
Processing

Overview

The following document provides an overview of the processing phase.

Review and Condition Documents

It is the Home Loan Processor's responsibility to review the file and ensure that Origination has submitted a file with a complete and accurate loan application, along with reviewing credit documents to ensure HMC has collected the needed documentation from the customer to submit the file for underwriting.

Once the loan is approved, the processor reviews the following information:

1. **Application:** Validates loan application has been filled out completely and accurately.
2. **Credit:** Verifies borrower information input correctly in system to ensure credit report is valid.
3. **Assets:** Ensures documentation in file supports information on loan application.
4. **Income/Employment:** Validates type of income and source of employment. If the borrower is self-employed, ensure the 1084 web form was completed. **The 1084 is a new tool that is required to be completed by all HMCs for self-employed borrowers.*
5. **Property:** Verifies all property information.

If the loan file is missing documentation, the Processor will then 'suspend' the file for any outstanding requirements that are needed to decision the loan file. This may include a recent paystub or asset statement if it was not included with the file. These conditions must be satisfied prior to a decision being made.

Communicate with Borrower and HMC

The processor communicates with the borrower and the HMC/Banker throughout the review. Following the same Relationship Selling principles the Home Loan Processor is also an integral part in making "customers for life."

If the loan can be approved, the processor will then submit file to u/w to review for any outstanding stipulations. At some locations, processors are able to decision a file (this is dependent on decisioner level and also automated u/w required level of approval).

If the processor is able to decision the loan and it is approved they will then send a Welcome Package and Commitment Letter to the borrower.

If a higher level of approval is required, the loan is then sent to an underwriter for final decisioning.

If the loan is suspended, the processor contacts the customer and/or HMC/Banker for additional information and generates an Additional Information Request Letter (AIRL). Once the processor receives the requested information, the loan is rerun through the decision engine and sent back to underwriting for the final decision.

**Prepare File for
the Closing
Team**

After reviewing the file, communicating with the HMC/Banker and borrower and receiving loan approval from the underwriter, the processor prepares the file for the closing team. This is called pre-closing.

During pre-closing, the processor ensures the following information is complete:

1. The loan is approved and the rate is locked.
2. All approval stipulations are satisfied.
3. All documents are in the file.
4. The closing date has been set.

The processor then submits the file to the closing team.
