



## Byte Pro – Non-Person Entity Validation

**Purpose:** Incorporate process into workflow to validate the use of the Non-Person Entity box for any/all borrower/co-borrower applications. **If transaction is NOT in the name of a Business Entity, the “Non-Person Entity” box on the HOME SCREEN should not be checked.**

Marking the “Non-Person Entity” BOX on the home screen when the borrower is an individual creates doc draw issues and may impact our ability to include the loan in a loan trade.

### Bottom Line:

- If transaction is NOT in the name of a Business Entity, the Non-Person Entity box **should not** be checked.
- If transaction **is** in the name of a Business Entity, the Non-Person Entity Box **should** be checked.

## LOAN SET UP VALIDATION

If the loan is closing in the name of an Entity, complete the LSU NON-PERSON ENTITY box on the Intake screen. Byte Pro validation will prevent submission if the Home Screen has the “Non-Person Entity” box marked in error.

It should be noted that a broker’s XML import could have this field marked when it is not needed, which is the reason the LSU Clerk must verify it is being applied correctly.

### INTAKE SCREEN

The screenshot shows a yellow background for the 'Non-Person Entity?' section. It includes a checkbox labeled 'Check if Yes, loan closing in name of entity'. Below this is a red asterisk and text: '\* Not allowed on Jumbo Prime product'. Further down, it says 'HOME SCREEN - If box is marked, file is being flagged as Non-Person Entity' followed by another checkbox. At the bottom, it says '\* Remove check box from home screen if loan is NOT closing in an Entity'.

- If the transaction is NOT in the name of a Business Entity and the Non-Person Entity Box is checked on the HOME Screen, Loan Set Up clerk should remove the check box to allow moving the file to a “Submitted” status.

### HOME SCREEN

The screenshot shows the 'Application 1 - Borrower' form. It has fields for Name (First, Middle, Last, Suffix), D.O.B., Age, Nickname, SSN, Taxpayer ID Type (dropdown menu), Non - Person Entity (checkbox), Work, and Home. A pink arrow points to the 'Non - Person Entity' checkbox, which is currently unchecked.

## VALIDATION ERROR – “HARD STOP” WILL FIRE ON STATUS CHANGE:

- Submitted

LSU Clerk has identified that the loan is NOT closing in an entity. Removal of the Non-Person Entity Box on the HOME screen is required PRIOR to moving to a SUBMITTED status.

Please contact your Manager with any questions.

## SUBSEQUENT VALIDATIONS AT STATUS CHANGE

- Approved (**Hard Stop**)
- Ready For Docs
- Lenders Out
- Docs Out

*Underwriting Approval(s) will be disabled from generating IF the Non-Person Entity Box on the HOME SCREEN is MARKED and loan is not flagged as closing in a Business Entity on the ULA Screen.*

- Validation Error will generate:

UW has not identified that this loan is closing in a Business Entity. Removal of the Non-Person Entity Box on the HOME screen is required.

Please contact your Manager with any questions.

- An additional checkbox on the ULA on the Origination/Charge Panel has been added and MUST be checked by the Underwriter if transaction is in name of Business Entity:

Origination Charge/Credit	
<b>UW</b>	
Broker Fee % / \$	<input type="text"/> = <input type="text"/> 2,100.00
Broker Flat Fee	<input type="text"/> 2100.00
Underwriting Fee	<input type="text"/> 1,295.00 <input type="text"/> 1,295.00
Loan Discount	<input type="text"/> * Rate Buydown ONLY
Buydown of LPC (2:1)	<input type="checkbox"/>
Loan Discount	<input type="text"/> 0.000 * Lock Extension
Rate Buyup	<input type="text"/>
CSC Percentage	<input type="text"/> 0.00
Escrow Hold Back	<input type="text"/>
Prepayment Penalty	Yes <input type="checkbox"/> Term <input type="text"/> 12 Months
Prepayment Percentage	3% <input type="checkbox"/> (1 Year Prepay Only)
<input type="checkbox"/> PrePay Buyout <input type="checkbox"/> Impound Waiver <input type="checkbox"/> Trust Vesting	
<b>UW PPP Screen</b> <input checked="" type="checkbox"/> Business Entity	
<input type="checkbox"/> 3 Yr PPP Waterfall	<input type="checkbox"/> 5 Yr PPP Waterfall
<input type="checkbox"/> 3 Yr PPP - 3/3/3	<input type="checkbox"/> 5 Yr PPP - 5/5/5/5/5
<input type="checkbox"/> 3 Yr PPP - 5/5/5	

- If the transaction is NOT in the name of a Business Entity and the Non-Person Entity Box is checked on the HOME Screen, Underwriter should remove the check box.

## HOME SCREEN

Application 1 - Borrower				
	First	Middle	Last	Suffix
Name	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
D.O.B.	<input type="text"/>	Age <input type="text"/>	Nickname	<input type="text"/>
SSN	<input type="text"/>	Taxpayer ID Type	SSN	▼
Non - Person Entity	<input type="checkbox"/>			
Work	<input type="text"/>		Home	<input type="text"/>

### ADDITIONAL VALIDATIONS TIED TO NON-PERSON ENTITY BOX ON HOME SCREEN

#### Message

Borrower 1 is a Non-Person Entity. Make sure the "Not Applicable for HMDA" checkbox is marked. Please contact your Manager if you have any questions.

Business Purpose loans and/or Non-Person Entity loans are only allowed for NJ files with PPP. Please contact QC if you have any questions.

Pennsylvania only allows PPP on properties with 3 or more units, loans with an amount greater than \$278,204, or when the loan is closing in the name of an entity. Please contact QC if you have any questions.

The First Name for Borrower 1 must be left blank if the Non-Person entity checkbox is marked. Please contact your Manager if you have any questions.

The Non-Person Entity checkbox cannot be marked if the property is a Primary Residence or a Secondary Residence. Please contact your Manager if you have any questions.

This loan cannot be submitted to Flagstar because the borrower is a Non-Person Entity. Please contact your Manager if you have any questions.