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# DEAL PROCESSING 101

## Preparing Client Signing Package

### Handling a Declined File



# You have...



- Met with your client(s) and obtained the necessary information to process the mortgage application
- Successfully entered/uploaded the required info into Boss 5.1
- Submitted the application to a lender
- Received an approval/mortgage commitment!!

***Now what do you do...***



# Client Signing Package Checklist



- Review the commitment letter to ensure accuracy...confirm the mortgage amount; interest rate; closing date; amortization period; payment amount is correct
- If the above info is correct review approval and conditions associated with the approval with the client(s) to make sure all conditions can be satisfied/met
- If client wishes to proceed with the offer/approval it is time to prepare the client signing package...
- What documents are included in a client signing package?
  - Mortgage application
  - Privacy/consent form
  - Mortgage commitment/approval
  - Disclosure document to borrower (follow your provincial regulatory guidelines)
  - Amortization schedule
  - Creditor insurance application (follow your provincial regulatory requirement)
  - If applicable, letter of direction for brokerage fee

# Where do I locate the documents required for the client signing package?

The screenshot shows the Mortgage Boss web application interface. The browser address bar displays the URL: <https://5.mortgageboss.ca/#/main/deal/forms?id=4228707>. The application header includes the Mortgage Boss logo, navigation tabs for DEALS, CONTACTS, REPORTS, and EXPENSES, and buttons for + DEAL and + CONTACT. The user's name, KYLE ERICKSON, is displayed in the top right corner.

The left sidebar contains a list of navigation items: Summary, Application Details, Credit Bureau, Participants, Forms (highlighted in orange), SafeDocs, Attachments, Lender Submit, Lender Response, Accounting, Leads, Notes, and Services.

The main content area is titled 'Forms' and displays a table of forms for the deal '01-0000-02077144 - Joe Test - Deal Progress 11%'. The table lists various forms and their corresponding actions.

Form Name	Actions
Amortization Schedule	Generate
Privacy Agreement (EN)	Print
Privacy Agreement (FR)	Print
Disclosure To Borrower	Edit, Print
Form 1	Edit, Print
Form 1.1	Edit, Print
Form 1.2	Print
Form 2	Edit, Print
Form 2.1	Print
Form 3.0 - Investor/Lender information – Non-qualified Syndicated Mortgage	Download
Form 3.1 - Suitability Assessment ? Non-qualified Syndicated mortgage	Download
Form 3.2 - Disclosure Statement- Non-qualified Syndicated Mortgage	Download
Consent Form	Print

# Review before signing...

## IMPORTANT

- info/numbers are accurate such as...
- mortgage amount
- interest rate
- amortization period
- loan and payment amount contained in the mortgage commitment must match the borrower disclosure and amortization schedule



# SafeDocs Feature



- allows you the ability to safely and securely communicate with your clients regarding supporting documents/paperwork required to satisfy any conditions associated with the mortgage approval
- such as – ID; income docs; downpayment and so on
- sends an email to your clients where you can customize any specific requirements with a secured link for your clients to upload supporting documents (ie. Employment letter; bank account or investment stmts)

# SafeDocs...cont'd

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DEALS CONTACTS REPORTS EXPENSES + DEAL + CONTACT Search KYLE ERICKSON

Summary Application Details Credit Bureau Participants Forms SafeDocs Attachments Lender Submit Lender Response Accounting Leads Notes

01-0000-02114889 - Joe Test - Deal Progress 11% Last Opened Deals

### Safe Docs

<input type="checkbox"/> Initialed Application	N/A
<input type="checkbox"/> Privacy Agreement	N/A
<input type="checkbox"/> Borrowers ID	Outstanding
<input type="checkbox"/> Purchase and Sale Agreement	N/A
<input type="checkbox"/> MLS Listing	N/A
<input type="checkbox"/> Income Verification	Outstanding
<input type="checkbox"/> Proof of Downpayment	Outstanding
<input type="checkbox"/> Separation Agreement	N/A
<input type="checkbox"/> Proof debts are paid	N/A
<input type="checkbox"/> Signed Commitment	N/A
<input type="checkbox"/> Signed Provincial Regulators Disclosure(s)	N/A

MB Mortgage BOSS

DEALS CONTACTS REPORTS EXPENSES + DEAL + CONTACT Search KYLE ERICKSON

Summary Application Details Credit Bureau Participants Forms SafeDocs Attachments Lender Submit Lender Response Accounting Leads Notes

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<input type="checkbox"/> Signed Mortgage Insurance Application	N/A
<input type="checkbox"/> Signed PAD form and Void Cheque	N/A
<input type="checkbox"/> Other Documents	N/A
<input type="checkbox"/> Creditor Insurance Application	N/A
<input type="checkbox"/> Creditor Insurance Void Cheque	N/A
<input type="checkbox"/> Ineligible for Insurance	N/A
<input type="checkbox"/> Commission report (automatically generated)	N/A
<input type="checkbox"/> Credit Card Application	N/A
<input type="checkbox"/> Equifax Employment Report	N/A
<input type="checkbox"/> Summary	N/A
<input type="checkbox"/> Mortgage Application	N/A
<input type="checkbox"/> Credit Bureau	N/A

REQUEST DOCS.





# Paperwork has been signed... now what?



- Save/convert to 'pdf' format
- Upload the signed paperwork as well as supporting documents (ie. income) in Boss 5.1
  - required for audit/compliance purposes
- For lender review, upload to lender portal or email to underwriter or document specialist
  - process varies from lender to lender
  - if you are not sure of the lender's process for sending/uploading signed and supporting paperwork ask the underwriter for guidance

**SIGNED, SEALED  
AND DELIVERED** ✓

The screenshot shows the MortgageBoss web application. The browser address bar displays the URL: <https://5.mortgageboss.ca/#/main/deal/attachments?id=4228707>. The application header includes the MortgageBoss logo, navigation tabs (DEALS, CONTACTS, REPORTS, EXPENSES), and buttons for '+ DEAL' and '+ CONTACT'. The user is logged in as KYLE ERICKSON. The main content area shows the 'Attachments' section for a deal with ID 01-0000-02077144, titled 'Joe Test', with a progress of 11%. A dashed box indicates where to drag and drop a file, with a 'BROWSE' link and a 'Merge' button. Below this is a table with columns: DATE, OWNER, SUBJECT, and NOTES.

DATE	OWNER	SUBJECT	NOTES

■■■■■ **TIP** — lenders DO NOT have access to MortgageBoss so they cannot access any documents uploaded to the 'Attachments' section of the deal. Any signed (ie. Mortgage commitment) and supporting paperwork (ie. Income) the lender requires has to be sent to the lender as well. The process for submitting documentation to a lender varies lender to lender...if unsure of the process consult with the underwriter.

# How to Handle a Decline

In a perfect world you would receive an approval on every single file submitted...unfortunately we do not live in a perfect world.

How do you handle a declined file?  
Different decline reasons require different approaches...

The following are common reasons a deal is declined by a lender:

- damaged/bruised credit
- DSRs are not inline
- issues with the subject property/security
- limited job stability/tenure



# How to Handle a Decline...cont'd



How to handle with a client if the credit application is declined...first and foremost, obtain the reason for the decline from the lender/underwriter. If the reason is due to...

- bruised/damaged credit – review the credit file with your client explaining the area(s) of issue. If the issue is previous missed/late payments explain the importance of making payments on time even if it is the minimum amount...missed or late payments obviously have a negative impact on the credit score. Active collections reporting – advise the client to address with the creditor (ie. Cell phone company) immediately in order to resolve the matter. There are many factors that can have a negative impact of an applicant's credit rating. It is an important part of your duty/responsibilities to read and understand credit reports so you can discuss and explain to clients. If you are not sure about an item reporting on a credit file contact your franchise owner; team leader; or veteran colleague/agent
- DSRs not inline – review your numbers to make sure they are accurate...property taxes are correct; maybe decrease the heating component cost slightly; review income to ensure accuracy; liability/debts payments are reporting correctly
- Subject property/security – not only does a lender look at the borrower(s) when underwriting they also review the security/collateral that is part of the overall application. A lender might be OK with the borrower but have an issue with the subject property. If a property is in a state of disrepair; located in an undesirable location are just a couple of reasons a lender could decline an application due to property
- short job stability/tenure – if an applicant has a history of jumping from job to job without industry consistency, meaning...over the past few years the applicant has been a car salesperson; landscaper; call centre operator and so on a lender will have issues or concerns with that kind employment history

# How to Handle a Decline...cont'd



If you receive a decline don't just say to the client thanks for the opportunity...best of luck to you! Provide options; direction and guidance...a deal might not be here today but with proper guidance and advice there could be one in the future.

- Bruised credit – if you received a decline from an 'A' channel lender advise your client there are alternative/'B' channel lenders who are more flexible and not as rigid when it comes to credit scores/management. However, be sure to advise your client the alternative lenders do carry higher rates and lender fees. If credit management strategies (ie. Credit utilization reduction) can be applied to increase the score the client might be in a position to reapply in a couple month's time with a stronger/increased score
- DSRs not inline – previously discussed...is there an option to bring additional income to the equation via another applicant (ie. Family member); an option to increase the downpayment; debt paydown option (ie consolidation loan...Lendful/Fairstone); if none of the above are options decrease the mortgage amount until the DSRs are inline
- Subject property – if it is a purchase and the MLS listing contains words/phrases such as, 'handyman special'; 'as is'; 'fixer upper' and so on a lender will exercise extra due diligence when assessing the property so advise/prepare your clients accordingly. Declined due to property happens more in the 'A' channel world...if it is an owner occupied purchase you could approach using the purchase plus improvements product so the lender/insurer knows property renos/upgrades will be part of the transaction. Or, look at the alternative lender channel
- limited job stability – ask if a coborrower/applicant is an option to bring strength and stability to the application. Or, again if declined in the 'A' channel you can try the alternative lender channel

