. **Year or period requested.** Enter the ending date, using the mm/dd/yyyy format.
If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.
12/31/2020 **12/31/2019** **12/31/2018** **//**

Check this box if you have notified the IRS or the IRS has notified you that one of the years for which you are requesting a transcript involved identity theft on your federal tax return **7** **8**

Title (if line 1a above is a corporation, partnership, estate, or trust) **President**

Phone Number of taxpayer on line 1a or 2 **845-323-3562**

NOTES: Docs team needs to follow the above process for 4506-C however team need to check following points as well:

- Check if signed 4506-C for business firms are available in Encompass or not. Processors are attaching them under 4506-T category in E-folder so make sure you double check.
- If signed ones are not available then check in Additional docs to be signed category for the same. If unsigned ones are there then you do not need to generate them again.
- If above two points are meeting then team has to generate these forms and ensure it goes with Closing Package.

IMP NOTES: Whenever the investor is Pentagon Federal Credit Union then in 4506-C the address on line 5a will be updated as follows:

TALX Corporation, a provider of Equifax Verification Services
11432 Lackland Road
Saint Louis, MO 63146
800-247-562

41. Update On to send Signature pages from Business / Personal Tax returns with Closing Package –

Docs Team to make sure any Certified / Protected / Ready to ship Personal or Business tax returns attached in file, Team must need to extract signature page-2 from Personal Tax return and Page-1 from Business tax returns whenever it is available in the e-folder.

Team must need to upload those extracted pages under “**Additional Documents to be signed**” category in e-folder and need to send them with Closing package.

REMEMBER – TEAM will only do this task when Personal Tax returns / Business tax returns are attached to e-folder and MUST Certified / Protected and Ready to Ship button is marked.

If it is not checked as Ready to Ship which means Team can't extract the signature pages from these returns. Team will only do it when they are marked as Ready to Ship.

In Addition, If Personal / Business tax returns are already signed then this task is not necessary. Dates are not sensitive and can be dated any time before or after Closing. If Processor has already attached Signature pages from returns under Additional DOCS folder then Team don't have to extract them as Processor has already did it on their end.

42. Update On Refinance loans to validate “Refinance with Original Creditor”-

DOCS Team must to validate on all refinance loans under Reg-Z CD screen for “Refinance with Original Creditor” button either has to be marked “YES” or “NO” but it can't be Blank.

When to mark as YES – If Recorded Deed of Trust on Title report shows Beneficiary name as “**All Western Mortgage, Inc.**” for previously recorded Mortgage.

When to mark as NO – If Recorded Deed of Trust on Title report shows Beneficiary name as “**Different Lender**” for previously recorded Mortgage.

The screenshot shows a software interface for 'Reg-Z CD >> Purpose of Refinance'. A dropdown menu is open, showing 'Cash-Out Other' as the selected option. Below the dropdown, there is a checkbox labeled 'Refinance with Original Creditor' which is checked. To the right of this checkbox are two other checkboxes: one labeled 'Yes' which is checked, and another labeled 'No' which is unchecked.

[Encompass >> Reg-Z CD >> Purpose of Refinance](#)

If Team come across that Box which is marked in Encompass has Incorrect and not meeting the above conditions while validating with Title report, Team must need to STOP and reach out to Team lead / Manager. **DO NOT MAKE CHANGES BY YOUR SELF IN ENCOMPASS UNTIL CONFIRMED BY LEAD / MANAGER.**

If Team sees that there are multi liens on Title report and Mortgage was recorded many times with different lenders and not just once, Team must need to check with their leads / Manager which one needs to be considered.

43. Update On Texas loans for Attorney Package review-

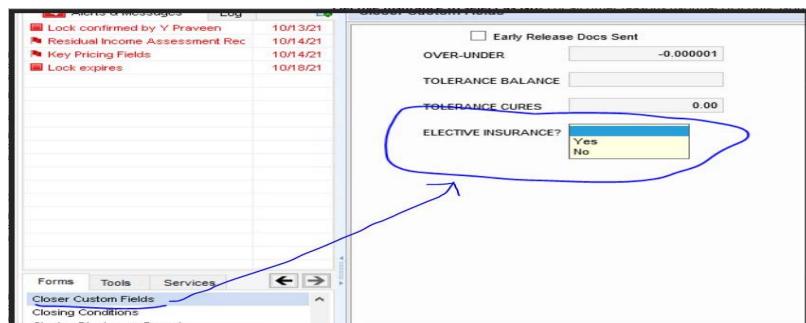
When file is closing in Texas State and DOCS Team receive attorney package from BM & G, they must need to review following information on Attorney package:

- Verify all Borrowers' basic information like Note date, Borrower names, Loan number, and Property address. If any error on Attorney package, Escalate with BM&G Attorney for correction
- Verify and update Attorney fee with Final CD as per the Invoice given in Attorney package and attach the Invoice under 9. Invoices category and send with Closing DOCS.
- Review all Closing Conditions listed on Attorney package and if any condition is listed for Lender to complete, Team need to make sure those conditions has been met and supportive documents attached in E-folder (if not already) prior of releasing Closing DOCS.
- Team lead must do 2nd level review on Attorney's closing conditions listed on package and guide the team members if there are any escalations required prior of releasing DOCS.
- If any Attorney's condition is related with Texas specific Final disclosure, Team lead to check Texas State specific forms in Encompass where required Final disclosure can be checked and disclose with Final Docs.
- If any Attorney's condition is related with Texas specific Initial disclosure and if it is not attached in E-folder and not executed already as per Attorney's condition, escalate with Disclosure desk team on the same and co-ordinate with branch to fulfill it prior of releasing Docs.
- If there is any Co-Borrower or NBS added to the loan, his/her name must reflect in vesting of General Warranty deed that is provided by TX Attorney in their package on purchase loans and Purchase contract / addendum should have that co-borrower or NBS name added.

44. Update On to check Elective Insurance Box "Yes or No" under Closer Custom Fields form in Encompass-

Elective Insurance to select as Yes – When there is Master policy in the file showing **Walls in Coverage** and borrower still opt HO6 policy which is in the file and Impounded.

Elective Insurance to select as No- For all other reasons (Normal HOI only, Normal Master Policy with NO walls in Coverage + HO6 available, Master Policy with walls in Coverage but NO HO6) – **You will select as NO.**



NOTE – Please note that Team will see Hard stop while finishing Milestone if Elective Insurance Option is not selected by DOCS Drawer. **IT CAN'T BE BLANK.**

45. Update On Certify / Ready to ship Initial and COC CD's-

Docs Team will certify or check Ready to ship button on all Initial and COC CD's after review which are available in Encompass >> E-folder.

The screenshot shows a 'Tracking' window with a 'Status' tab selected. It displays several status items with checkboxes and timestamps:

- Days to Receive: []
- Days to Expire: []
- Requested From: []
- Requested: 11/05/21 12:45 PM by snair
- Re-requested
- Received: 11/08/21 05:02 AM by tguridi
- Reviewed
- Ready for UW
- Ready to Ship: 11/09/21 01:08 PM by apdocteam

46. Update On to verify “Use Simple Interest Accrual” on RegZ – CD Screen – Docs Team to make sure and verify “USE SIMPLE INTEREST ACCRUAL” Section and ensure following highlighted options must choose correctly at Docs Draw stage. This needs to be updated before releasing Docs to all parties.

The screenshot shows the 'Interest Accrual Options' section of the RegZ - CD screen. It includes the following settings:

- 0% Payment Option: []
- Interest Days/Days in a Year: 360/360 []
- Use 366 Days in Leap Year: []
- Use Simple Interest Accrual (This checkbox is circled in red)
- Number of Days (Biweekly, Interim Interest, Classic HELOC): 365 []

Encompass >> RegZ – CD >> Interest Accrual Options

- A. Interest Days / Days in a Year = 360 / 360 always
- B. Use Simple Interest Accrual button must be unchecked on all files
- C. Number of Days (Biweekly, Interim Interest, Classic HELOC) = 365 always

47. Update On to ensure “MOM” box for MERS is checked on RegZ – CD Screen – Docs team to make sure the following box “**MOM**” under Reg-Z CD form is always checked on all loans otherwise MIN Number will not print on Deed of Trust if it is kept unchecked.

The screenshot shows the 'Loan Information' section of the RegZ - CD screen. It includes fields for Purchase Price (\$435,000.00), Appraised Value (\$430,000), 1st Payment Date (02/01/2022), CD Date Issued (01/10/2022), Application Date (12/16/2021), and Rate Lock Date (12/16/2021). The 'MOM' checkbox is highlighted with a blue oval.

Encompass >> RegZ – CD

48. Update on to verify “Prepayment Penalty” on CD Page-1 Screen – if any file is locked with SGCP investor and if occupancy is “Investment”, Pre-payment penalty will apply on Closing DOCS / Final CD. Use this calculator to calculate Prepayment penalty for SGCP Investor with Investment Occupancy. Identify Not DC or DC state before calculating pre-payment penalty. DOCS Team will need to update loan amount and interest rate on attached calculator to calculate pre-payment penalty for specific loans.

Docs Team just have to verify the pre-updated amount on CD page – 1 in Encompass with Initial CD / COC CD and attached calculator. If there is a mismatch, then reach out to Lock desk to verify and request to update the correct amount.



Calc.xlsx

The screenshot shows the 'Prepayment Penalty' section of the CD Page-1 screen. It includes a dropdown for 'Prepayment Penalty' set to 'Yes', and a note indicating a maximum prepayment penalty of \$8,112.00 if paid off within the first 3 years.

Encompass >> CD Page-1 >> Prepayment Penalty Section

49. Update on to verify Closing Method from DOCS ORDERED QUEUE – There is a new customized option added in Docs ordered Queue as Closing Method. This option will help DOCS Team to identify whether Loan docs will be send as Traditional Closing or E-Closing. If Closing method is blank, it will be considered as “Traditional (normal) Closing”.

E-Closing files needs to be priced accordingly that means Docs team to verify & confirm with Lock Desk team whether file is correctly priced or not for E-closing.

NOTE :- ALL E-CLOSING(RON) MUST GO THROUGH TORY'S APPROVAL.

CLOSING	PREF	Alerts	Mess	Next Expected Milestone	Last Finished	UW Status
Traditional		=	=		=	
Traditional		5		<input type="checkbox"/> Docs Ordered/Docs Out	02/22/2022 0	Clear to Close
		4		<input type="checkbox"/> Docs Ordered/Docs Out	02/23/2022 1	Clear to Close
		5		<input type="checkbox"/> Docs Ordered/Docs Out	02/22/2022 0	Clear to Close
		3		<input type="checkbox"/> Docs Ordered/Docs Out	02/18/2022 0	Clear to Close
		2		<input type="checkbox"/> Docs Ordered/Docs Out	02/22/2022 0	Clear to Close

50. Update on Borrower's current address to verify on Final 4506-C for Personal Tax returns (1040) – Docs team to verify “REQUEST FOR TRANSCRIPT OF TAX or REQUEST FOR TRANSCRIPT OF TAX (CLASSIC)” form in Encompass and to ensure that for Form 1040 (Personal Tax returns) where Borrower's details like Name, SSN# and mainly current address is fully updated or not.

If any of these information are missing or partially updated then team have to update them from 1040 personal tax return if available, If personal tax return is not available in E-folder then take borrower's current address details from 1003 Page-1 form in Encompass and update it on 4506-C form for 1040.

IMP NOTE – If 2 Borrower(s) are one Single 1003 application and not married to each other, Docs team need to make sure their 4506-C are created separately in closing package and can't be combined in single 4506-C form.

51. Update on Loan Modification Agreement Disclosure on any ARM loan files– Docs Team to uncheck “Loan Modification Agreement Disclosure” from Closing check list while ordering docs on any Adjustable Rate Mortgage (ARM) files where this disclosure is generated with Closing DOCS. Team need to make sure this disclosure do not go with Closing DOCS whenever generated on ARM loans

52. Update on to verify MI Coverage % between MI Certificate and AUS – When there is a requirement of Mortgage Insurance on any Conventional loans, Docs Team need to verify MI Coverage % from MI Certificate with uploaded AUS (DU/LP) in the e-folder.

If any discrepancy found between these documents, Docs Draw needs to put on hold and escalate an issue with branch/UW.

Insurance Information						
Coverage Percentage	30.0 %	Premium Source	Borrower Paid			
Submission Type	Complete Loan Package	Payment Plan	Monthly			
Submission Method	EDI - Encompass Origination	Renewable Type	Constant (Level)			
Master Policy Version	RAF700	Refundable	No			
Premium	MI Rate With Tax	Tax Rate	Tax Amount	Premium	Premium With Tax	
Initial 1-10 Years	0.43%	n/a	n/a	\$0.00	\$192.34/mo	n/a
Renewal 11+ Years	0.20%	n/a	n/a	\$0.00	\$89.46/mo	n/a

Encompass >> E-Folder >> MI Certificate

Mortgage Insurance Messages	
CODE	MESSAGE
FMI0032	This loan is eligible for 16% Custom MI coverage.
FMI0016	This loan requires 30% Standard MI coverage.

* Representation and Warranty

Encompass >> E-Folder >> AUS (LP)

OR

12 Mortgage insurance is required.
<ul style="list-style-type: none"> • The lender may either obtain mortgage insurance coverage of at least 16% with an MI loan-level price adjustment or obtain mortgage insurance coverage of 30%. Refer to the Loan-level Price Adjustment Matrix on fanniemae.com. • Verify the mortgage insurance premium is accurately reflected in the loan application. <p>(MSG ID 2477)</p>

Encompass >> E-Folder >> AUS (DU)

53. Update on to verify LE Issued dates: DOCS Team need to ensure that two LE's cannot be issued on same day. i.e. LE Issued date can't be same on two different LE's. If any found with such situation and CD team missed this review part, it needs to get corrected / escalated with branch before Docs team proceed for Docs draw.

54. Update on "BUSINESS PURPOSE & OCCUPANCY AFFIDAVIT": The business purpose & Occupancy Affidavit disclosure must be generated on all investment properties, except for Wells Fargo and US Bank loans. Docs Team to verify the same in closing package and make sure it is getting generated on Investment Properties.

If Investor is "Bay view" and this disclosure is not getting generated, inform TL or Manager immediately.

55. Update on "POA – Power of Attorney": Docs Team need to start checking following points for Power of Attorney to be used on DOCS or not:

- Docs Team to confirm with processor on each & every files whether the file is eligible to close with POA or not when Funding custom field in Encompass indicates as "**YES**" for "**Is this loan approved close with POA?**"
- If Funding Custom field indicates as "**NO**" to "**Is this loan approved close with POA?**" and POA document is also not available in Encompass, then no need to confirm with Branch.
- If Funding Custom field indicates as "**NO**" to "**Is this loan approved close with POA?**" but POA document available in Encompass and processor confirms the same then only Docs Team will request UW to review and change the Funding Custom field option as "**YES**" to identify eligibility of POA based on loan transaction.
- Docs Team must add comments at "Docs Milestone" & at "Disclosure Summary" pages in both the cases, File closed with POA or File not closed with POA.
- The File must be reviewed and approved by TL's or the Manager and only they are allowed to certify and protect the POA document in Encompass and clear or waive the POA conditions added by UW.

56. Update on Additional review point on “4506-C” form in Encompass: Docs Team start verify additional point on “REQUEST FOR TRANSCRIPT OF TAX and REQUEST FOR TRANSCRIPT OF TAX (CLASSIC)” forms, “Line-4 – Address shown on last filed return, if different from line 3” and update / verify former address (previous property address mentioned on Tax returns), only if address mentioned on Line# 3 is different than former address.

DOCS team to ensure following points are follow while reviewing this information and reach out to lead if any discrepancy found in the address between documents and Encompass:

- If 1003 page-1 shows “Former address” marked as – **doesn’t apply**, you will not update Previous address on line -4 on Request for Transcript of Tax forms.
- If there is a former address updated on 1003 page-1 and different than current address, update the previous / former address on line 4 on Request for Transcript of Tax forms.
- In case if there is a last year filed tax return available in E-folder or File manager, just verify the Former / Previous address from Tax return with 1003 page-1 and update / verify it on line 4 on Request for Transcript of Tax forms only if it is different than current address.

57. Update on COC verbiages used on LE for any 0 or 10% tolerance fee increase: If DOCS Team see any 0% or 10% tolerance fee increase from Initial LE to COC LE(s) and if any verbiage is updated on COC form, Check if CD team has added comment and took an approval from lead / manager that such Increase in _____ fee is valid hence tolerance cure is removed. If not, Team lead must have to review and provide an approval if such verbiages are valid or not on COC forms before you apply / remove cost to cure from CD.

If you receive an approval from your lead / manager in TEAMS, make sure you add comment for your further departments that "**COC form verbiage is confirmed and approved by lead/manager for Increase in _____ fee, thus tolerance cure is removed**".

58. Update on Pre-Funding QC – There are two new column added in Docs Pipeline. One is "**PRE FUNDING QC**" and another one is "**PRE FUNDING RELEASED DOCS**"

-If there is "X" marked reflecting in "**PRE FUNDING QC**" column that means Docs needs to be on HOLD. Docs can be completed by Docs drawer however it can't be released / send out.

-If there is "X" mark reflecting in "**PRE FUNDING QC**" and also reflecting in "**PRE FUNDING RELEASED DOCS**" that means Docs can be worked and send out both.

PREFUNDINGQC	PREFUNDINGQCRELEASEDO
1	2

Now, there is form available in Encompass called "**PRE FUNDING QC FORM**" which is mapped with above two columns. Docs team does not have access to edit anything into this form however Docs team need to review the conditions & notes added by QC Team.

PREFUNDINGQC	
<input type="checkbox"/> Complex Income QC11	Pre Funding QC Date/Time
<input type="checkbox"/> Random Selection QC13	Pre Funding Audit Results
<input type="checkbox"/> Other QC14	Pre Funding QC Complete
NOTES	
<input type="checkbox"/> Pre Funding QC Indicator	Pre Funding QC Date/Time
<input type="checkbox"/> Pre Funding Audit Results Received	Pre Funding Audit Results
<input type="checkbox"/> Pre Funding QC Complete	Pre Funding QC Complete
<input type="checkbox"/> Release Closing Docs	Audit Results
<input type="checkbox"/> Sent to Vendor	

- 8. "PRE FUNDING QC INDICATOR"** is marked means Docs are not ready to go out. Inform your Lead to follow up with concern person on Pre-Funding Completion status.
b) "RELEASE CLOSING DOCS" is marked means QC is cleared and Docs are ready to go out.

MOST IMP: - Make sure to review all notes and conditions updated in above form in case if any condition affect the Closing DOCS. Reach out to Team lead / Manager on any added QC notes / Condition is not understandable.

- 59. Update on any new title fees added after Initial CD / COC CD has been sent to borrower:** Docs team has to verify if any new Title fees added at correction stage on Sent files which were not disclosed on previous disclosed Initial CD / COC CD that was already sent to borrower, They need to review notes in Disclosure summary added by CD correction team for Docs team to follow.

Attn Docs Team :- COC form to be attached with Docs for change in Settlement/Title Fees.

If DOCS team see above comment, they need to attach COC form with DOCS for above reason.

- 60. Update on 0 & 10% tolerance fee verification for DOCS Team:** Docs team to verify and update 0% & 10% cure by following below factors.

1. If no changes in 0% & 10% fees throughout LE and Initial / COC CD, Baseline to compare cost to cure will be with LE vs Current Itemization.
2. If any increase in 0% or 10% fees from Initial CD or COC CD, Baseline to compare cost to cure will be with last disclosed CD vs Current Itemization.

If any doubt in cure calculation, reach out to TL or Manager for assistance.

- 61. Update on Private money loans:** DOCS Team to make sure following points on any private money loans:

- **Balloon Note & Balloon Rider** must go out with Closing Docs when there is Balloon payment loan program selected on Reg-Z CD. Reach out to team lead on how to print Balloon rider from Encompass.
- Credit report fee – If the invoice indicates that the requested amount has been paid already on Credit invoice, it means it has been by LO on behalf of Borrower and it has to be reimbursed to LO on CD. In order to do that, Change the amount to PAC (DUE) and update the payee name as “Richard Whelan” (LO).
- if the Credit invoice indicates that amount is due and not paid yet then follow the regular process to update fee as PAC(DUE) on CD and payee name will be as per invoice.

62. Update on Cash to Close on CD page-3 to match with 2015 itemization screen for El Paso and Prestige branch: DOCS Team to make sure that Cash to Close on CD page-3 must have to match with Cash to Close showing on 2015 itemization screen in Encompass. In order to balance Cash to Close on 2015 Itemization screen, Team needs to ensure any Tolerance cure/ Adjustment / pro-rations that are updated on CD page-2 and 3 should be listed on 2015 Itemization screen as well.

If DOCS team face any issues in matching the figures, reach out to Team lead / manager for help.

63. Update on Texas State – NBS / NBP requirement:

ALL TEXAS STATE PRIMARY FILES (DO NOT APPLY FOR SECONDARY/INVESTMENT) –

IF BORROWER IS MARRIED >> SPOUSE MUST BE IN VESTING AS NBS OR AS CO-BORROWER >> IF SPOUSE IS LISTED ON TITLE REPORT SCHEDULE A >> HE/SHE MUST BE ON CONTRACT/ADDENDUM OTHERWISE NOT.

IF SPOUSE IS ON TITLE REPORT BUT NOT ON CONTRACT >> REQUEST BRANCH TO PROVIDE ADDENDUM TO INCLUDE NBS. (THIS IS ALSO APPLIED FOR THE NBP – NON-BORROWING PERSON).

TEXAS – SECONDARY/INVESTMENT PROPERTY –

Identify the Vesting first >> If vesting is Sole & Separate, It is fine if NBS do not sign Deed of trust or vested and not required NBS to be on the contract.

If NBS name is in vesting and in Title Report's SCHEDULE-A then and only NBS is required to be the contract.

DOCS TEAM – FOLLOW THE ABOVE STEPS HOW TO IDENTIFY IF SPOUSE IS REQUIRED ON CONTRACT / ADDENDUM OR NOT. REQUEST BRANCH ACCORDINGLY!!

NOTE FOR DOCS TEAM: If NBS/NBP is not on Title & contract, TX Attorney will not add him/her on Warranty Deed without Lender's request so it is not necessary that borrower's vesting on DOT will always match with Warranty deed but Seller vesting must have to match on Warranty deed with Title report.

64. Update on 4506-C form: Docs team to verify and update last two years requested date at line #8 at 4506-C Form. Date should be last day of the end of the year.

Ex:- Files are being closed in year of 2022 for now, Last two date will be 12/31/2021 & 12/31/2020 as shown in below snip. If there is any date prior to 2020, must be removed.

8. Year or period requested. Enter the ending date, using the mm/dd/yyyy format.							
If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.							
12/31/2021	12/31/2020						
Check this box if you have notified the IRS or the IRS has notified you that one of the years for which you are requesting a transcript involved identity theft on your federal tax return <input type="checkbox"/>							

65. Update on Buy-down Mortgage: Docs Team to verify Buy Down details at Reg-Z CD screen as per below snip whenever applicable on the transaction and ensure that Buy down details are updated and Buy Down agreement to send with Docs.

Points to remember:-

1. Buy Down Type can be 2-1 or 3-2-1, Buy Down contributor can be Seller or Lender or can be both.
2. Docs Team to use Buy Down calculator to update Buy down details on agreement. Instruction for How to use calculator has already been mentioned in the excel sheet.
3. Buy down Funds must be updated / verified in Sec-H of the CD on Seller side, Paid to as "All Western Mortgage, Inc." and has to be itemized from Seller credit / Lender credit as per selected Contributor for Buy down Funds.

BUYDOWN SCHEDULE					
NUMBER OF PAYMENTS	BORROWERS NEW INTEREST RATE	BORROWERS PORTION OF PRINCIPAL AND INTEREST	BUYDOWN AMOUNT	TOTAL PRINCIPAL AND INTEREST PAYMENT	
12	2.750%	\$1,603.39	\$445.41	\$2,048.80	
12	3.750%	\$1,818.91	\$229.89	\$2,048.80	
TOTAL BUYDOWN FUND = \$8,103.60					
No. of Payments	Borrowers New Rate	Borrowers Portion of P&I (\$)	Buydown Amount	Total P & I (\$)	
12	2.75%	\$1,603.39	\$445.41	\$2,048.80	
12	3.75%	\$1,818.91	\$229.89	\$2,048.80	
TOTAL BUYDOWN FUND			\$8,103.60		

Here are the sample of word file of Buy Down Agreement and calculator for reference.



2-1-Buydown-Agreement- Sample.doc



Buydown
Agreement Calculat

66. Update on Credit report and Flood Cert fee: Effective immediately;

CREDIT REPORT FEE – Paid to name should be “Company name mentioned on the invoice” and Paid to type as “Others”.

FLOOD CERT FEE – Paid to name should be “Company name mentioned on the Flood Cert” and Paid to type as “Others”.

67. Update on CD Acknowledgement: If borrower e-signed the CD on Presumed received date but viewed the CD before presumed received date, You can consider CD Acknowledgement date as viewed date to calculate 3 days waiting to determine Closing / NOTE Date.

Ex; Initial CD sent on 10/21/2022, Viewed date on 10/21 and E-signed on 10/24/2022, You can consider CD Acknowledgement date as 10/21/2022 on this scenario. Initial CD on TOP of the page-1 will reflect when borrower(s) has viewed the CD.

68. Update on Construction to Permanent loan Type: Important points to remember –

- If borrower is financing both property purchase and construction then the purpose on CD page-1 should be labeled as “Purchase”.
- if the borrower owns the property and is only financing construction then purpose on CD page-1 should be “Construction”.
- There are two ways to disclose construction loans, either the purchase/construction phase are disclosed together, or the phases are disclosed separately. If together then standard LE/CD should be used, if the phases are disclosed separately then the purchase should be disclosed as standard LE/CD as purchase, and construction phase disclosed with alternate forms and purpose as construction.



Construction171.pd

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Attached is the guidance from Encompass on Construction Loans:

69. Update on TEXAS Attorney review fee on VA loans: Texas Attorney review fee is not allowed to charge to Veteran on any VA loans and not part of 1% loan limit. It is either has to be itemized from available Seller credit or Lender credit approval required for the same amount.

70. Update on TEXAS Cash-Out Refinance Non-Homestead loans: When transaction is with TX State – Cash out Refinance (Investment only), Docs drawer need to make sure 2 additional checkpoints

- 9. State – Specific Disclosure Information form – Make sure “Property is Borrower’s Homestead” button is **unchecked** always – Only when TX – Cash Out refinance – Investment occupancy.**

The screenshot shows a software application window with a toolbar at the top and a sidebar on the left containing various document links. The main area is titled 'State-Specific Disclosure Information'. It includes fields for 'Date Delivery Initiated' (set to 12/08/2022), 'Title Information' (with checkboxes for 'Property is borrower's homestead' and 'Continuous Purchase Money Loan'), 'Duties and Nature of Relationship' (checkboxes for loan application submission, independent contractor status, and acting as follows, with two empty text boxes below), 'How We Will Be Compensated' (checkboxes for retail price, current wholesale options, and based upon, with one empty text box), and a section for fees (checkbox for 'Application Fee' and a 'Copy from GFE' button). A blue circle highlights the 'Property is borrower's homestead' checkbox in the Title Information section.

10. Go to Audit Trial – Search with code “142”= Make sure last result should be “Negative”

Once both these steps are verified, Deed of Trust page – 12 (Acknowledgement of Cash Advanced against Non-Homestead Property” box will be auto checked which is required in Non Home-stead transaction (Cash out Refi- Investment) .

Our attorney will not condition us if we follow above steps on this particular kind of transaction in Texas.

71. Update on 4506-C forms: 4506-C Form & Classic – Field #5D – Client name, address, & telephone number needs to be updated in all the files if they are blank.

Details should be as below –

Client Name – All Western Mortgage, Inc.

Address – 8345 W Sunset Road, Ste 380, Las Vegas, NV – 89113

Phone# - 702-369-0905

The screenshot shows a software application window with a sidebar containing various menu items like 'Forms', 'Tools', 'Services', 'Loan Estimate Page 2', etc. The main area displays a form titled 'Request for Transcript of Tax'. A red circle highlights the 'Client Name' field and the 'Client Address' field. Another red circle highlights the '6. CAUTION' section, which contains a note about tax transcripts being sent to third parties and instructions to ensure lines 5 through 8 are completed before signing.

72. Update on Appraisal details: Docs drawer to ensure Appraisal Company's e-mail & Phone# is updated in all files under File contacts. You will find these details in Appraisal report where you verify the Appraisal value. See attached for the reference from Appraisal report.

Name	Chris B Fuller
Company Name	Fuller Partners Appraisals, LLC
Company Address	PO Box 159178 Nashville, TN 37215-9178
Telephone Number	(615) 807-3021
Email Address	chrisfullerappraisals@gmail.com
Date of Signature and Report	02/27/2023
Effective Date of Appraisal	02/16/2023
State Certification #	0670
or State License #	
or Other (describe)	
State	TN
Expiration Date of Certification or License	12/31/2023
ADDRESS OF PROPERTY APPRAISED	
462 Flintlock Ct	
Nashville, TN 37217	
APPRaised VALUE OF SUBJECT PROPERTY \$ <u>280,000</u>	
LENDER/CLIENT	
Name	Eclipse Appraisal Management, LLC
Company Name	All Western Mortgage
Company Address	8345 W Sunset Road, 380, Las Vegas, NV 89113
Email Address	

73. Update on FHA ADP Code : Docs team to ensure if any file is FHA with Buydown funds applied on it, ADP Code with FHA Case number must be verified / updated as "796" in Encompass as well as on FHA Case assignment document. If not, request processor to correct ADP Code on FHA Case assignment and add required PTF Condition for it and proceed for DOCS draw but to ensure system and Final DOCS has correct ADP Code when buydown funds applied on any FHA files.

74. Update on ARM loans: Docs team to ensure following check points must be followed in all ARM files at every stage of closing.

1 – Each department needs to click on “Get Index” button while working on file and then inform Lock desk team to verify the rest of the ARM Details and loan program.

The screenshot shows a software interface for managing ARM rates. At the top, a yellow box highlights the title 'Adjustable Rate Mortgage'. Below it, a section titled 'Rate Adjustment' contains various input fields and dropdown menus. One field, 'Index', is highlighted with a yellow box. To its right is a button labeled 'Get Index', which is also highlighted with a yellow box and circled in red. Other visible fields include 'Margin', 'Adj Cap', 'Adj Period', 'Life Cap', 'Floor Basis', 'Apply Life Cap Low', 'Max Life Int. Rate', and 'Floor Vrbg'. A 'Payment Change Example' button is at the bottom left, and a dropdown menu is open at the bottom right.

2 – Once Lock desk respond, each department needs to check whether APR is being increased by more than 0.250% or not. If it is increased, team lead and manager should be informed immediately.

3 – Once Lock desk respond, each department needs to check whether Pricing (credit for rate or Discount Fee) is being changed or not. If it is changed, team lead and manager should be informed immediately.

75. Update on SHORT PAY: If DOCS team see any requests from LO/processor or notes related to apply “Short pay” on Final CD where prepaid interest will be credit and in negative and File must have to Close & fund on or before 10th of same month with one month early First payment date than usual files.

Ex; Normal loans – May-2023 Close & Fund- First payment date is 07/01/2023 usually.

Ex; of **SHORT PAY loans-** May 9th NOTE Date and May 10th or before is Funding Date – First payment date can be changed to 06/01/2023. Once you change First payment date one month early, system

will auto-calculate prepaid interest in negative on 2015 itemization. Make sure you re-verify your Escrow Set up and due dates for Tax, HOI and MI if any.

You must have to validate email chain for this and confirm with leads / manager. When file is SHORT pay transaction, It is mandatory for you to prepare Hardship letter (format shared already) and send it with DOCS for signing.

Team Lead / Manager's approval must required when you apply Short pay transaction on any file. SHORT PAY can only happen if file closes and fund on or before 10th and such request must come from branch in written. If no such requests from branch, you will do as usual like normal loans where first payment date is one month after Closing month.

76. Update on 4506-C forms (Personal or Business): Additional check point – Section 5 - Docs team need to ensure that all fields are pre-updated and should not be blank at all. If it is blank then reach out to lead / manager for advise before you send out DOCS. This section also must be accurate on all loans.

Only 5b & 5c. – there are optional – They can be blank so do not hold for this if nothing is updated, you are good to go.

Following sections are mandatory to be there:

5a (Name, Participant ID, Address , City , State & Zip Code)- All must be there. SOR Mailbox ID and Phone number can stay as blank.

5d. - Lender's name , Phone, address, City, State & Zip Code – Must be updated. Can't be blank.

Name	Credit Plus, Inc.
Participant ID	0000301670
SOR Mailbox ID	Utah21804
Phone	800-258-3488
Address	31550 Winterplace Parkway
City	Salisbury
State	MD
Zip	21804
5b. Customer File Number	
5c. Unique Identifier Number	
5d. Client name, telephone number and address (these fields cannot be blank or not applicable (N/A))	
Client Name	All Western Mortgage, Inc.
Client Phone	702-369-0905
Client Address	8345 W. Sunset Road #380
Client City	Las Vegas
Client State	NV
Client Zip	89113

77. Update on Texas state loans:

11. **Only for Texas Manufacture loan** – Specific conditions and Endorsements to add on Closing docs when it is marked as “**yet to be converted to real property**” by UW in Encompass (This field is not created yet in Encompass so check this manual as explained on call until this has been created) . You will manually check if Conversion to real property is already executed and in the file or provided by title company then you do not required to add these specific conditions. **BUT** if UW confirms that Property is “yet to be converted to real property” as well as title then you will need to add following specific conditions to our Closing set which is:

- Closing agent(s) must obtain the required documentation necessary to ensure that the manufactured home is attached to a permanent foundation system on the land, thus becoming part of the real property.
- If State Law provides that a manufactured home may be exempt from certificate of title requirements, and as such, the closing agent must ensure that the manufactured home qualifies for exception from certificate of title requirements, including monitoring of property installation procedures and the related documentation, and to provide the lender with documentary evidence of that for retention in our loan file.
- Title to provide a insured closing protection letter for the mortgage loan secured by a manufactured home.
- Title to ensure the final title policy will include the State of Texas T-31 Endorsement as well as ALTA Endorsement 7, 7.1 or 7.2 or any other endorsement required in the applicable jurisdiction for manufactured homes to be treated as real property.

12. **Only Texas loan** – You need to start identify from prelim report in Texas state whether it is Full or Short Policy under Schedule-A. If loan amount, borrower name and lender information is updated under Form “T-2” on prelim then we are good. **BUT** If it is updated under Form T-2 ®- Short form as explained on call, DOCS Team need to add required PTF Condition for title to correct it on Prelim and Final Title policy both.

PTF: Title Company to correct prelim report and Final Policy to show Borrower name, Loan amount and Lender name under Form “T-2” under Schedule-A

13. We need to use and update Texas Endorsements on our Closing instructions going forward. Below is the Endorsement list for Texas state only which you need to updated under Property Information tab >> Endorsements. Do not use the normal endorsements which you are using for other states. Texas state has different Endorsements list.

Texas Endorsements

For SFR / Detached / Attached – T-19, T-36

For PUD – T-19, T-36, T-17

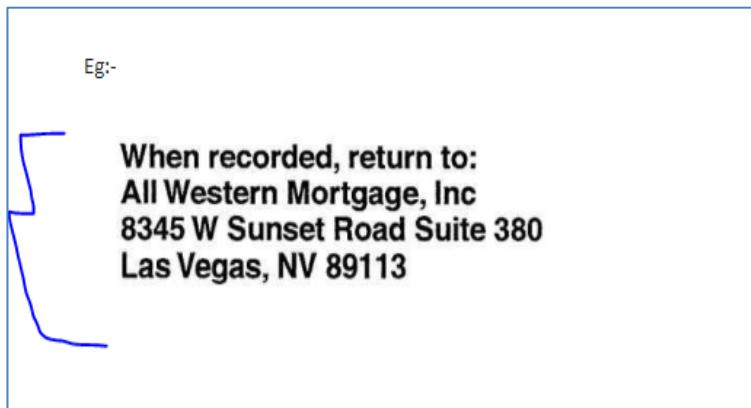
For Condo – T-19, T-36, T-28
For ARM and Detached – T-19, T-36, T-33
For ARM and PUD – T-19, T-36, T-17, T-33
For ARM and Condo – T-19, T-36, T-28, T-33
For Manufacture – T-19, T-36, T-31, T-31.1, ALTA 7
For Manufacture and PUD – T-19, T-36, T-17, T-31, T-31.1, ALTA 7 For TEXAS Home Equity Endorsement – T-19, T-36, T-42, T-42.1

For TEXAS Home Equity Endorsement and PUD – T-19, T-36, T-42, T-42.1, T-17
For TEXAS Home Equity Endorsement and Condo – T-19, T-36, T-42, T-42.1, T-28
For TEXAS Home Equity Endorsement and Manufacture – T-19, T-36, T-31, T-42, T-42.1, T-31.1, ALTA 7
For TEXAS Home Equity Endorsement and Manufacture + PUD- T-19, T-36, T-17, T-31, T-42, T-42.1, T-31.1, ALTA 7

78. Update on CHFA DPA loans:

The below update from CHFA should be followed without fail, CHFA 2nd DOT must reflect AWM mailing information on the upper left corner with the title “**When recorded, return to:**”.

You must make sure CHFA 2nd DOT has this details edited on left side of the corner of 1st page of 2nd DOT. Ex; It has to be exactly look like below. You can copy this verbiage from 1st Mortgage DOCS as well and add it to your notes.



79. Update on Proctor, Plano and P Moore branch loans:

Please take your few mins to go thru following Important steps before you release Final DOCS to title company for Proctor branch.

Step 1- Finish your Initial Attorney review and then rest of the entire docs review.

Step 2- Run Final time Mavent which must be cleared / passed / approved by your lead – manager to proceed with.

Step 3- MOST IMPORTANT AND NEW STEP: Print Final CD from CD page-1 including COC form if any and email Final CD to LO and Processor(s) for review / approval prior to releasing DOCS .

Step 5- Once we receive an approval on Final CD then and only you will release Final Closing DOCS to all parties. You will not release Closing DOCS for this branch without an approval on Final CD.

THIS IS ONLY FOR PROCTOR , PLANO AND P MOORE BRANCH WITH LISTED LO NAMES PROVIDED IN EXCEL SHEET. Do not apply this update to any other branches or LO's.

80. Update on QC on Non-QM loans: Any Closing DOCS are done on Non-QM loans, they must have to be reviewed by Eric Gut prior to release.

Here are the few tips how you can identify that file is Non-QM:

14. FHA and VA will never be Non-QM loans. Only Conventional files with Occupancy as Investment can be Non-QM files (depend on assigned Investor loan product). You can ask us to re-verify.

B) Investors Like Acra , SG Capital, Onslow, Verus, Maxex, Deephaven – they offer Non-QM products

C) **IMP** – Go to ATR/QM screen >> ATR/QM Eligibility tab >> Check Ability to Repay Loan type – If it is marked as “Exempt” which means it is Non-QM loan product.

D) Non-QM loans mostly fail with High cost file while running mavent and Compliance team can confirm with us if it is exempt from QM or not and if file is Non-QM. We will add few more tips when we get to know but you can follow an above tips for now to identify if files are Non-QM and ensure they are reviewed by Eric Gut before Docs are released to Title.

81. Update on HOI Deductible limit to review on TDHCA or THDA loan products: Effective now, If file is locked with TDHCA (Texas Department of Housing & Community Affairs) or THDA (Tennessee housing development agency) loan product, Docs team must need to review HOI Policy and ensure there is maximum limit on Deductible amount as per these Investor guidelines. If deductible amount on HOI is greater than following limits, You must need to request branch to provide updated HOI policy with deductible limit as per Investor guideline. Make sure you give them detail of the deductible limit as well when you email them.

15. TDHCA – 2% of Dwelling coverage or \$2,500 whichever is higher = Maximum Deductible amount can be on HOI

16. THDA – 1% of loan amount or \$2,500 whichever is higher = Maximum Deductible amount can be on HOI

Remember – These deductible limits are only for TDHCA and THDA Investor loan products, not for any other Investor loan files.

82. Introduction of NOTE LLC and changes to be done in the Docs Draw process: Following is the IMP details to share so Docs team can save it to their sticky notes or notepad.

Note LLC
9435 W Russell Road, Suite 110
Las Vegas, NV 89148
Organization Type: a Limited Liability Corporation
Jurisdiction: NV
Phone: 702.592.9416
Tax ID: 30-1320612
NMLS: 2413481
LIC ID: 5655

MERS ORG ID for NOTE LLC: 1017344

17. How to identify if file belongs to NOTE LLC or not? (File Contacts- All LO, Processor email address ends with notemortgage.com) and it will be in Yellow color in the pipeline.
18. Explain difference between FHA-VA and Conventional loans – FHA-VA loans- Must Close in the name of AWM because NOTE LLC do not have Mortgagee ID yet. Conventional Loans – Must close in the name of NOTE LLC. If file is Conventional, make sure ALT-Lender is selected as “NOTE LLC” under Reg-Z CD form. If it is Government loans (FHA / VA), Make sure ALT-Lender is NOT selected.
19. Communication – Must use docs@notemortgage.com or TEAMS Channel for any files that is done for NOTE LLC (FHA or Conventional or VA)
20. Must Exclude Wire fraud disclosure and Shipping / Funding Letter when you send out Final DOCS to Title on NOTE LLC files. Replace provided NOTE LLC – Wire fraud and Funding letter instead if file is NOTE LLC.

5-MERS ORG ID & MIN Number:

If file is Govt. loans- MERS ORG ID will be “1006909” as it has to close in the name of All Western Mortgage, Inc. (AWM) and MIN Number must starts with 1006909 digits.

If file is Conventional loan- MERS ORG ID will be “1017344” as it has to close in the name of NOTE LLC as Alternate lender to select on Reg-Z CD screen and MIN Number must starts with 1017344 digits.

21. If closing in the name of NOTE LLC- Must use NOTE LLC Closing conditions from set which has already been added in Encompass starting with name NOTE LLC. Do not mix up AWM Conditions sets and NOTE LLC Conditions sets. Use them cautiously. On Govt loans, As file has to close in the name of AWM, You will use AWM Set of Closing conditions like any other normal files.

83. Tax Update on TX Builder loans for Shelton Becnel and his LO's: When you see Shelton Becnel, Rivas Brandon, Maureen Powell as LO name at the time of CD request , Correction or DOCS draw and if file is Builder loan in the state of Texas only and if "Improved monthly Taxes" are updated in Aggregate Escrow set up, You must need to show Total cushion months for taxes as "3". In order to get "3" months Cushion, CD Team will need adjust Next Tax due date accordingly.

Make sure CD goes correct from the beginning to this LO for an approval. You do not have to wait for him to request changes. Remember – This is only for this LO's and If file is Builder loan in Texas and Only if Improved / Estimated Tax are updated in Encompass.

This will not be applied to Unimproved taxes. **IMP Notes:** For Other Texas LO's, we will only update this way on Builder loans if they request us to do but keep your Team lead / Manager informed if you see any other Texas branch LO's request like this.

At Last, we will practice this way only until New Taxes are disclosed for 2024 which won't happen until Mid of the October or beginning of November-2023.

84. Texas Attorney to use for Proctor, Plano and P Moore branch: If you are using PPDocs, Inc. Attorney on TX loan for any Proctor, Plano and P Moore branch files. The following information which is already added now in Business contacts and Trustee name.

Docs team just need to pick up from the contacts when you update DOCS Prepared by and Trustee for PPDocs, Inc. You do not have to manually copy and paste from now on. Make sure we update right attorney details because currently we are working with both attorneys. PPDocs, inc (for Proctor, Plano and P Moore branch files) and BM&G (for other branch loans).

DOCS Prepared by: PPDocs, Inc.
2310 West Interstate 20, Suite 100, Arlington, Texas 76017

Trustee under Closing Vendor Information: Michael H. Patterson
2310 West Interstate 20, Suite 100, Arlington, Texas 76017
County: Tarrant

Attorney review fee Paid to name will be: Michael H Patterson, PC - as per Invoice- Purchase loans usually - \$150 to borrower and \$150 to Seller (If there is warranty deed). You will see 2 different Invoices in the PPDocs Attorney package.

Attached is the PPDocs, Inc. document checklist form. Fill it out and make sure you put it on top of it when you send documents to PPDocs, Inc.



85. 2nd level review to be done in DPA loans for Investor fees: Any DPA related products for any Investors, Docs team must need to share screenshot of Investor Loan program with Reservation form and screenshot of Investor fees from Encompass in internal channel that you have updated on. These Investor fees must be reviewed by Team lead / Manager before you send Final DOCS to title.

86. All Private money loans are non-MOM loans: All private money deals will be closed as NON-MOM loans, there will be no MERS on private deals. Docs team must need to remove MIN Number from **Private money** loans only.

87. Update on VA loans only – VA 26-1820 Loan disbursement form Effective today, following data fields must be updated on every VA loans at the time of DOCS Draw whichever is applicable on this form.

The screenshot shows the VA 26-1820 Loan Disbursement form in the Encompass software. The left sidebar lists various forms, with 'VA 26-1820 Loan Disbursement' highlighted by a blue circle. The main form contains sections for Alerts & Messages, Type of Lien, Estate in Property, Title of Property, List of Title Holders, and various financial fields like Annual Real Estate Taxes, Insurance, and Flood Face Amount.

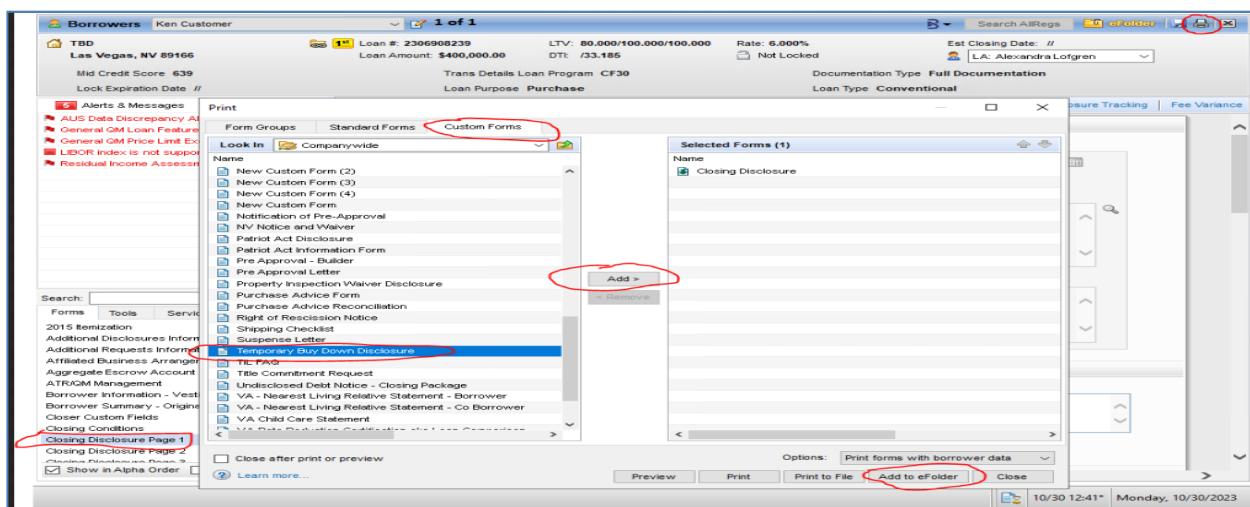
Line 20- Annual Real Estate taxes – The annual tax amount of Most recent year that is to be paid. If taxes are not disclosed for current year, You will update previous year tax amount that is paid already.

Line 21. Insurance – (a). -Hazard Face amount – This will be Dwelling Coverage amount including any replacement cost from HOI Policy, Hazard Annual premium – This will auto map from System, but you can verify it.

Line 21. (b)Flood Face amount (only if applicable)- If Flood Insurance available, This will be Dwelling Coverage amount including any replacement cost from Flood Policy, Flood Annual premium – This will auto map from System but you can verify it if applicable.

88. Update on Temporary Buydown Agreement disclosure: This disclosure form for "Temporary Buydown Agreement" has been added to the custom forms which needs to send along with the Docs. MOST IMP :- No matter who is contributor for buydown funds, this specific disclosure must be sent along with the Docs. Temporary Buydown Disclosure Form to be printed by following steps,

CD Page 1 >> Print Options >> Custom Forms >> Add Temporary Buydown Disclosure >> Add to E-folder.



89. Update on Non-QM Builder Transaction for Taxes: Any NON-QM builder / Newly built property are not allowed to close with Unimproved taxes. We must go by UW's calculation or estimated tax rate provided by Branch. If you find any loans and branch says to go with Unimproved taxes on Non-QM Builder transactions. reach out to lead / manager immediately.

90. Update on Borrower paid full / Partial Buydown loans: Any loans with borrower paid full or partial buydown funds must be reviewed by Eric Gut prior to releasing the Docs. You can complete the review and then post it to him for review in lock desk channel.

91. Update on NOTE LLC Lender for Government Loans (FHA, VA and USDA Only):

NOTE LLC Govt Loans - Lender will of course AWM on all government loans however below are the pages or forms where NOTE LLC and AWM both details to be updated after you complete full review and ready to order Final DOCS :

Do not come out from the file when you update following details hence do it at last when file is ready to send out on NOTE LLC GOVT LOANS.

1- 1003 page-4 - Uncheck Copy to Lender button first and then change Loan Originator Organization name to NOTE LLC and it's address, NMLS and State LIC ID only and Phone number.

2- Go to HUD 1003 Addendum - Make sure Sec- 15 , Sec- 16 and Sec- 17 is updated as below snip shot

3- Only for FHA- Conditional commitment form. make sure Mortgagee is also listed as AWM as below snip.

4- Re-run Mavent to ensure NMLS fail is passed.

92. Update on Draw Schedule for Property Construction loans: Docs team will need to check the draw schedule prior to docs on all Construction loans. here is the new condition will be added on Construction loans by UW as template.

Property Construction Loan - Draw Schedule: Program allows a maximum of 6 draws. Provide a DETAILED draw schedule, identifying work details (material and labor costs) for each draw. Draws exceeding 6 require Executive Management approval. Please note each draw exceeding six (6) also come at a cost of \$375 per draw; the additional costs must be included in the Total Cost to Construct.

Draw schedule is different than the budget /bid and it should list itemized numbers of draws required to complete the project. We must have an itemized draw schedule in the file before docs. If the draw schedule lists more than 6 draws, Tory and James must review and approve. We would be adding additional fees for additional draws exceeding 6

Construction Completion date must be validated under Construction management screen by Closing team. It will be - 12 months from Closing date (if loan term is 12 months).

Ex; If Closing date is 03/01/2024 then Construction completion date will be 02/01/2025.

93. Update on Bayview / Lakeview DSCR loans: No Closing docs will be out without Closing manager's 2nd level review on this transaction . We do not have Plan code available for bayview DSCR loans.

1- Business loan rider is mandatory to go with DOT and DOCS - Use Bayview format only (whether file is to draw as LLC or Individual)

2- There must be Guarantor signature on business loan rider sample that is shared and It always should have "Individual" signature line even though file is closing in the name of LLC and has LLC signature line on the 1st block. Guarantor signature line should only have "Borrower name" only and not LLC.

2- PPP rider and PPP Addendum - Use Investor based documents instead of using Encompass format as they wrong due to non-availability of Bayview DSCR Investor Plan code.

94. Update on Pre-Payment Penalties: if a loan has a prepayment penalty a team member from Secondary or Lock Desk has to review and approve the prepayment penalty documents before the closing package can be released. Pre-Payment penalty documents will be NOTE, PPP Addendum, and PPP rider from Closing package.

95. Update to review Property type on Flood insurance policy if given and when applicable. Docs team will need to toughly review the Flood Insurance policy to make sure it matches the subject property type accurately. This step is crucial before we proceed with closing.

if you see Flood policy then make sure you must verify Property type on it if given and it must match with Encompass and appraisal report otherwise Flood policy correction is required.

Phone : 8009228228		
FLOOD INSURANCE POLICY DECLARATIONS		
This Declarations Page is part of your policy. THIS IS NOT A BILL.		
<hr/> Policy Coverages & Endorsements <hr/>		
COVERAGE	DEDUCTIBLE	
Building	\$ 250,000	\$ 2,000
Contents	\$ 100,000	\$ 2,000
Coverage limitations may apply. See your Policy Form for details.		\$ 1,186 Total Annual Payment Includes Premium, Discounts, Fees, and Surcharges
<hr/> Property Information <hr/>		
Primary Residence	NO	COMPONENTS OF THE TOTAL
Building Occupancy	Single Family	Building Premium: \$ 560
Building Description	Main House/Building	Contents Premium: \$ 315
First Floor Height (FFH)	3	Increased Cost of Compliance (ICC) Premium: \$ 17
Method Used to Determine FFH	FEMA Determined	Community Rating System Discount: \$ (139.00)
Property Description	Slab on Grade (non-elevated), 1 Floors , Frame	Full-Risk Premium: \$ 753
Date of Construction	12-31-1976	Discounted Premium: \$ 753
Prior NFIP Claims	0 Claim(s)	Fees and Surcharges: Reserve Fund Assessment: HFIAA Surcharge: \$ 136 \$ 250

96. Update on Construction loans: Attached form must be sent with Closing docs on all Construction loans that comes to our pipeline. Do not forget to send this document for signing without miss. Save this Update and document to your desk.

Only Contractor name and Borrower(s) names needs to be updated on the form at bottom before you send it with DOCS on Construction loans.



97. Updated Buydown agreement to use: Please use the following revised version of buydown agreement to prepare on any files which has Buydown. There is minor change done on specific language in specific paragraph. Rest is all the same.



98. General Lender credit must be on the following line only - M4 under 2015 itemization form nowhere else with credit name pre-selected as "Lender Credit".

In case updated in different line by processor or anyone else, move it to correct line M4. If you do not find "Credit name" and if it is Hard Coded with blank. Let managers know immediately.

A screenshot of a Microsoft Word document titled "2015 Itemization". The form contains various lines of text and checkboxes. Line M4, which starts with "Lender Credit" followed by a dropdown menu, is highlighted with a yellow background. Other lines like "TOTAL CREDITS" and "TOTAL CREDITS (Line L and M)" are also visible at the bottom of the form.

99. Update on Bridge to sale / Private money loans with small term: When term of the loan is like 3 or 4 months (Private Money and Bridge to sale loan with very short loan term of 3 or 4 months), We need to send attached sample form with Closing DOCS without missing.

ONLY WHEN TERM IS 3 or 4 MONTHS (PRIVATE MONEY / BRIDGE TO SALE LOAN). Please do not use this form for full-loan term loans.

Below Information to edit on form:

1- Loan number

2- Note date

3- Property address

4- Due date of the last EMI Instalment (Update it as per Amortization schedule, last instalment month)

4- Borrower / Co-borrower's signature line- Do not include NBS ever.



Final_Addendum to
Note_Late Penalty_1.c

100. Update on ARC Investor - Only for DSCR loan product and when it closes as LLC name then Business loan rider is required to add.

Attached is the sample for to use for business loan rider of ARC investor - DSCR product and guarantee agreement. Save it on your desk. We have one file in the line for this product



Business Loan
Rider_ARC DSCR Inve



guaranty
sample_ARC DSCR In

101. Update on CHFA Investor Product:

- a) CHFA loan has a limit on HOI Deductible. Maximum is \$5,000 so please verify deductible amount on HOI when you do CHFA DOCS
- b) Non-Borrowing spouse are not allowed to add on CHFA DPA loan program loans.

102. Buydown letter of Servicing: We need to update required details and add one more letter with DOCS for signing whenever any file has Buydown funds. Attached is the letter for Servicing to be send with DOCS when buydown funds are applicable on any loans.



Temporary Buydown
for Servicing.docx

103. Update on Credit report fee with "Xactus" only: Docs Team will pull Final Credit invoice from now on for "XACTUS" company only if Initial disclosures were sent after November 1, 2024 and update Final amount on Final CD at Docs draw stage. You need to make sure that Xactus portal reflects "Bundled charges" amount as \$260.00 - You have to verify invoice amount and required charges on Xactus carefully and update it accordingly on the Final CD.

We will hide couple of costs from Credit invoice such as - **Pre-qualification fee, Supplemental RUSH fee, Flood fee, VOE , Rescore fee and Lexis Nexis Liens & Judgements fee.**

If you see any of these fees while verifying Credit Invoice, please do not include them on Final Credit invoice amount and hide them before you print. These fees are not part of the final invoices.

RAY LOCKERY BRANCH: We will not charge a credit report cost exceeding \$195.00 for files where the credit report was obtained prior to January 6, 2025, and \$260.00 for files where the credit report was ordered on or after that date for this particular branch.

Pulling the updated credit report invoice from the Xactus site still requires the same steps. If the charges fall below the above limit, you must keep that amount; if the charges exceed the above limit, you must keep the fixed sum of \$195.00 or \$260.00 as stated above. This exception only applied to the **Ray Lockery Branch** and in cases where XACTUS was the credit report firm.

The LO's who follow Ray Lockery are listed below. Make sure to include their names in your sticky notes and DO NOT MISS OUT on this update.

Jonathan Hunter Ross
William Denight
Jennifer Mims
Ray Lockery
Jeanne Leach
Heather leach
Hunter Ross

104. Update on PATRICK MOORE BRANCH - Below are the list of LOs.

Jennifer Staff
Patrick Moore
Anderson Goodridge
Raul Frausto
Tuoc Dinh
Marsha Delgadillo

1. Verify the cash to close after completing docs review along with the last balanced CD.
2. If there are any major changes in cash to close then you've to mention about the changes in details while sending Final CD for LO approval.
3. Do not ever reduce seller credit, if cash to close short to meet with minimum requirement, then reach out to managers to find out the solutions but do not reduce seller credit.
4. PATRICK MOORE must be copied in all e-mail chain and his approval must required to send out DOCS to the borrower and Title company. Even if LO Approves the Final CD, you still ask for Patrick's approval.

105. Update on HOI / Flood / Master Policy:

Any person who is on vesting line whether borrower or non-borrowing spouse or NBP (Non-borrowing person) listed on our DOT / Vesting, that person must be on HOI / Flood policy / Master policy as Insured. if you do not see it then PTF Condition to be added to list that person as co-insured on policy.

Only Co-signer (who is not going to be on vesting and title) is not required to be listed on policy as Insured.

106. Update on TX Attorney to use branch wise:

TX state for El Paso branch - We will use 100% BM&G attorney if file is in TX state and if branch is El Paso (Files will be sky blue color to identify this branch name) - \$225 - Black, Mann & Graham LLP is the payee's name.

Rest of all other branches (Proctor, Plano (Mortgage lab) and Patrick Moore)- Use Cain & Kiel attorney - \$325

107. Update on DSCR Loan programs only: If Loan program is "DSCR" on any loans, You need to remove 8821 and 4506-C forms both from Request of Transcript forms and Classic forms . It is no longer required to send these 2 forms only in DSCR Loan programs only.

Make sure they are still there for other loan programs. Only to be removed if loan program is "DSCR".

108. Update on CHASE Investor: **Update** if any file is locked with CHASE Investor , please make sure when you order closing docs after selecting Chase investor plan code and if you see the following documents with name starting with "CHASE" when you order docs and in the list, Please exclude these 3 documents before you send out docs. These 3 docs should not go out with Closing package.

Tax Information Authorization, 2	Closing Document
Chase - Final Documentation Transmittal	Closing Document
Chase - Funding Request Form	Closing Document
Chase - Tax Information Sheet	Closing Document
Chase - Closed Loan Documentation Submission Checklist	Closing Document
IVES Request for Transcript of Tax Return (IRS 4506-C), 2	Closing Document

109. Update on Appraisal Acknowledgement Verification: we must verify Appraisal Acknowledgement date (Delivery Date) from Appraisal acknowledgement receipt given in e-folder and to make sure that Appraisal delivery date is prior to 3 business days of Note date (Sunday & Holidays are excluded) -

Try to identify this at beginning of Docs review, so if note date confirmed by branch is within 3 days of Appraisal Acknowledgement date, we should ask them to reconfirm New Note date as per Reg-Z compliance.

Important note that It will be not be applicable in case if PIW (Property inspection Waiver) is there or for loans which do not require Appraisal such as FHA Streamline without Appraisal, VA IRRRL or Notice of Written for Appraisal disclosure - Box is marked as "Waived" for 3 days waiting on appraisal delivery

110. Update on ILLINOIS State only: We must send an e-mail in below template and to below mentioned contact person in all IL State loans after Docs Out. This should not be miss ever.

To: LO Only

CC: Processor(s), LOA's , DOCS Team , Funding Team & licensing@allwestern.com

Subject: Action Required – Illinois Anti-Predatory Lending Update for Loan # & Borrower name

Hello [LO Name],

This is regarding Loan #....., which is an Illinois (IL) state loan. Since we are not exempt from the Illinois Anti-Predatory Lending Database (ILAPLD), it is necessary to complete the required steps in the ILAPLD portal.

Please log in to <https://www.ilapld.com/> using your credentials and update the necessary information under the "New Application" section.

If you do not have login access, please contact licensing@allwestern.com for assistance.

MOST IMP:- If LO is Eric Gut, then Do not send an e-mail to Eric. You need to email it to Licensing team instead to complete IL Anti-Predatory Lending update.

111. Update on Credit report fee for VA loans: You no longer need to ask for lender credit approval on Credit report fee if it is charged more than \$100 on Final Invoice on any VA loans.

There is no limit cap now on Max Credit report fee on VA loan as per updated VA guideline so if Final amount is \$260 on Credit invoice, You can charge this amount to borrower him self and no need to ask branch for Lender credit approval.

112. Update on Hybrid E-signing fee: Hybrid e-Doc Fee (also labelled as Hybrid e-Signing Fee in Section B) should be updated to \$58.

When issuing a COC with Final CD , the Hybrid e-Signing Fee increases from \$48 to \$58, the COC reason should be used as follow:

"Hybrid e-Signing fee increased due to change in third-party charges."

IMP: We do not charge Hybrid E-Signing fee for the following branch. If you see Hybrid E-Sign fee is charged on LE - You've to remove it while processing the file at any of the CD stage.

For other branches which is not mentioned in excel sheet, we must charge Hybrid E-sign fee in the CD and COC must be prepared if it was not disclosed in LE.

IMP: If any other branch reach out to us and ask us to remove Hybrid Fee then we must ask whether Branch will be paying for Hybrid fee or not and accordingly we have to record that file in shared excel sheet - If doubts, take 2nd opinion or confirmation from Managers.

Hybrid Signing fee not to charge on following branches	
Branch Name	BLEND ORG ID
Sepulveda / El Paso	615001
Prosperity	1964818
Solana Beach	260120
Denver	125110
Fransen - Phx	800500
Lockery	127100
Wahl	1278100
Reverse Team / Jen Horak	800100

HOW to identify branch as per ORD ID - See below instructions and snip of it.

GO TO ENC >> FORMS >> PROCESSOR WORKFLOW >> ORGID

The screenshot shows the Processor Workflow screen with the following details:

- Left Panel:** A sidebar with a "Search:" field and a menu. The menu items include: FHA Management, Flood Information, Freddie Mac Additional Data, Funding Custom Fields, GSE Additional Provider Data, HELOC Management, HMDA Information, Home Counseling Providers, HUD 1003 Addendum, HUD-92800b Conditional Commitment, HUD-92900LT FHA Loan Transmittal, Loan Estimate Page 1, Loan Estimate Page 2, Loan Estimate Page 3, Nearest Living Relative/Child Care Statement, Pre Funding OC, and Processor Workflow vUPDATED. The "Processor Workflow vUPDATED" item is highlighted with a yellow box.
- Middle Panel:** A list of rejection reasons. Each entry consists of a button (e.g., Order VOE, Complete VOE, Order Submit MI Package, Complete Submit MI Package, Order Tax Summary, Complete Tax Summary), a date and time (e.g., 5/19/2025 4:09:02 PM), and a user (e.g., Opt Out).
 - Order VOE by: [REDACTED] on 5/19/2025 4:09:02 PM by: Opt Out
 - Complete VOE by: [REDACTED] on 5/19/2025 4:09:02 PM by: Opt Out
 - Order Submit MI Package by: [REDACTED] on 5/19/2025 4:09:02 PM by: Opt Out
 - Complete Submit MI Package by: [REDACTED] on 5/19/2025 4:09:02 PM by: Opt Out
 - Order Tax Summary by: [REDACTED] on 5/19/2025 4:09:02 PM by: Opt Out
 - Complete Tax Summary by: [REDACTED] on 5/19/2025 4:09:02 PM by: Opt Out
- Right Panel:** A "Test Fields" section containing:
 - A checkbox labeled "Reverse Mortgage" which is unchecked.
 - A text field labeled "ORGID" containing the value "B00809".

*****Thank you*****