TRIDenToolkit

A Trusted Mortgage Data Compliance Solution,
powered by TransformX

How to Create a Loan Estimate User Guide

Revision History

Revision Date	Revision author	Description of Change	Version
7/10/2017	Mark Faber	First Draft	1.0
7/11/2017	Laura Hornick	Review	1.1
7/24/2017	H. Kerns	Final Review and updates	1.2
8/4/2017	J. Adams	Review and updates	1.3
8/7/2017	H. Kerns	Review of final updates and accept – final version for Web UI completed	1.4

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Introduction

The TRIDen Toolkit, introduced by Actualize Consulting is an automated platform to modernize mortgage compliance requirements as specified in the Consumer Financial Protection Bureau (CFPB) "Know Before You Owe" regulation and to support the GSEs (Fannie Mae and Freddie Mac) UCD Specification. The TRIDen Toolkit produces the CFPB compliant Loan Estimate and Closing Disclosure forms and the corresponding XML files; including the UCD XML file to the GSEs.

The TRIDen Toolkit allows the user to manually enter data, upload a MISMO 3.3.0 compliant xml file for either the Loan Estimate or the Closing Disclosure, and finally the tool can consume a .txt template found out on the Actualize product website.

When the Consumer Financial Protection Bureau announced plans for the "Know Before You Owe" regulation, Actualize served as key consulting professionals at the GSEs consuming and using the regulation for 3 years. Actualize realized the regulation would be problematic for the mortgage industry, and starting in 2015 worked to develop the TRIDen Toolkit product components.

Because of the combining of these product components created a desktop prototype, Actualize identified the need for faster access and determined that a Web version of the combined products would create a solid end to end TRID solution and allow users to create the UCD xml file to submit to Freddie Mac and Fannie Mae.

This user guide provides step by step instructions to use the web version of the TRIDen Toolkit to create a Loan Estimate Form and down load the correlating .xml file to then use to upload for the Closing Disclosure document.

Required screens and fields are presented in a way that is intuitive to TRIDen users and helps reduce entry time. The Toolkit is an end to end solution for large, medium, and small lenders that allows users to:

> ➢ Utilize the data in which they already had in house through extracting their data and importing an 3.3.0 MISMO compliant xml file
> ➢ Manually key in the information (all or some)
> ➢ Execute Calculations using a button function; i.e. Projected Payments, Calculating Cash To Close and Fee Section Totals, Loan Calculations.
> ➢ Create a Loan Estimate XML file
> ➢ Create the Loan Estimate Form that is sent to the Borrower in a PDF format

General Items & Navigation

Users should take note of a few items.

- First, the TRIDen Toolkit is designed to minimize the duplication of data entry where possible.
- Second, as users will see throughout the tool, an asterisk (*) indicates a required field.

Users must populate these fields for all downstream applications and calculations to function properly.

Date Function and Calendar

For date values, the TRIDen Toolkit offers a calendar to choose a date, otherwise the format will be the MM/DD/YYYY for any values that the user inputs manually.
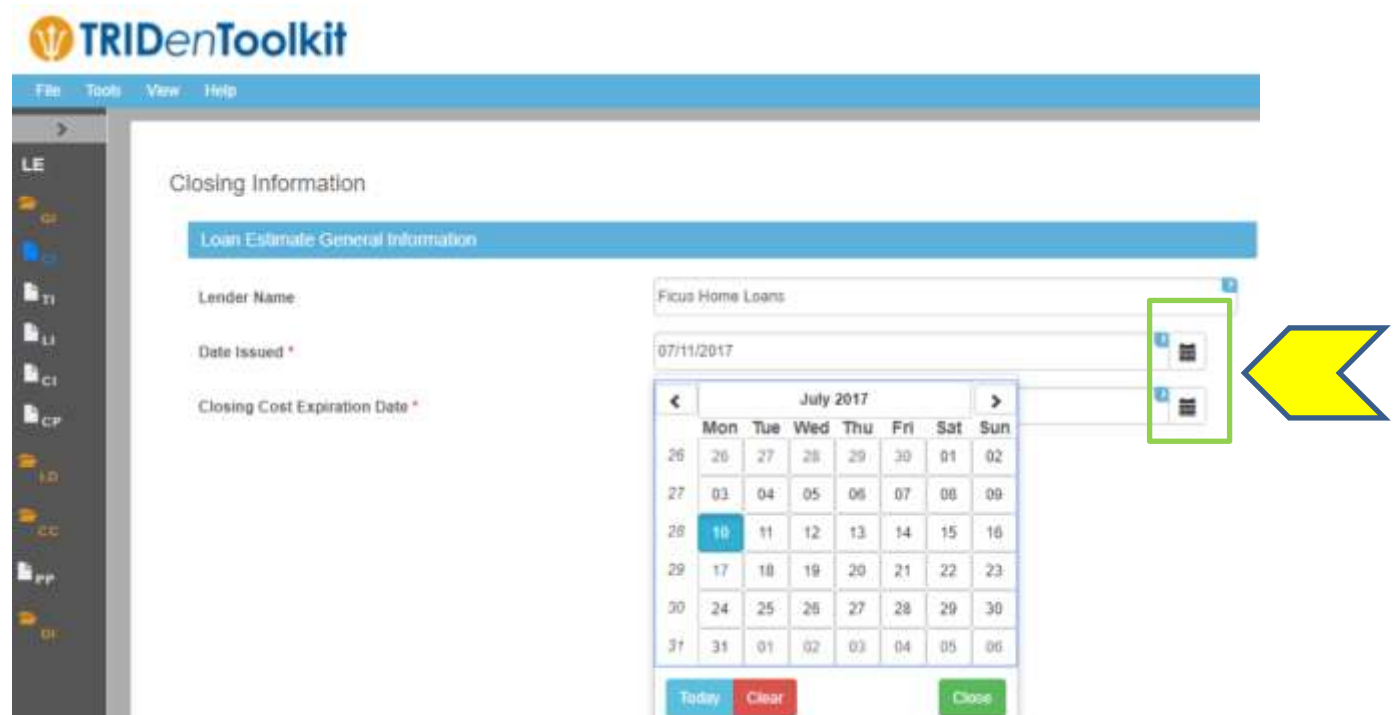
Radio Button Function

TRIDen Toolkit also offers radio buttons throughout the application for fields that may be utilized for multiple purposes. Based on user selection, TRIDen will provide only the relevant fields for the user to populate.

See the choice of Street Address vs.

Legal Description

Another Function found within the TRIDen Toolkit application is the use of buttons. The first button seen is the calculation button. When a value changes within the application that affects the calculations, the button will change color. This indicates to the user to click on the "Calculate" Button to refresh all the calculations within the application.

Navigation (Left) Bar

Another Button feature is the applications navigation buttons, "Back" and "Next". TRIDen Toolkit provides multiple ways for users to navigate between screens. Using the "Back" and "Next" buttons at the bottom of each page (where applicable) advances the user to the next screen in order of filling out the form. The user may also go directly to a specific section of the Loan Estimate by utilizing the form ordered navigation bar to the left side of the screen.
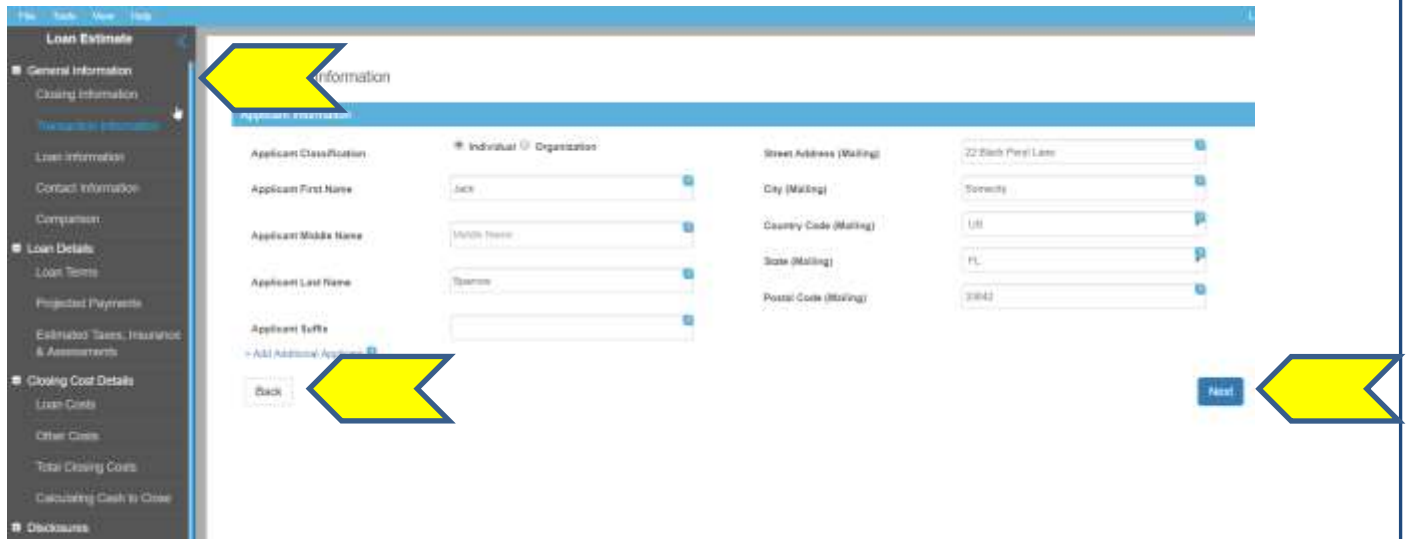
When selecting, the chevron at the top of the Left-Hand Navigation Bar, the hierarchy will expand or collapse allowing the user to have a larger or smaller screen for the body of the application.
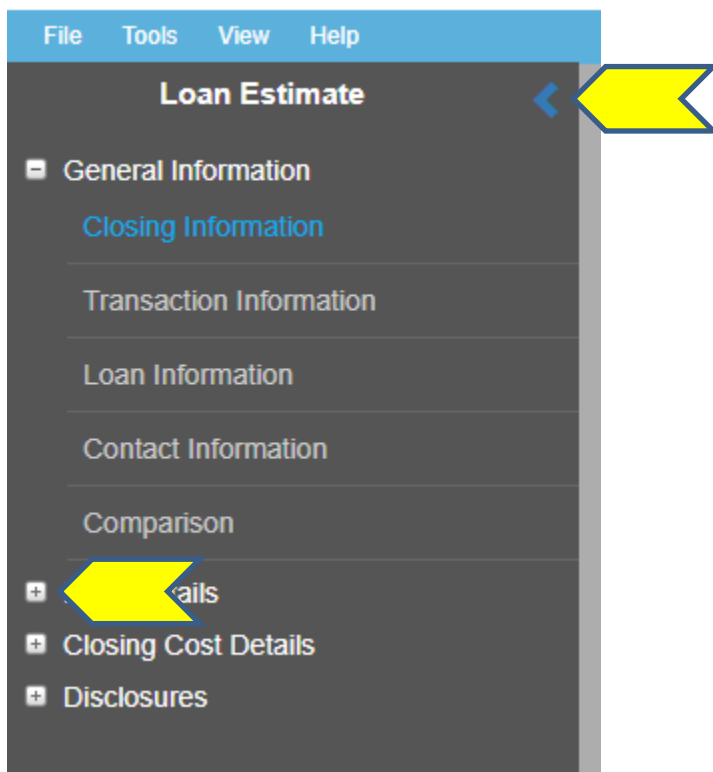
Opened   **Collapsed**

Note that if the user hovers over the abbreviated letters, in the collapsed view, the full name of the section will appear.

To expand the Left-Hand Navigation information to the lowest level open, users may utilize the "+" and "-" buttons to expand or compact the hierarchy.

Top Menu Bar

In the TRIDen Toolkit the top menu bar supports multiple functions such as;

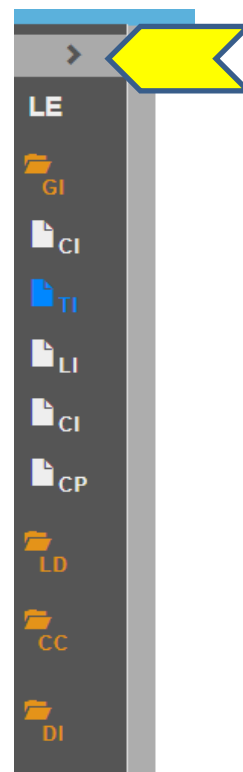- File – this allows the user the same functionality as when the user first enters the application, allowing the user to "New Transaction", "Existing Transaction" and "Open Template"
    - New Transaction – Will prompt the user to choose either LE or CD, Standard or Alternate form type and Purpose (Purchase or Refinance). The user may then manually enter data into the application.
    - Existing Transaction – user may upload a MISMO 3.3.0 formatted .xml file containing some or all data to view and edit in the application.
    - Open Template – using the .txt template that Actualize provides upon on-boarding the user may input values, in an automated fashion, into the template. The user may then upload the .txt file with some or all data to view and edit in the application.
- Tools – not applicable for the Loan Estimate
- View – Provides the user the ability to view the file.
    - View PDF, allows the user to view the PDF in either adobe or a viewer. The user may also print and/or download the Loan Estimate form fully ready for Borrower receipt.
    - View XML, allows the user to view the xml file in the browser. The user should download the Loan Estimate xml file. If the user downloads this file, the user can upload the LE file into the Closing Disclosure to speed along the data entry process.
- Help – Brings up the Section/Label explanation for each item found within each section.

Section: Closing Information

The opening section of the TRIDen Toolkit is "Closing Information". This section requires the user to populate information that includes the following:
- Lender Name, which is the organization name
- Property address or legal description of the property being held as the collateral for the loan
- Price Information
    - Sale Price if a purchase
    - Estimated Property Value or Appraised Property Value if a Non-seller transaction (see the screens below with the Yellow markers)

The closing cost expiration date automatically populates using a formula of "Date Issued + 7 days = Closing Cost Expiration Date".   This date can be changed by clicking on the calendar button to the right of the Closing Cost Expiration Date Field and choose a different date.

The Screen shots below depict both the Standard form (purchase) and the Alternate form (Refinance).

Purchase

Non-Seller

As mentioned under "General Use and Navigation", users may select a radio button to choose the appropriate "Property Information" type. As shown below, the TRIDen Toolkit allows either the Street Address which comprises of four fields. If the property does not have a street address issued yet, i.e. Construction loan with only a lot and plot, the user must populate a legal description, selecting the radio button that provides a text box to type in the description. Note that the user must still provide the City, State and postal code.

OR
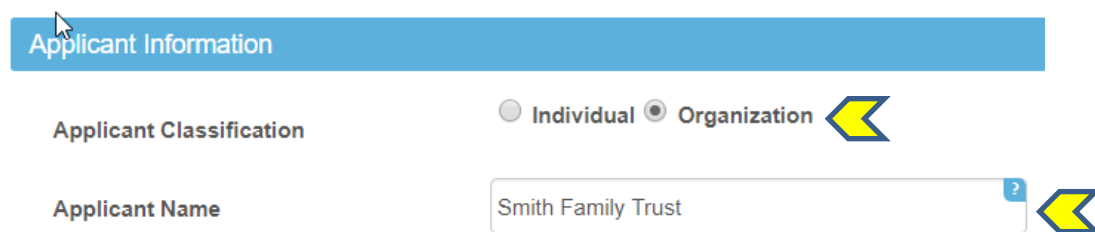
User then selects "Next" to move to the next section.

Section: Transaction Information

Upon execution of "Next" button in the Closing Information section, brings the user to the Transaction Information section. This section provides the ability to enter in the information regarding the applicant(s).

The Applicant Classification is a radio button that defaults the classification to an individual. The user must determine if the Applicant is either a person (individual) OR the Applicant is an organization, such as a Trust. If the applicant is NOT a PERSON then select the radio button "Organization". At this point the user will then need to input the Organizations Full name, e.g. Smith Family Trust

Transaction Information

Applicant Information	
Applicant Classification	○ Individual ● Organization
Applicant Name	Smith Family Trust

Otherwise; if the Applicant is a PERSON, the radio button automatically defaults to individual and no action is needed. The user then must fill in the following information:

- Applicant First Name – Required for the first Applicant
- Applicant Middle Name
- Applicant Last Name – Required for the first Applicant
- Applicant Suffix

See the screen shot below

Then the user must enter in the Applicant's mailing address, which includes the following information, notice in the screen shot below that the information requested is intuitive with the use of Street Address (Mailing)

- Street Address
- City
- Country Code - US or CA only, drives the states that are shown in the next drop down menu
- State – which is driven off the country code
- Postal Code – allows either 5 digits or 9 digits, otherwise will insert zeros

The TRIDen Toolkit provides a link called "+ Add Applicant" which opens a new Applicant section to enter in the Name and Mailing address of another Applicant. There is a limit (up to 10) applicants in the TRIDen Toolkit.

In addition, there is a check box in the Blue Bar of the next Applicant section below the primary, when checked the First Applicant's mailing address populates the next applicants mailing address, reducing the need for duplicate data entry.

Lastly, if the user has clicked the "+Add Applicant" link too many times, each applicant UNDER the primary applicant has a Trash can that when clicked removes the entire applicant section.

User then selects "Next" to move to the next section.

Section: Loan Information

The Loan Information section is comprised of two sub-sections; the first is the Loan Period, Type and Position. In this section the user provides the following information:
- Loan Term – There are 2 text boxes (No. of Years and No. of Months) per the CFPB rule.
- Lender Loan Identifier – This is the Loan # value on the Loan Estimate, some lenders may call this the account number until funding other simply call this value the loan number.
- Loan Type – Specifies if this is a conventional, VA, FHA, etc.… if the value is not in the drop down box the user may choose "Other" then the Description text box below will go from "Grey" to "White" indicating the user may enter the information.
- Rate Lock - The user must choose a value of either Yes or No, if Yes is chosen additional text boxes and labels will appear for the user to enter the following:
  - Date in which the rate is locked
  - Time of day in which the rate is locked
  - The AM or PM designation
  - Time Zone
- Purpose – is greyed out, the user selects the purpose upon logging into the application and making the selection in the "Select Transaction Mode" but the value is displayed in this section.
- Lien Position – This value is not shown on the form; however it is needed to support calculations within the TRIDen Toolkit.

The Second subsection of Loan Information is the specific details of the transaction and any special features found within the transaction such as; balloon payment, interest only or negative amortization. This section also support Mortgage Insurance, if the loan is a Construction Loan or a Construction to Permanent Loan.

Note the only time a Home Equity Loan information is available for the user to mark yes, is when the purpose is a Refinance transaction.

Note that these fields all default to "No", unless the user uploads an xml file or a template with the information already in the file. The user will only need to populate these fields if the transaction signifies one or more of these specific terms.

The user MUST enter in the Product Description, this is the item that will be rendered on the Loan Estimate PDF as the Product label. The user must also provide the amortization type using the dropdown menu, this drives all the calculations and payment schedule.

- If the user chooses anything other than Fixed, another section opens to support adjustments to both the interest rate and the payment, see the screen shot labels Adjustable Rate

Fixed Rate

Adjustable Rate

When the user selects the Adjustable Rate (or any amortization that does not equal fixed) additional information is required to support the calculations, loan terms, projected payments information within the form. The following information is needed:

Under the Adjustment Information – Interest Adjustment section the user must provide the following information that pertains to ONLY the INTEREST Rate CHANGES:

- Provide the number of months for the fixed period
- Provide the number of month for the first change period; AFTER the fixed period
- Provide the number of months for the subsequent change period; AFTER the First change period
- Provide the life of loan Cap Rate, this is the ceiling rate for the loan
- Provide the first change interest rate limit, this is the ceiling for the first specific interest rate change
- Provide the subsequent change interest rate limit, this is the ceiling for the remaining changes to the interest rate
- Provide the Floor Rate, this may be the initial interest rate or could be less than the initial interest rate.

Adjustment Information – Payment Adjustments

This section pertains to only the payment adjustments and drives the information in both the AP table (when applicable) and the Loan Terms table for associated adjustments from the interest rate changes

- Provide the number of months for the fixed period
- Provide the number of month for the first change period; AFTER the fixed period
- Provide the number of months for the subsequent change period; AFTER the First change period

The Remaining items in the screen shot below are all defaulted to No, if the user chooses Yes in the drop down then additional information is required, See further descriptions per section below.

Balloon Information

If a balloon feature is present in the transaction, the user is required to enter in the Amortization period of the payment (choices are Month or Year) then the Amortization Period Count (ex: 360). The Loan Terms would be based off the Loan maturity, this example is a Loan Maturity period of 10 Years for the Balloon (See the Screen shots below).

The Maturity must be to support the Balloon due at the end of year 10.

The Information for the Amortization period type and the count support the amortization schedule used to calculate the principal and interest Payment and Projected payments section.

Construction Loans (Construction Only or CtoP)

If the transaction is a construction or a construction to permanent (CtoP) with a single close then the user must select Yes in the drop down for the question, "Is this transaction a construction loan?"

If yes, the user must provide the additional information to the left of the drop-down box.

- What type of construction loan – user selects from the drop-down box of either construction to permanent or construction only
- What is the construction period in months – user enters the value in the text box
- The last text box is the total number of months for the transaction, if the transaction is Construction only then the user enters in the same value as the question above, if the transaction is a CtoP with a single close add the maturity of the permanent financing to the construction period and enter in the value

Mortgage Insurance

If Mortgage Insurance is present in the transaction, the user will provide the answer to "Does this loan require Mortgage Insurance?" question with the Yes or No drop-down box.

If yes, the user must enter in the MI 1st, 2nd and 3rd Factor Percentage and Duration in Months. In addition to the MI Company name.

MI Calculations depend upon the information the user has available to them. The subsections below describe each method for the application to calculate the MI within the transaction.

Method 1: User has MI contract details and wants to calculate MI termination

To insure accurate APR and related calculations, specify the full MI contract and let the calculator determine when MI terminates, e.g. when the Loan-to-Value (LTV) falls below 80%.
Inputs:
- The first factor and first factor duration
- The second factor and second factor duration (if a second factor is in the MI contract)
- The third factor and third factor duration (if a third factor is in the MI calculation)

Optional inputs (ignored by calculation):
- MI termination date

Optional inputs (overwritten by calculation):
- Initial MI payment

Note that the sales price is used as the "Value" component of LTV.

Method 2: User has the MI contract details and wants to specify MI termination

It is possible to specify the MI termination date. In this case MI will be calculated for all payments from disbursement date to MI termination date. Note that this can be less accurate if the termination date occurs before or after the month in which LTV falls below 80%.
Inputs:
- The first factor and first factor duration
- The second factor and second factor duration (if a second factor is in the MI contract)
- The third factor and third factor duration (if a third factor is in the MI calculation)
- MI termination date

Optional inputs (overwritten by calculation):
- Initial MI payment

Method 3: User has the MI payment but not the contract details, and wants to calculate MI termination

If the MI contract details are not known, but the initial MI payment is, it is still possible to calculate an accurate projected payment table in most cases and accurate calculation disclosures in some cases. For example, if there is only one MI factor, factor duration pair then both the projected payments and disclosure calculations will be correct. With this method when the Loan-to-Value (LTV) falls below 80%.
Inputs:
- Initial MI payment

Do **not** input:
- The first factor and first factor duration
- The second factor and second factor duration (if a second factor is in the MI contract)
- The third factor and third factor duration (if a third factor is in the MI calculation)

Optional inputs (ignored by calculation):
- MI termination date

Method 4: User has the initial MI payment but not the contract details, and wants to specify MI termination

Use this method if the MI contract details are not known but the initial MI payment is, and I want to specify the termination date.
Inputs:
- Initial MI payment
- MI termination date

Do **not** input:
- The first factor and first factor duration
- The second factor and second factor duration (if a second factor is in the MI contract)
- The third factor and third factor duration (if a third factor is in the MI calculation)

Mortgage Insurance

Does this loan required mortgage insurance?: *	Yes ▼	MI 1ˢᵗ Factor Percentage ___ %	Duration in Months ___
Scheduled Termination Date	MM/DD/YYYY 📅	MI 2ⁿᵈ Factor Percentage ___ %	Duration in Months ___
MI Monthly Amount	$ ___	MI 3ʳᵈ Factor Percentage ___ %	Duration in Months ___
MI Company Name:	Select ▼		

Interest Only Feature

If a transaction has an interest only feature the user must provide the total number of months for the feature.

- Does this loan have an interest only feature? - User may choose either Yes or No, otherwise it remains as "no" as the default
- If Yes, what is the interest only period? – this text box is where the user enters in the number of months for the interest only period.

Negative Amortization Feature

If a transaction has a negative amortization feature, the user must provide information regarding the feature.

- Does this loan have a Negative Amortization feature? – user may choose either Yes or No, otherwise it remains as "no" as the default
- If yes, the text box called "Indicate if Neg Am is Scheduled or Potential" – the user will choose from a drop-down menu either Scheduled or potential
- Regardless of the type of negative amortization, additional information is required
  - What is the Maximum Negative Amortization Loan Balance - the user must enter in the maximum amount
  - What is the negative amortization limit in months' count - the user must enter in a value for the number of months, ex: 24 to convey 2 years.

The CFPB regulation allows for a broad spectrum of other loan product features that, if present, must be in the Loan Estimate and eventually the Closing Disclosure.

Other Loan Product Features

In the screen shot below each question if answered with a yes opens another set of information that is required to be displayed in the form in a clear and concise method.

- Seasonal Loan
  - Does the loan have a seasonal payment feature? - These are typically loans such as a 'Teachers loan', the user may select Yes or No in the drop down. Defaults to No
  - If yes, then the user must provide the Start Month and the End Month in the drop-down menus.
- Step payment

- o Does the loan have a Step payment feature? – the user may select Yes or No in the drop-down menu. Defaults to No.
        - o If yes, the user must provide the number of months in which the step feature is in effect, ex: "36"
    - Optional Payment Feature
        - o Does the loan have an optional payment feature? – the user may select Yes or No in the drop-down menu. Defaults to No.
        - o If yes, the user must provide the number of months in which the optional payment may be in effect, typically this is seen as negative amortization however refer to the CFPB regulation for further rule insight.

User then selects "Next" to move to the next section.

Section: Loan Terms

The specific details of the loan being applied for are rendered in the loan terms screen. These terms include the following:
- Loan amount
- Interest rate
- P&I payment amount
- Prepayment penalty
- Balloon payment

All "Does this change after closing" Drop-down menus are defaulted to "No" unless information was input into the Section: Loan Information that can change the answer to Yes. The only exceptions are Prepayment penalty and Temporary Buydown.

For **Prepayment Penalty,** the user selects Yes in the Loan Terms section for "Does this change after closing?" and then fills in the remaining information manually. See the screenshot below:

In the bullet point that is rendered upon a "Yes" selection include:
- The value of the prepayment penalty in dollars
- Then the number of years in which the penalty could occur if you pay off the loan or refinance

For **Temporary Buydown**, the user selects Yes in the drop-down menu for "Does this change after closing?" and then the user must disclose if this buydown is reflected as part of the Note or if this is in a separate agreement.

In the screen shot above, the bullet point: Is the Buydown reflected on the note which a drop-down menu defaulted to "No". **Then there is no further action on this row.**

If the user selects "Yes"; the terms of the buydown need to be captured in the system. The purpose of capturing the buydown information supports the calculation for the Principal and Interest value as well as a GSE required information for the UCD xml file If the buydown is reflected on the Note.

- What is the rate as reflected without the Buydown – the user enters in the original Note amount as if there was not a buydown
- Provide the rate the borrower will pay after the buydown is applied - user enters in the bought down rate, this is the same value that will be rendered in the Interest rate row of the loan terms and used to calculate the P&I payment for the number of months in which the buydown is in effect
- Provide the time interval in the number of month between the interest rate increases during the buydown period – Typically buydowns increment up from the bought down rate to the original note rate, the system requires the ability to understand these changes to calculate the projected payments, ex: 12 (months)
- Provide the total number of months in which the buydown is in effect – shown in just a 2-digit or 3-digit format, ex: 36 (covers a 3 year buydown)
- Provide the amount by which the interest rate can increase at each adjustment when the buydown period is in effect - as with any type of interest rate adjustment must provide the number of months between the adjustments, ex: 12 (months)

The remaining drop-down menus for the question "Does this change after closing" cannot be manually changed, all information regarding changes to the Loan amount, Interest rate, Principal and Interest and Balloon are driven by the information in the section called "Loan Information". Everything is defaulted to "No" until Loan Information changes.

- Loan Amount – User enters/uploads the value in Dollars
  - If Negative Amortization is Yes in the Loan Terms Section, then additional information will be populated in the bullet point depending upon the entry by the user refer to Section: Loan Information
  - In the screen shot below note that the CFPB required bullet points are displayed with the information the user input into Loan Information for Negative Amortization.

- Interest Rate – User enters/uploads the value, ex: 4% would be entered as 4.0000, if the user does not enter in the .0000 the formatting is handled in the UCD .xml file
  - If the Amortization type does not equal "fixed" refer to Section: Loan Information for entry of the adjustment components (Interest & Payment), the additional CFPB required bullet points appear with the values being displayed due to data entry in the previous screen.
  - There are two choices for a user to fill in the remaining information in the second bullet point for Interest Rate;
    - User may **manually enter** the information for the "In year" portion of the bullet point that states "Can go as High As _____ in Year_____"
    - Or a User may execute the calculation function by clicking "Calculate" Button found in the bottom center of the section

Note: If Amortization type is equal to Fixed, then there are NO bullet points to be filled in.

- Principal and Interest – User has a choice for the value:
  - User may manually enter the information for the P&I payment value
  - Or a User may execute the calculation function by clicking the "Calculate" button found at the bottom center of the section
- If the amortization type is NOT equal to "Fixed"; then the system will display the CFPB required bullet points with some values already prefilled. These values are from the Section: Loan Information.
  - Like the P&I Payment amount, the user may manually enter in the information for the Second bullet point for both values required
  - Or a User may execute the calculation function by clicking the "Calculate" button found in the bottom center of the section

Note that once clicked in the section all calculations will execute throughout the entire application

- Balloon Payment – User enters information regarding the balloon feature in Section: Loan Information (maturity and amortization info), once the user goes to the Section: Loan Terms some of that information is rendered (see screen shot below)
- User must enter in the Amount due upon the balloon maturity in the bullet as defined by CFPB.

User then selects "Next" to move to the next section.

Section: Loan Costs

The Loan Cost section provides the user the capability to enter/upload fee information for the transaction. Type of fees include origination charges, services the borrower may shop for as well as services the borrower may not shop for and all associated information to support calculations.

As with prior screens, TRIDen Toolkit provides free-form fields and dropdown lists to facilitate the population of requisite data. Additionally, as with most sections in the application, the ability to add additional fees (a row), remove a row or simply clear a row is provided using icons and links.

- Add a row – the user may click on the link "+Add Additional Lines"
- Trash can icon – the user may click on a trash can to remove the entire fee line
- Circle arrows icon – the user may click on the icon to clear out the information in the text boxes but NOT remove the row.

See the Screen shot below for the icons.

Section A: Origination Charges

Header

In conjunction with the Loan Estimate Form Layout all rows with a valid value AND an amount will be displayed on the PDF form. In addition, the Section A. Origination Charges header has a total amount that captures the borrower fee amounts like the form, this amount will increase or decrease with the addition/removal of fees in the section.

Discount Points

As per the CFPB form and regulation the % of Loan Amount (Points) is always displayed on the form, so in the TRIDen Toolkit this row under Section A. Origination Charges will always be present and cannot be deleted. Information can be cleared out of the row, but it cannot be deleted.

Note in the First Column that is called Fee Label, for the discount point this value is already displayed as "% of Loan Amount (Points)" and allows the user to enter/upload the value for the %. This value will be on the PDF form when viewed, printed and downloaded.

All Remaining Fees In Section A. Origination Charges

Once the Discount points are completed the user may add additional fees. Under the Fee Label Column there is a text box, this allows a user to enter a Label Name in free form text format (if needed). If the user chooses a Fee Type that is close but not the exact name of the fee that is used by the organization, then type in the Fee Label the name that will be displayed on the Loan Estimate form. See the screen shot below for the example of Application Fee as the valid value but the label name is slightly different.

The next column is called "Fee Type", this contains a Drop-down menu with the UCD specification (MISMO based) enumerations for the instance of a fee under this specific section for origination charges. If the user does not see the fee name or something close, then the user may choose "other" and at that point the Description Box will appear dynamically for the user to type in a description. See Screen shot below.

If using the "Other" as the valid value and the Description free-form text box, do NOT input information into the label name. The System will display the description as the fee name on the PDF.

The remaining two (2) columns support the amount of the fee and asks a question "Included in APR?". The amount in the loan estimate will round per the CFPB regulation, so if a user enters in $10.55, the amount that will be displayed in the User Interface AND on the form, will be $11.

Note that if a fee is included in the row but the AMOUNT IS NOT present, then the fee will NOT be displayed on the PDF.

The question, "Included in APR?" is defaulted per section in the Loan Costs for All sections: A., B. and C. The user may change the indication from Yes to No as per the user's organization policy regarding APR calculations. The system is using this indicator to determine which fees will be included in the APR calculation refer to Section: Comparison. This indicator is also used to determine which fees are included in the finance charges and which are not.

Section B: Services Borrower Did Not Shop For

This section should be treated in the same fashion as the "Origination charges" and provides the same functionality, including the ability to add/remove/clear lines, and provide dropdown menu for the Fee Type with the UCD Specification (MISMO) defined enumerated values.

The only additional functionality is the "Back to Top" link to the right hand lower corner of the section, upon click this will take the user to the top of the Loan Cost section.

Section C: Services Borrower Did Shop For

This section should be treated in the same fashion as the "Origination charges" and provides the same functionality, including the ability to add/remove/clear lines, and provide dropdown menu for the Fee Type with the UCD Specification (MISMO) defined enumerated values.

The only additional functionality is the "Back to Top" link to the right hand lower corner of the section, upon click this will take the user to the top of the Loan Cost section.

Section D: Total Loan Costs (Borrower Paid)

This final sub-section of Loan Cost is Section D. Total Loan Costs (A+B+C) which is an automated summation of all fees from the prior three sub-sections. The total sum provided below should equal the total sum of each of the prior three sections, which you can find at the top of each individual section, also highlighted in blue.

User clicks the "Next" button to go move to the next section.

Section: Other Costs

Section E: Taxes and Other Government Fees

As the with sub-sections found in Loan Costs, the subsections in Other costs are very similar. The first section only has 2 rows with no ability to add rows or delete these rows. The user may clear the information, manually enter or upload the information into these two rows. They are crafted after the actual Loan Estimate form and allows a user to enter in the amount for the Recording Fees and for the Transfer Taxes when applicable.

In addition, the user must also indicate if the fee will be included in the APR calculation, the system defaults this value to no.

Section F: Prepaids

This section should be treated in the same fashion as the "Section: Loan Costs" subsections which provide the same type of functionality, including the ability to add/remove/clear lines, and provide dropdown menu for the Prepaid Type with the UCD Specification (MISMO) defined enumerated values and the ability to use a link to go "Back to Top" see the right hand lower corner of the section, upon click this will take the user to the top of the Other Cost section.

There are two differentiating factors for this section. First, there is the introduction of an automated Prepaid Interest calculation providing the user with the following fields:

- Per Diem Amount
- Number of Days

Upon entering this information and clicking tab, the amount value will populate as seen in the screen shot below.

Second, is the order of operation. If the transaction has an Escrow Account, it is recommended to fill out the Section G. Initial Escrow Payment first due to entering in the monthly amount. The Section F. Prepaids will use the monthly amount, for all rows with the CFPB pre-defined labels (ex: Homeowners Insurance premium, Property Taxes), to automatically provide the dollar amount when the Column "Number of Months" value is entered using the amount from Section G.

Any additional Prepaid item that the user chooses from the Prepaid Type drop-down menu will need data provided through entry/upload by the user. (see the yellow arrow below).

Like all other sections, if the user cannot find the appropriate Prepaid Type value, the user may choose "Other" and the dynamic Description Text box will appear or the user may input a Prepaid Item Label Name if the enumerated value is not exactly what is required by the organization.

Section G: Initial Escrow Payment at Closing

This section should be treated in the same fashion as the "Section: Prepaid" which provide the same type of functionality, including the ability to add/remove/clear lines, and provide dropdown menu for the Escrow Type with the UCD Specification (MISMO) defined enumerated values and the ability to use a

link to go "Back to Top" see the right hand lower corner of the section, upon click this will take the user to the top of the Other Cost section.

Like the subsection, F. Prepaids, TRIDen Toolkit provides automated calculations for each escrow type. Users should populate the fields under the two columns called "Amount Per Month" and "Number of Months", the application will automatically calculate the amount based upon entered information.

Like all other sections, if the user cannot find the appropriate Escrow Type value, the user may choose "Other" and the dynamic Description Text box will appear or the user may input an Escrow Item Label Name if the enumerated value is not exactly what is required by the organization.

Section G. Initial Escrow Payment At Closing						
Escrow Item Label	Escrow Type	Amount Per Month	Number of Months	Amount	Include in APR?	Delete / Clear
Homeowners Insurance	—	$ 201.00	12	$ 2,412.00	No	⟳
Mortgage Insurance	—	$		$	Yes	⟳
Property Taxes	—	$ 150.00	12	$ 1,800.00	No	⟳
	Flood Insurance	$ 50.00	6	$ 300.00	No	🗑 ⟳
	Select	$		$	No	🗑 ⟳

+ Add Additional Escrow Items   Back to Top

Section H: Other

This section should be treated in the same fashion as the "Section: Loan Costs" sub-sections which provide the same type of functionality, including the ability to add/remove/clear lines, and provide dropdown menu for the Fee Type with the UCD Specification (MISMO) defined enumerated values and the ability to use a link to go "Back to Top" see the right hand lower corner of the section, upon click this will take the user to the top of the Other Cost section.

Like all other sections, if the user cannot find the appropriate Fee Type value, the user may choose "Other" and the dynamic Description Text box will appear or the user may input an Escrow Item Label Name if the enumerated value is not exactly what is required by the organization.

The only differentiation to this section is the identification of the fee being "Optional". Per the CFPB rule, in this section if a borrower chooses a fee that is not required by the lender, an indication that it is optional must be provided. Each line in Section H. Other has an additional drop-down menu called "Optional Fee Flag" with a Yes or No value. Each row is defaulted to "No" the user must choose the "Yes". Once "Yes" is selected, upon view of the PDF the word (Optional) appears next to the fee name.

Section H. Other		$1,536.00		
Fee Label	Fee Type	Amount	Include in APR?	Delete / Clear
	Title Owners Coverage Premium ▾	$ 1,236.00	No ▾	🗑 ↻
	Optional Fee Flag: Yes ▾			
	Home Warranty Fee ▾	$ 300.00	No ▾	🗑 ↻
	Optional Fee Flag: No ▾			

+ Add Additional Fee

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Section I: Total Other Costs

This final section in Section: Other Costs is an automated summation of all borrower paid fees from the prior four (4) sections. The total sum provided below should equal the total sum of each of the prior four sections; which you can find at the top of each individual section, also in the blue header.

User clicks the "Next" button to go move to the next section.

Section: Projected Payments

This section depicts the payment or payment ranges depending upon the transaction terms. Per the CFPB regulation at least one column must be displayed and up to a total of 4 columns are allowed within the table to depict the payment or payment ranges.

Every item found within the section is editable by the user and may be updated using the calculate button. Inputs for the calculation of the payment come from Section: Loan Information and Section: Loan Terms, calculation of the MI from Section: Loan information and to calculate the Escrow (if exists) from the Closing Cost Details Section G. Initial Escrow Payment.

The only exception to the editing is there is no ability to directly change the Total Estimated (frequency) Payment amount row, this is simply a sum of each column for the payment or range of payments.

For rules regarding the information entered in to the section of projected payments see the CFPB Integrated Mortgage Disclosure regulation.

The following is a description of each user editable value:
- Payment Calculations (Blue bar) incorporates the Year Start and Year End per column. These are editable by the user or the user may simply click on the calculate button.
- + Add Additional Column – adds a column to the table but will not go past 4 columns
- Trash Can icon – removes columns
- Principal & Interest Payment – provides both a minimum amount and a maximum amount. For a user to display the Only interest verbiage, refer to Section: Loan Information – Interest Only.
- Mortgage insurance – May be edited by the user or the user may simply click the Calculate button; however, the user must input the values for MI in the Section: Loan Information
    - Note that the MI Scheduled Termination date will drive when the $0.00 for the column is rendered upon MI is no longer required
- Escrow Payment Amount – this amount is derived from the Section: Closing Cost Details, G. Initial Escrow Payment.
    - If there is no escrow account, the system will display a $0.00
    - If there is an escrow, the system will display the same amount in each column
- A drop down in Estimated Total Payment Amount defaults to Monthly and is required to support the GSEs UCD xml file. If the payment is made on a different frequency the user must choose one from the drop down and click Calculate to re-calculate all payment information.

Projected Payments

User clicks the "Next" button to go move to the next section.

Section: Estimated Taxes, Insurance, and Assessments

In the TRIDen Toolkit, the section called 'Estimated Taxes, Insurance and Assessment' is broken out into its own individual page. Some of the values are derived from other sections of the form, such as the "In Escrow?" question that comes from Section G. Initial Escrow Payment. If the Property Taxes and Homeowners Insurance is in Escrow, the ETIA Items will have a check mark in the check boxes and the In Escrow will automatically display Yes in the drop-down menu.

The first two (2) rows are pre-defined by the CFPB rule will always display "Property Taxes" and "Homeowners Insurance"

Per the GSEs UCD specification, if there are multiple property costs each one must be identified as its own instance in the UCD xml file. The system functionality allows the user to "+Add Additional Items" by clicking the link below. The user then may choose from the drop-down menu under the column labeled ETIA Items. The "In Escrow?" designation will automatically be set to "No" since the item is not being driven by Section G. Initial Escrow Payment.

The total Estimated Taxes, Insurance and Assessment dollar amount MUST be entered by the user.

User clicks the "Next" button to go move to the next section.

Section: Total Closing Costs

This section provides the user the ability to view the total Closing Costs Amount and the capability of entering in the Lender credits, if any. The amount the user enters is an absolute value. The system provides the negative symbol automatically, see screen shot below.

As a best practice, the user should validate the amount of Closing Costs (D+I) to assure accuracy. If the system provides an incorrect amount, the user should refer to the related section and verify.

User clicks the "Next" button to go move to the next section.

Section: Calculating Cash to Close

This screen is the culmination of previously entered data and allows for additional data to be entered to calculate the estimated cash to close that a borrower will be expected to bring to the closing of the transaction. The table is specific to the form type, the below screenshot supports the "Standard Form" used for a Purchase, but could also be used for a non-seller type of transaction. Note that the GSEs require the "Alternate form" for the non-seller type of transaction.

Standard Form – Calculating Cash To Close Section

In the Loan Estimate, there are only two (2) values that cannot be directly changed, this is the Total Closing Costs (J) and the Cash To Close. Both are a result of calculated values; the Total Closing Costs (J) comes from the Closing Cost Details and the Cash to Close is a result of the calculation within this section.

Signage is also specified per value text box, except for "Adjustments and Other Credits". If the Adjustments and Other credits value is a negative value, then the user MUST include the sign within the text box. This function supports the CFPB rule that states this could be a positive or negative value.

All other values are either a $0.00 where a user may enter a value OR there is a dollar amount which is driven by additional data found within the application and a calculation is executed automatically. These values may be overwritten by the user.

LE – Calculating Cash To Close "Standard Form"

Alternate Form – Calculating Cash to Close Section

Like the Standard form, in the Alternate form there are calculated values that are pulled into the Cash to Close table. See the screen shot below, the Loan Amount and Total Closing Costs (J) are pulled into the section from other locations within the application. The Only value that impacts the Estimated Cash to Closing is the Estimated Total Payoffs and Payments amount. This amount is estimated by the user and input which will be carried over into the Closing Disclosure if the user uploads this output XML.

In addition, the user may also enter in the Estimated Closing Costs Financed, this does NOT have any implications on the Total Estimated Cash to Close.

Lastly, the uniqueness of the Alternate form includes the distinct check box of whether the funds are coming from the Borrower or going to the Borrower, this check mark is derived only through the calculation of the Estimated Cash To Close.

Calculating Cash to Close – Alternate Form

User clicks the "Next" button to go move to the next section.

Section: AP (Adjustable Payment) Table

The section supports the AP table; which is a dynamic function of the application. The only time this table will appear is if there is a feature requiring its use (e.g. Interest only) Otherwise, the table will not be present in the application. If any of the following statements found in the Section: Loan Information are Yes then the AP table will be displayed with values calculated depending upon the additional information provided in the Loan Information Section.

- Does this Loan have an interest only feature? – answer "Yes"
- Does this Loan have a season payment feature? – answer "Yes"
- Does this Loan have a Step Payment Feature? - answer "Yes"
- Does this Loan have an Optional Payment Feature? – answer "Yes"

 Due to current market conditions, the primary feature for the AP table is "interest only". The example below depicts the Interest Only statement and payment changes per the rule define by CFPB.

Adjustable Payment (AP) Table

Interest Only Payments?	Yes	* For your first 24 Payments
Optional Payments?	No	
Step Payments?	No	
Seasonal Payments	No	
Monthly Principal and Interest Payments		
First Change / Amount		* $ 1,044.90 at the 25 payment
Subsequent Changes		• No Subsequent Changes
Maximum Payment		* $ 1,044.90 at the 25 payment

Back   Next

The section at the top of the AP table is driven by the Section: Loan Information to depict the appropriate sentence and values.

The Second section of the AP table called "Monthly Principal and Interest Payments" Provides the information per the CFPB forms to depict the changes in the payment per the feature. In the example above, this is an example of a Fixed Rate with a 2-year Interest Only payment feature.

Only two (2) fields are editable; the First Change Amount and the Maximum Payment amount may be changed/edited by the user. These are calculated values within the application; but provides the flexibility for the user to manipulate the value.

The number of payments is driven by the term of the interest only feature found in Section: Loan Information. If the user wants to change this value, the number of months for the Interest only terms in Loan Information must be changed.

If the amortization type is NOT Fixed, then the dynamic table will display the bullet point for the Subsequent Changes to support the transaction, not applicable to the example above. However; all information for adjustments is also found in the Section: Loan Information dynamically provided when the amortization type is not equal to Fixed.

User clicks the "Next" button to go move to the next section.

Section: AIR (Adjustable Interest Rate) Table

In a transaction where the amortization type is not equal to fixed and is driven by interest rate changes, the AIR table must be displayed. This function is a dynamic function found within the application driven by the values found in Section: Loan Information using the Adjustment- Interest Rate values.

Only two (2) fields are editable by a user in this section; Index + Margin must be entered by a user.

- **(User Entered)** Index + Margin: A fixed percentage rate that is added to an index value to determine the fully indexed interest rate of an adjustable rate mortgage (ARM)
- Initial Interest Rate: The interest rate the loan started all calculations (calculated field)
- Minimum / Maximum Interest Rate: The lowest (floor) and highest (cap) interest rates the loan can assume (Loan Information field)
- First Change: The month at which the interest rate of the loan can first change (Loan Information field)
- Subsequent Change: The number of months each interest rate change can occur after the initial change (Loan Information field)
- First Change: The limit on the Interest Rate for the first change (Loan Information field)
- Subsequent Change: The limit on the Interest Rate for the subsequent changes (Loan Information field)

User clicks the "Next" button to go move to the next section.

Section: Other Considerations

This screen outlines whether the loan can be assumed under the original terms, late charge information, and whether the loan will be servicing retained by the originator or will be a transfer of servicing.

The application houses all 50 states rules for late payment charges, this information may be accessed through the click of the "Input State Values" button. This button uses the property address state to pull the appropriate state value to automatically input into late charges.

All values in Late charges may be overwritten by the user or manaully entered/uploaded.

User clicks the "Next" button to go move to the next section.

Section: Contact Information

The Contact Information in the Loan Estimate captures information for the lender and/or the mortgage broker (if applicable).

Lender Name for the organization will appear due to the user entering or uploading the name to Section: General Information.

All Lenders are now required to have a NMLS ID both for the Organization and the Loan Officer level. The application provides the ability to either enter the NMLS ID or Choose the State via the drop-down menu and enter in the License Identifier in the text box.

Other information to be provided include:
- Loan Officer Name – provide both the first and last name known as the label "Full Name"
- Loan Officer NMLS ID
- Loan Officer email and phone

Similarly, for the Mortgage Broker, if present in the transaction.

User clicks the "Next" button to go move to the next section.

Section: Comparison

As on the Loan Estimate form defined by the CFPB, there are 4 measures to review:

- The total the borrower will have paid in 5 years in principal, interest, mortgage insurance,
- The loan costs and the principal paid off in 5 years,
- The Annual Percentage Rate (APR) or costs over the loan term expressed as a rate (Note: This is not interest rate.), and
- The Total Interest Percentage (TIP) or the total amount of interest that the borrower will pay over the loan term as a percentage of his/her loan amount.

These measures can be used by a borrower to compare this loan with other loans. The TRIDen Toolkit can calulate this information through the use of the "Calculate" button.

Otherwise the user must either enter/upload the values to be displayed in the PDF and included into the XML file.

User clicks the "Next" button to go move to the next section.

Section: Confirm Receipt

The Confirm Receipt section is the final section within the application for data entry or upload. This section gives the user the ability to include a signature line and date on the loan estimate or not.

In addition, the user is presented with a statement "Data entry Completed" and the Generate PDF button and the Generate XML button to indicate the next steps in creating the Loan Estimate to send to the borrower and download the xml file for storage and use when the Closing Disclosure begins.

End of User Guide for Loan Estimate