

Standard Operating Procedure

7 Mortgage

Partner MLO Process Flow Overview:

1. Login into Mortgage Cadence Weblink
2. Input and Submit the Application. If member input, review Edit 1003 pages.
3. Review Loan Summary Page, Credit Report and DU under Order Services Tab, and Closing Cost Details Page under Pricing on the Loan Summary Page. Then pull Disclosures (If not using CUC Title, need to get a fee sheet from the title company that the member is using and update the fees in the system if you can at that time) Run Interthinx
4. Reprice/Restructure if needed, would need to pull DU and Re-Disclosure if you have already pulled disclosures. Run Interthinx again.
5. Document how disclosures were delivered on the Timing & Delivery Page. If you have issued a revised LE and it is mailed, emailed, or overnighted, you can now document an early receipt if the member has let you know that they have received the documents earlier than the 3 day mail rule.
6. These documents need to be signed by the member. (Refer to the **Checklist** for all documentation to be sent in for a file)
 - **1003 (URLA) (This will also be signed by the MLO)**
 - **Borrowers Authorization**
 - **Intent to Proceed**
 - **Loan Estimate (LE)**
 - **Affiliated Business Arrangement (if property is in TN) (if port loan, will not have this page)**
 - **4506-T**
 - **SSA-89**
7. Once the member lets you know they want to proceed then you will document this in PATH under Review Application Section, Confirm Application Information Page.
8. Review member documents upon receipt and update the system to match.
9. **Appraisal Fee cannot be collected until Intent to Proceed has been received. Once Intent to Proceed has been received, the appraisal fee can be input by credit card or mailed to CU Community. (Intent can be verbal, you need to document under Path)
10. Upload documents to the Virtual Loan Folder (VLF). Remember to include the checklist.
11. Change status of loan to File submitted and input Received in Processing Date
12. Work with processor for any outstanding conditions.
13. Upon receipt of appraisal, review and send to member.
14. Review CD with member.

Please Note:

If locking a Secondary Market loan, please fill out the Rate Lock Request form electronically and send by email to rates@7.coop

Closing Disclosure:

At the time of closing, the Closer will prepare the Closing Disclosure (CD) and coordinate with the Title Company assigned to the file to verify that the CD is complete, accurate, and approved. The CD will be sent to the MLO by the Coordinator and MLO will deliver CD to the Member.

- Email
- Hand delivered
- E-delivery (Future Enhancement)

The MLO will be responsible for documenting under the Timing & Delivery screen if member confirms early receipt, along with typing a descriptive loan note in Loan Notes.

How to lock a Portfolio Rate:

- From the **Loan Summary Page**
- Click on **Lock Loan** in the Gray under **Pricing**
- Under **Lock Type**, click on the **bubble** beside your name and hit **Continue**
- Click on **Submit Rate Lock**
- You will now see it has been locked. This will be for 45 days. If you know at that time, it is going to be 60 days, etc., just adjust the end date and then hit update.
- You can now go to the **Loan Summary Page**, look beside **Lock Exp. Date** and see if it looks correct.
- Now from the **Loan Summary page**, if rate lock has caused a change in the rate or fees, please see directions on Generating Disclosures- Change in Circumstance.

NOTE: Please only lock loans for portfolio loans, never secondary. Secondary Loans, we not only have to lock in the system but with Fannie as well. Please fill out the Rate Lock Request Form and email to rates@7.coop and let our operations team lock the Secondary loans so that we can make sure everything matches up correctly.

Generating Disclosures - Change In Circumstance:

Summary:

Below are the steps for generating disclosures after a valid Change in Circumstance. Not all changes to a loan will result in a valid Change in Circumstance.

8 Reasons for a Change in Circumstance:

1. Extraordinary Event
2. Inaccurate Changed Info
3. New Information Specific to transaction
4. Info Affecting Eligibility
5. Borrower Requested
6. Changes Because Rate Not Locked
7. Intent to Proceed Expired
8. Delayed Settlement Construction

Steps:

1. Fill in reason for Change in Circumstance form completely
2. Go to "Order Services" Tab
3. "SELECT SERVICE" Drop down tab
4. Initial Disclosures – Doc Center and then click "GO"
5. Change in Circumstance Screen will appear – Select Change In Circumstance reason from the drop down list

6. Add description for change of circumstance. "Save" at bottom of screen.
7. You will be re-directed back to the top of the **LE**.
8. Verify in message box that change of circumstance has been applied. Once verified, scroll to the bottom of the screen and select CONTINUE
9. Initial Disclosure- Doc Center screen will appear:
LE
LE only: YES (unless changing from FRM to ARM)
Press Submit button
10. Order Service screen will appear and the status section will show "SUCCESS" when disclosures have been pulled.
11. Click on the hyper link "SUCCESS" the application disclosure page will appear to see the link for the member's disclosures.
12. Click – Initial Disclosure Document Package then disclosure will appear in a PDF. **Review for accuracy.**

Turning a TBD application into an Application

Summary: Below are the steps for turning a TBD application into an application that can be worked in the Loan Fulfillment Center.

Steps:

1. Go to the "Edit 1003" Tab at the top of the page
2. Select "Base Loan Amount" and fill in the correct amount
3. Under the Property Information section fill in the correct property address
4. Under the "Down Payment Information" section correct the down payment amount
5. At the bottom of the screen – hit Save
6. Go to the "Transaction Details " page in the "Edit 1003"
7. Edit the Purchase Price and Seller Paid Closing Costs,
8. Under the "Other Credits" section list the Earnest Money Paid
9. At the bottom of the screen – hit Save
10. Go to the "Additional Data" page in the "Edit 1003"
11. Beside "Property Estimated Value" list the sales price of the property
12. Beside Scheduled Loan Funding Date list the contract closing date
13. At the bottom of the screen - hit Save
14. Go to the "Path" tab at the top of the page
15. **Click on Review Application / Click on Update Purchase Information inputting the date in TBD Conversion Date field. – This is a required field**
16. Then update the Purchase Contract Date, Expiration Date, the realtors, and seller information
17. At the bottom of the screen – hit Save
18. Check the Closing Cost Detail Page to see if fees are correct.
19. Pull Disclosures

PATH...Review Application: (Screenshots are also included in this booklet)

- Confirm Application Information.....You will need to fill in Borrower Intent to Proceed Indicator, Intent to Proceed Method, and Intent to Proceed date.
- Review Credit and OFAC Alerts.....Reminds you to look over your credit report. You might see something that you could be addressing while you are waiting on documentation from your member.

- Review Compliance Check.....Let's you know if you have pulled Compliance or not.
- Verify Loan Program/Price and Lock Loan.....You can confirm you have the product and the rate you want. As well, will show you rate lock expiration if the rate is locked.
- Update Impounds.....You can see if Escrows are waived or not waived.
- Timing and Delivery.....We all will be looking at this one a lot. You can also find this one off of the Loan Summary Page. This page has the place where you can input Early Receipt of the LE when there has been a revised LE sent out.
- Update Purchase Information.....This is where you put in the TBD conversion date. As well as, the purchase contract date and the purchase contract expiration date. You will also need to fill in the Selling and Listing Agents info. This is where we will be going for information to give to the appraisal company. If it is a FSBO, please fill in the Seller's information.
- Staff Assignment/Status/Notes..... This is where you can change the loan status File Submitted as well as input the Received in Processing Date.

Interthinx PredProtect Compliance Report:

- Go to Order Services Tab
- Go to down arrow beside Go!
- Pick Compliance-Interthinx PredProtect
- Hit Go!
- Fill in 0.000 beside Overridden Bona Fide Discount unless the rate it truly being bought down. If that is the case, please ask for guidance.

Uploading documents into Virtual Loan folder (VLF):

Summary: The Virtual Loan Folder automatically recognizes and separates documents and puts them in a virtual file folder where anyone you choose can access them at any time. Accelerate the Lending Process and Increase Efficiency

- Complete workflow automation and notification
- Flexible, user-defined document stacking orders
- Automatic population/modification of data fields according to pre-existing Loan information
- Automatic indexing of documents
- Instant document retrieval
- Automatic recognition and classification of hundreds of document types

Improve the Borrowing Experience

- Email, fax, or web uploads at the loan level
- Collaborative workflow with secure messaging and messaging logs.

Once all documents are reviewed and signed with member / employee the MLO will follow the steps below in uploading the required documents to the Virtual Loan Folder "VLF".

NOTE: If there are any additional documents that need to be uploaded after the first initial upload you will still be able to complete the task as these documents will be filed under "Received Mail".

Steps for uploading to VLF:

1. Scan all required documents with completed signed and dated application checklist to MLO computer (Scan to Self). Save as PDF and name appropriately.
2. Log into the Pipeline Weblink and review loan summary for your file.
3. Under "ACTIONS" go to "VLF" Virtual Loan Folder: Click and go into folder.
4. Click at top right hand corner : "UPLOAD FILE"
5. Click "BROWSE" Find the corresponding saved PDF file that has member's documents associated.
6. Click upload and wait for file to be uploaded by system.
7. After upload click on close.
8. After file is uploaded you will be able to access in the "RECEIVED MAIL" to make sure that all documents were uploaded. Katie will go through them there and file them.

How to take an Application: (Screenshots are also included in this booklet)

Login to the Pipeline Weblink Site

- Click on Consumer App (You can also start with Cons Loan Consultant if you want to price the loan first.)
- Select your institution.
- Fill out if the borrower is a member or not. If no, then you will need to stop and make them aware that they do have to be a member of your credit union for both portfolio and secondary loans. To continue, you will need to say yes that they are a member. If you know the member's account number, please fill that in and if not, leave blank. Then scroll down to find the type of loan that that the member is applying for.
 - For Example:
 - Click on "**Purchase**" for loan type
 - Click on "Tennessee" for state property located in
 - Click on "**Continue**" in blue tab.
 - **Create Login for the member.**
 - Username (5 to 10 characters)
 - Password (at least 6 characters and has to have one numeric character.)
 - Is one of our team helping you? Scroll down and click on the Loan Representative helping them. If this is you, pick yourself.

Step One: About You.

- **Primary Borrower**
 - Fill in First Name, Last Name, SS#, and Date of Birth. (Name should be input like it is on their driver's license. Look for any Suffix that may need to be added)
- **Family Details**
 - Fill in Marital Status: Unmarried, Married, or Separated
- **Current Address**
 - If mailing address different than your physical address please check the box for mailing address being different.
 - Proceed to fill in current address. Will need at least two years back for addresses
 - Fill in Ownership if they Own, Rent, or Live Rent Free
 - Enter Monthly Amount and Enter Length of Residence
- **Contact Information**
 - Fill in a Phone Number, need at least one can be their home, cell, or work phone.
 - If you need to add more borrowers then click on "**Add Borrower**". Complete App as stated above.
 - If no other borrowers then click on "**Save and Continue**" blue tab

- Click in the box under **Credit Report Authorization** then **“Save and Continue”**

Step 2: About Your Home

- **Purchase Details**
 - Fill in Purchase Price and Down Payment. If they know Closing Cost paid by seller, monthly taxes and monthly insurance will fill those in as well.
 - Fill in Hazard Insurance information if they know it.
- **Property Location**
 - If they do not currently have a contract then you or the member should pick **“Unknown Address”**. If purchasing a home that they currently are living in then they would pick **“Current Address”**. If they have a contract on a new address then they will pick **“New Address”**.
 - Fill in the Street, City, State, Zip and County.
- **Property Details**
 - Property Type
 - Click on Property Type drop down arrow and pick appropriate choice.
 - Select Number of Units
 - Select Appropriate Occupancy
 - You can leave blank Estimated Gross Rental Income
 - Fill in Year Built
 - If they know there is HOA Dues, could fill it in at this time.

Other Information

- Check yes or no if they currently own any real estate.
- Click on **“Save and Continue”** blue tab

Step 3: Assets

- **List of Assets**
 - Click on the drop down arrow under Type of Asset and pick where the assets are coming from. Complete Value and Institution Name. Click on the **“Add”** button if more than one asset
 - Click on **“Save and Continue”** blue tab

Step 4: Liabilities

- This is where you will go over the debts with the member. If something is a duplicate, paid off, or paid by someone else, never delete but can omit. Please make a loan not as to why as well as you will need to gather documentation to back it up. You can also mark a debt to be paid off.
- **If you need to add a liability**
 - Click on the **“Add”** button either beside **Add Mortgage Liability** (1st, 2nd, or 3rd Mortgage, HELCO, UCC1 secured by property) or **Add Non- Mortgage Liability** (loans not secured by real estate)
 - Click on **“Save and Continue”** blue tab

Step 5: Declarations

- Ask member the 13 questions and mark the appropriate response.
- **How did you hear about us?**
 - Click on the dropdown arrow and pick the appropriate response.
 - Click on **“Interviewer Screen”**.

- Fill in your name as the **interviewer name and loan originator**. Click on the dropdown box under **Application Taken By** and pick how you are taking the application.
 - If applicable: New Subordination then input the Loan amount and the monthly payment or input HELOC amount. Click on “**Save and Continue**” blue tab
- **Loan Consultant where you will select your loan product.**
 - Example: Hit “Select” orange tab beside the 20 yr fixed row.
 - Update Reserves: You can update these now or just Hit Cancel.

Step 6: Your Loan

- Add additional information if any improvements have been made over the past 12 months and if so what they were. If nothing, just leave blank or say no.
- Click on dropdown of **Internal Referral Source** if you have one.
- Click “**Save and Continue**” blue tab

Step 7: Disclosures- These can vary depending on the state. This example is in TN.

- Click **Negative Information Disclosure**
- Click **Tennessee Insurance Placement Notice**
- Click on “**Accept and Continue**” blue tab

Step 8: Information for Government Monitoring (HMDA)

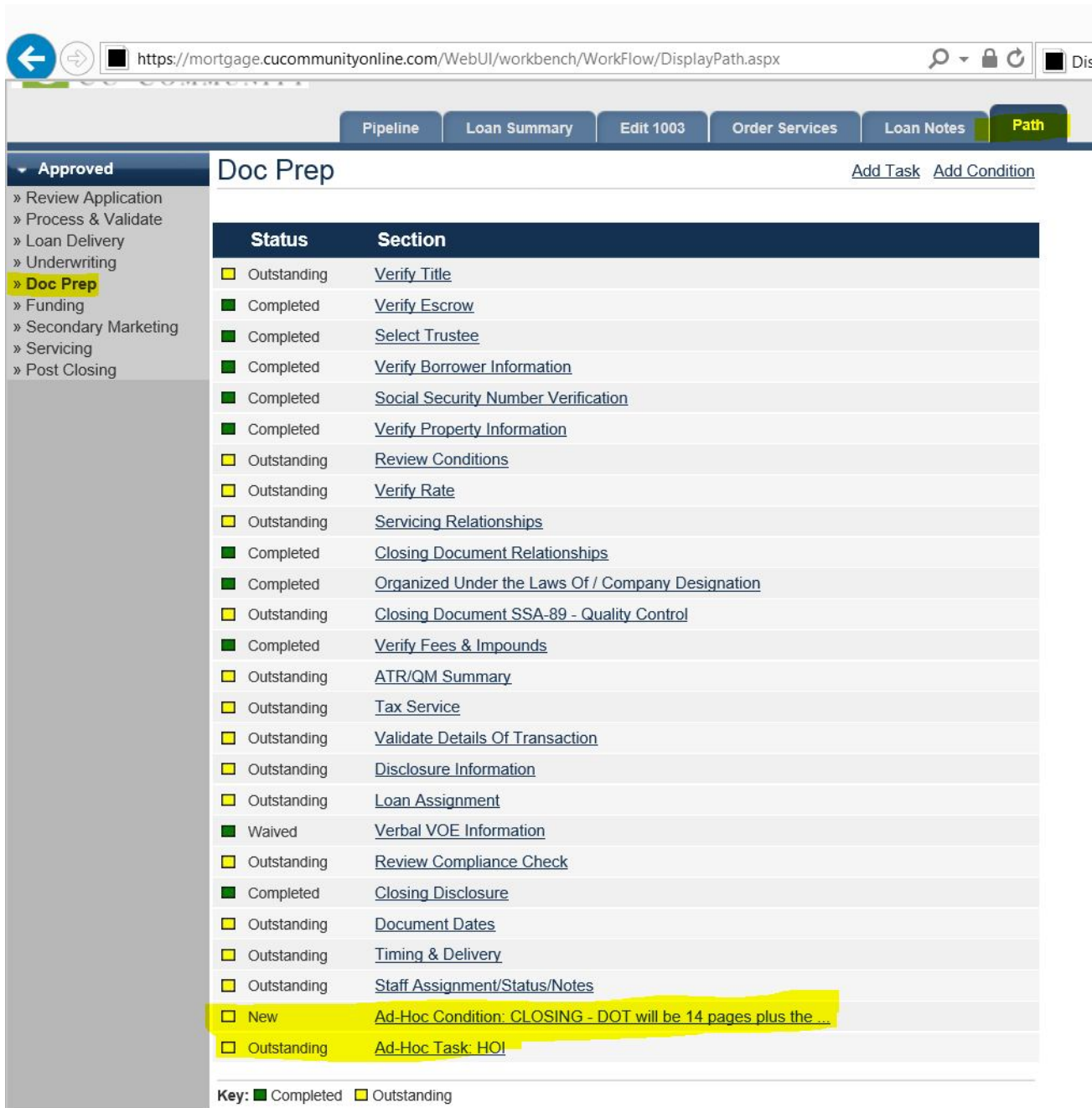
- If the member does not fill this out then you need to by making an educated guess.
 - Please fill in Gender, Ethnicity, and Race.

Step 9: Employment and Income

- Fill in **Annual Income** from all **current employers**.
- **Current Employment**
 - Fill in Length of employment (need at least 2 years), Years on Job and Years in Profession and their Position/Title. Fill in if full or part time. If employed by a family member, and if self-employed the percentage owned and the business structure. (sole proprietor, corporation, limited liability, S corp, or partnership)
 - Fill in Employer Name and address. **If unemployed, SSI, retired, homemaker, etc., leave this blank and go to Other Income.**
- **Other Income**
 - Click on the drop down arrow under description and click on their source of income and then fill in the **Monthly** amount.
 - Click on “**Save and Continue**” blue tab
- **Finish: Submit Application**
 - Click on “**Submit Application**”

How to Review Conditions from Processor

- 1) Log into Mortgage Cadence
- 2) Search for the loan you are needing to provide conditions
- 3) Go to PATH and Doc Prep
- 4) Scroll to the bottom of the page to find Ad Hoc Task/Conditions
- 5) Please provide the requested information from the processor
- 6) Once ALL information is obtained change status to **Documents Provided**



The screenshot shows the Mortgage Cadence web application interface. The browser address bar displays the URL: <https://mortgage.cucommunityonline.com/WebUI/workbench/WorkFlow/DisplayPath.aspx>. The application has a navigation menu on the left with 'Approved' expanded, and 'Doc Prep' highlighted. The main content area is titled 'Doc Prep' and contains a table with the following data:

Status	Section
<input type="checkbox"/> Outstanding	Verify Title
<input checked="" type="checkbox"/> Completed	Verify Escrow
<input checked="" type="checkbox"/> Completed	Select Trustee
<input checked="" type="checkbox"/> Completed	Verify Borrower Information
<input checked="" type="checkbox"/> Completed	Social Security Number Verification
<input checked="" type="checkbox"/> Completed	Verify Property Information
<input type="checkbox"/> Outstanding	Review Conditions
<input type="checkbox"/> Outstanding	Verify Rate
<input type="checkbox"/> Outstanding	Servicing Relationships
<input checked="" type="checkbox"/> Completed	Closing Document Relationships
<input checked="" type="checkbox"/> Completed	Organized Under the Laws Of / Company Designation
<input type="checkbox"/> Outstanding	Closing Document SSA-89 - Quality Control
<input checked="" type="checkbox"/> Completed	Verify Fees & Impounds
<input type="checkbox"/> Outstanding	ATR/QM Summary
<input type="checkbox"/> Outstanding	Tax Service
<input type="checkbox"/> Outstanding	Validate Details Of Transaction
<input type="checkbox"/> Outstanding	Disclosure Information
<input type="checkbox"/> Outstanding	Loan Assignment
<input checked="" type="checkbox"/> Waived	Verbal VOE Information
<input type="checkbox"/> Outstanding	Review Compliance Check
<input checked="" type="checkbox"/> Completed	Closing Disclosure
<input type="checkbox"/> Outstanding	Document Dates
<input type="checkbox"/> Outstanding	Timing & Delivery
<input type="checkbox"/> Outstanding	Staff Assignment/Status/Notes
<input type="checkbox"/> New	Ad-Hoc Condition: CLOSING - DOT will be 14 pages plus the ...
<input type="checkbox"/> Outstanding	Ad-Hoc Task: HOI

Key: Completed Outstanding

How to Pull Credit Procedures

- 1) Log into the **Mortgage Cadence**
- 2) Search for the loan you wish to work on
- 3) From the Loan Summary screen, click on “**Order Services**” tab
- 4) Click drop down arrow next to “**Select Service**”
- 5) Choose “**Credit Report – Mornet Plus**”
- 6) Click “**Go**”
- 7) If this is new credit file, ensure the radio button next to “**Obtain New Credit Report**” is marked and click “**Submit**”
- 8) If this is a Reissue—Ensure the radio button next to “**Reissue Credit Report**” is marked and hit “**Submit**”

How to pull Desktop Underwriter Findings

- 1) Log into the Mortgage Cadence
- 2) Find the loan you wish to work on
- 3) Once in the Loan Summary Screen, click on "**Order Services**" tab at top
- 4) Click the drop down arrow where it says "**Select Service**"
- 5) Find "**AUS Fannie Mae**" and click on it
- 6) Click "**Go**"
- 7) Click "**Submit**"

How to Pull Disclosures

- 1) Log into the Mortgage Cadence
- 2) Search for the loan you wish to work on
- 3) From the Loan Summary screen, click the tab that says "**Order Services**"
- 4) Click the drop down arrow next to "**Select Service**"
- 5) Choose "**Initial Disclosures – Doc Center**" and Click "**Go**"
- 6) Click **Submit**, unless you want to pull the LE only then change **GFE/LE only** to Yes and then submit.
- 7) Beside **Overridden Bona Fide Discount Points**: Type in **0.00** unless the member is truly buying down the rate.
- 8) Click "**Submit**"
- 9) Once the disclosures appear, you may print and deliver the documents to the member by hand, email, or mail. If the member agreed to electronic disclosures then they were sent automatically to the member to login and get them off their email.

How to Price a Loan

- 1) Log into the Mortgage Cadence
- 2) Search for the loan you wish to work on
- 3) From the Loan Summary Screen, click on the link on the left hand side that says **"Price Loans"**
- 4) Click the **"Select"** box for the loan type you wish to give to this particular member. Here is where you can change your interest rate, discount points, closing cost, and reserves.
- 5) Click **"Next"**
- 6) You will be brought back to the Loan Summary Screen to complete the rest of your tasks.