

## **Redisclosure Guide**

### **Initial Underwrite and Re-disclosures**

- After file is 2<sup>nd</sup> signed and moved to Approval status, disclosures are sent out and any changed made at initial underwrite will be captured in the disclosure process.
  - At time of initial underwrite and changes made to loan amount, rate, LTV, etc., Redislosure is NOT required and Redislosure Task should NOT be set.

### **RATE LOCK INFORMATION**

- Files are initially locked for 30 days from the date of Approval. If within the 30 day lock period a change to the file occurs that constitutes a valid Change in Circumstance, redisclosure is required and pricing can be updated accordingly. Please see your team lead for guidance regarding repricing to ensure is warranted. The Rate Sheet used at the time of Initial Approval is used for any repricing during the lock period.
- After 30 days, rate floats until the Initial Final CD is sent out.
  - If the initial 30 day lock period has expired, loan needs to be re-priced based upon most recent rate sheet (applies whether rate has increased or decreased).
  - Any changes to file that result from a Change in Circumstance must be redisclosed (see Redislosure FAQ).
  - Each time you visit the file, check to make sure that rate is for the most recent rate sheet is checked or correct rate and redisclosure required.
    - Be sure to re-run the pricing engine each time you work on the file.
- Initial CD serves as a rate lock/extension, rate is locked for 14 days from the date the Initial CD is issued.
  - If a change to the file occurs that results from a valid Change in Circumstance, pricing can be updated accordingly. Please see your team lead for guidance regarding repricing to ensure is warranted.

***The Lock Exp. Date is viewable in the BytePro Status Screen and Overview Screen***

*Note: Date locked is date file was approved by 2<sup>nd</sup> signer.*

#### **Status Screen:**

The screenshot displays the 'Status Screen' interface. It features a 'Follow Up' section with fields for 'Follow Up Date', 'Follow Up Flag', and an 'Exclude file from custom reports' checkbox. Below this is the 'Lock Information' section, which includes a 'Lock Days' field, a 'Fill Lock Info' button, and 'Extensions' (Ext 1, Ext 2, Ext 3). The 'Date Locked' field is highlighted in yellow and shows '10/21/2018'. The 'Lock Exp. Date' field is also highlighted in yellow and shows '11/20/2018', with a 'Floating' checkbox next to it. The 'Date Canceled' field is at the bottom.

## Overview Screen:

General	
Status	Approved / In Process
Sched Closing Date	11/20/2018 <a href="#">Details</a>
Lock Expiration	11/20/2018
Credit Score(s)	656 (656)
	<a href="#">Robert L Peters</a>

Loan	
Occupancy	Primary Residence
Loan Type	Conventional, Refinance
Loan Program	Fixed Rate
Interest Rate	5.750%
Term	360 months
Loan Amount	\$240,500
Value	\$370,000
<a href="#">LTV:</a>	65.00% / 65.00% / 65.00%
<a href="#">DTI Ratios:</a>	25.75% / 32.12%
P & I / PITI	\$1,403.49 / \$2,077.75
Cash to Close	(\$44,519.32)
Prop Type	Detached
Prop Address	6149 Shoshone Drive Manteca, CA 95336

***If Conditions Received and/or Re-work Request drives changes to the file that would require redisclosure (prior to Initial CD):***

1. Complete condition review and revisions to file.
2. Check the Redisclosure FAQ to confirm if the changes that were made require redisclosure.
3. If redisclosure is required:
  - Set Redisclosure Task – Re-Disclosure Draw Task (Changed Circumstances)  
☐ Re- Disclosure Draw Task (Changed Circumstances)  
☐ Redisclosure Review Task ("RDT")
  - Issue condition #4103 (Example)

Acknowledgement of redisclosure from borrower (LOE or Email reply).

1. Borrower's score dropped below 650. Grade is now B and repricing required.
2. Rate increased from 6.375% to 7.50%.
3. No change to loan amount

- Upload revised Approval and UW Worksheet to DV.
- Task back to TM
- Notate conversation log in detail regarding changes made.
- There should not be a delay between setting redisclosure task and uploading Approval and UW Worksheet.

NOTE: If an underwriting review is completed and it is discovered that redisclosure was missed, contact the QC department to discuss a possible remedy and further instructions for maintaining compliance on the loan.

**How to check if Initial Final CD has been issued: Overview Screen, 1003 Page 2, and Underwriter's Loan Analysis:**

**Overview Screen:**

App <input checked="" type="checkbox"/>	LE <input checked="" type="checkbox"/>	CD <input checked="" type="checkbox"/>	Fees <input type="checkbox"/>	Cure <input checked="" type="checkbox"/>
QM <input type="checkbox"/>	SH <input type="checkbox"/>	HCM <input checked="" type="checkbox"/>	HPML <input checked="" type="checkbox"/>	
E-Sign <input type="checkbox"/>				

**1003 Page 2:**

Income Assets Liabilities

Initial Final CD Issue Date 10/22/2018

Final 1003 Completed ☐

A date in this box signifies that CD has been issued. Any changes to the rate, fees, escrows or loan amount (Up or Down) will require a revised CD.

A Changed Circumstance task along with proper documentation of the changes in the conversation log will be required.

Note: If a CD has been issued escrow amounts have been finalized. A change in escrow amounts will require a revised CD.

See your manager if you have any questions.

**Underwriter's Loan Analysis:**

UW Final Pricing Look Date

Expiration Date

Initial Final CD Issue Date 10/22/2018

**Underwriter's Loan Analysis Screen**

A date in this box signifies that CD has been issued. Any changes to the rate, fees, escrows, or loan amount (Up or Down) will require a revised CD.

A Changed Circumstance task along with proper documentation of the changes in the conversation log will be required.

Note: If a CD has been issued escrow amounts have been finalized. A change in escrow amounts will require a revised CD. See your manager if you have any questions

**If you see a Checkmark on the CD area within the BytePro Overview Screen, or if you see a date in the CD Field in BytePro –**

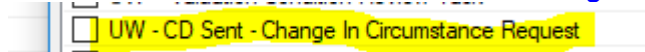


**DO NOT make any changes to the rate.**

### ***After Initial Final CD has been issued:***

If changes are made to the file **other than rate** that would require redisclosure (taxes/insurance/loan amount, LTV, etc):

- Set Redisclosure Task ***UW-CD Sent – Change in Circumstance***



- Do not issue condition 4103
- Upload revised Approval and UW Worksheet to DV.
- Task back to TM (or funder depending on status of file and include TM as a cc).
- Notate conversation log in detail regarding changes made.

### ***The “UW – CD Sent – Change in Circumstance Request (Compliance Guidance)***

TRID dictates that a revised LE may not be issued after the Initial CD has been issued.


- If a change in circumstance is identified after the Initial CD has been issued to the borrower, and the loan must be re-disclosed, the Underwriter is responsible for creating the “UW – CD Sent – Change in Circumstance Request” task in Byte.
- The “Redisclosure Draw Task (Changed Circumstances)” task should not be created for loans that have had a CD issued to the borrower.
- The “UW – CD Sent – Change in Circumstance Request” task should be used in its place for these files.
  - This task is assigned to the Doc Drawer and will appear in the “Funding Change in Circumstance CD” pipeline view.
- A revised CD must be issued within 3 days of the date of the Underwriting review and creation of the task.

If an underwriting review is completed and the CIC task is missed contact the QC department to discuss a possible remedy and further instructions for maintaining compliance on the loan.

### ***Example of changes that will require redisclosure are below AND refer to the Redisclosure FAQ :***

- Loan Amount
- Loan Program
- ARM Margin
- Loan Purpose
- Int Rate
- Appraisal Value
- Purchase Price
- Lender Paid Comp to Borrower Paid Comp
- Borrower Paid Comp to Lender Paid Comp
- CSC Fees: Buydown added or discount added.
- Adding an Escrow Holdback, HOA Dues or Flood Insurance.
- CLTV – adding or removing a seller carryback.

- All occupancy changes: Owner Occupied to Non-Owner Occupied/Second Home; Non-Owner Occupied to Owner Occupied/Second Home; Second Home to Owner Occupied/Non-Owner Occupied.
- Adding or removing borrower(s).

Redisclosure FAQ	 Re-Disclosure FAQ 06-08-17.pdf
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**NOTE: ODF Foreign National and ODF Non Owner Occupied Business Purpose Loans do NOT require ANY disclosures or redisclosures.**