



MEMORANDIUM:

Date: 03 April 2023
To: All Origination Departments
From: Robert Diaz, Managing Director Compliance & Licensing
RE: Wholesale Application Date

Acra Lending (“Acra”) has revised its wholesale loan submission process. As of today, 04/03/2023, it is required that wholesale brokers have Applications (i.e.: URLAs / 1003s) signed and dated within 48 hours of submitting a Consumer Purpose Loan (“TRID Loan”). In lieu of the signed Application (i.e.: URLA / 1003) from within 48 hours of submission, Acra would separately accept the revised Wholesale Submission Form, which includes the preprinted broker attestation / declaration on the lower part of the document. It requires an authorized person representing the Broker to sign and date the revised Wholesale Submission Form within 48 hours of submission. The attestation / declaration states, in summary, that the Broker is submitting the wholesale Application as a “new” application and that previously dated documents including potentially the Application are from a previous transaction. As noted, the revised Wholesale Submission Form with the Broker attestation / declaration requires a signature from either a representative from the Broker’s office or the MLO, their typed name, and a date. The date on the revised Wholesale Submission form must be from within 48 hours of the submission of the application to Acra Lending. There is no exception to this timing requirement.

FAQs

- Why is this now required?
 - The consortium of Third-Party Reviewers (“TPRs”), which our TPRs belong to, hired outside counsel to opine on Federal Regulation standards. This was necessary to align testing parameters for all TPRs. In doing so, the Federal Regulation associated with wholesale lending and application dates was further defined. The updated definition calls for all borrower applications to have Federal required disclosures issued within three business days.
- Is this required for Business Purpose, DSCR, Fix & Flip, or Commercial loans?
 - No, this only applies to TRID Loans.
- What if a broker submits a file with Application dated beyond the prerequisite 48 hours?
 - An updated and signed “revised Broker Submission Form” dated within 48 hours of will be required.
- When does this become effective?
 - Today (04/03/2023) is the effective date.
- How will this impact loans submitted before 04/03/2023?



- There will be no impact, our TPRs have agreed to test using the “old” rules. No “revised Submission Form” will be required.
- If a file is submitted today (04/03/2023) and the application date is not within the required 48 hours and there is no revised Submission Form, will the file be denied or rejected?
 - No, we will be instituting a “Soft Roll Out”. Meaning that we will let the file enter through submission and disclosures process normally. A signed and dated “revised Wholesale Submission Form” may trail before but must be provided *before* the file can issue an early CD. This is temporary so that the Brokers, Sales, and Operation can get accustomed to this new process.
- What if a Broker submits a file with an Application date beyond the 48-hour requirement and does not want to sign the revised Wholesale Submission Form?
 - The file will be declined, and the broker will be required to resubmit in accordance with the new Acra Submission Requirements.
- Which of the signatures on the URLA / 1003 (MLO or Borrower) is required to be dated within 48 hours of submittal to Acra Lending?
 - It depends on how the application was taken.
 - If the application was taken face to face, the date of the Application will be the date the borrower signs.
 - If the application is taken over the phone, the date of the Application will be the date the MLO signs.
 - If the application was taken over the internet, the date of the Application will be the date the borrower electronically signs.
- Who can sign the revised Wholesale Submission Form?
 - The owner of the Broker;
 - The Mortgage Loan Originator;
 - Broker’s processor;
 - Broker’s manager; and / or
 - Broker’s designated signer.

TRID Justification FAQs

- How will this impact the current TRID Justification?
 - No TRID Justification will be required for loans submitted after 04/03/2023.
 - A signed and dated “revised Wholesale Submission Form” will be required.
- What if a broker submits a signed application within the 48-hour requirement with an appraisal?



- Underwriting will need to condition for a Processors cert indicating that the appraisal was attained outside of the transaction in a TRID complaint manor.

Escalation

- If there are any other question that have not been addressed in this General Announcement or you require clarification, open a QC ticket, or send an email to Compliance.

Department Impacted

- Wholesale Sales
- Loan Set Up
- Underwriting