Encompass® | nations lending®

working for you

TABLE OF CONTENTS

** NOTE: To search by keyword, click CTRL + F

Some Basic Encompass Functions:

1) **To Copy/Paste info**, you will highlight the data to be copied, hit Control + C, then Control + V to paste

2) **To locate a specific field#** within Encompass (if you know the field#), you hit Control + G and input the field#

3) **To determine a field#**, simply hover over the field and the number will be displayed:

As you can see, the field# for Haz. Ins is 230

Monthly Housing Expenses
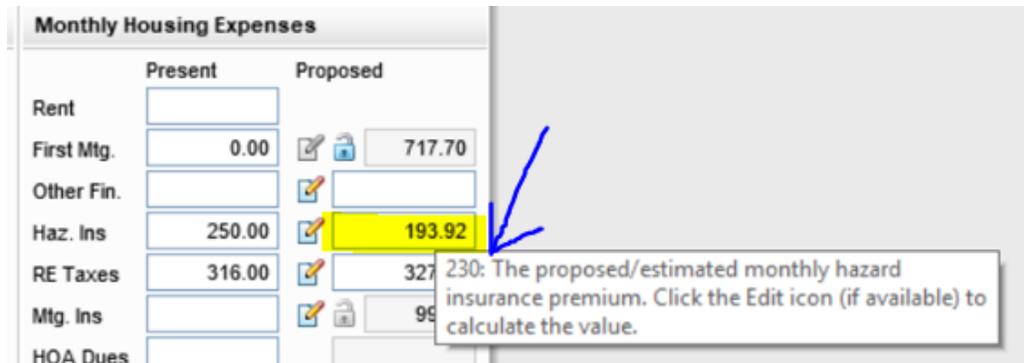
	Present		Proposed
Rent			
First Mtg.	0.00		717.70
Other Fin.			
Haz. Ins	250.00		193.92
RE Taxes	316.00		327
Mtg. Ins			99
HOA Dues			

230: The proposed/estimated monthly hazard insurance premium. Click the Edit icon (if available) to calculate the value.

Some Basic Encompass Functions:

4) Once you know a field#, you can perform an **Audit Trail** (many fields, but not all, are able to be audited)

- **Audit Trail is located under the Tools Tab**

- **Input the field id# (using "230" from previous slide)**

** This will display the date/time and the individual who input the data

Milestone Flow & Accountability:

BOLD = completed

Branch Processors should select **Joe McDonald** when assigning the file for initial submission to U/W

- – Joe will round-robin assign to a member of t branch u/w team

At the time of **Resubmittal**, re-select the u/w listed in the system

	Alerts & Messages	Log		
⊞ ▪	**File Started**	**11/14/16**	∧	= LO Milestone
▪	**Qualification finished**	**11/16/16**		= LO Milestone
⊞ ▪	**Application finished**	**11/16/16**		= LO Milestone
⊞ ▪	**Sent to processing**	**11/17/16**		= LO Milestone
⊞ ▪	**Process Open finished**	**11/17/16**		= Loan SetUp or Processor Milestone
⊞ ▪	**Submitted**	**11/21/16**		= Processor Milestone
⊞ ▪	**Cond. Approval finishe**	**11/29/16**		= UW Milestone
▪	Resubmittal	12/06/16		= Processor Milestone
▪	Approval	12/07/16		= UW Milestone
▪	Clear To Close	12/08/16		= QA/Closer Milestone
▪	Doc Preparation	12/09/16		= Closer Milestone
▪	Doc signing	12/12/16		
▪	Funding	12/13/16		
▪	Shipping	12/14/16		

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Milestone Documents/Tasks/Required Fields:

If an item is listed with an asterisk, that box must be check marked to complete the milestone

If an item is listed with a "paper clip", the system requires a document to be in that folder prior to completing the milestone

Best Practice: Click on the Document line item = title vetting
The system will immediately open the folder to load to ensure proper location for the item needed

Milestone Documents/Tasks/Required Fields:

Example of the Resubmittal Milestone Document Needs:
– This is an FHA Refinance:

Submittal	03/28/17
Cond. Approval	03/29/17
Resubmittal	04/05/17
Approval	04/06/17
Clear To Close	04/07/17
Doc Preparation	04/10/17
Doc signing	04/11/17
Funding	04/12/17
Shipping	04/13/17
Purchased	04/27/17

Documents

- FHA Appraisal Assignment/Logging Sheet
- Mortgage Payoff Statements
- Wire Instructions
- Closing Protection Letter
- VA - NOV
- Invoice - additional 3rd parties
- Title Report
- Homeowner's Insurance Declarations Page
- Tax Certification
- Cover Letter to Underwriter - Final
- Flood Certificate received : 03/27/17

Forms   Tools   Services

Note: if required folders are duplicated, the system will want to see something in each folder, if a REQUIRED ITEM, in order to finish the milestone

You can avoid this by clicking on the item **(see previous slide)** instead of accidentally creating a duplicate folder in the eFolder

Milestone Documents/Tasks/Required Fields:

All items in the **<u>Required Fields</u>** quadrant must be completed prior to finishing the milestone

- Many fields are mapped to their location, if you click "Go to Fields", the system will take you to the screen where the data is located
- **** Note: the ability to complete information directly on this screen was disabled due to data integrity issues**

Milestone Comments:

This quadrant is useful for making general notes regarding loan status, items ordered, notes regarding the borrower, etc

To add a new note, click the Date Stamp and add your note

To see the notes in ALL milestones, click "Show All"

PRINT ICON

To print the U/W Conditions:
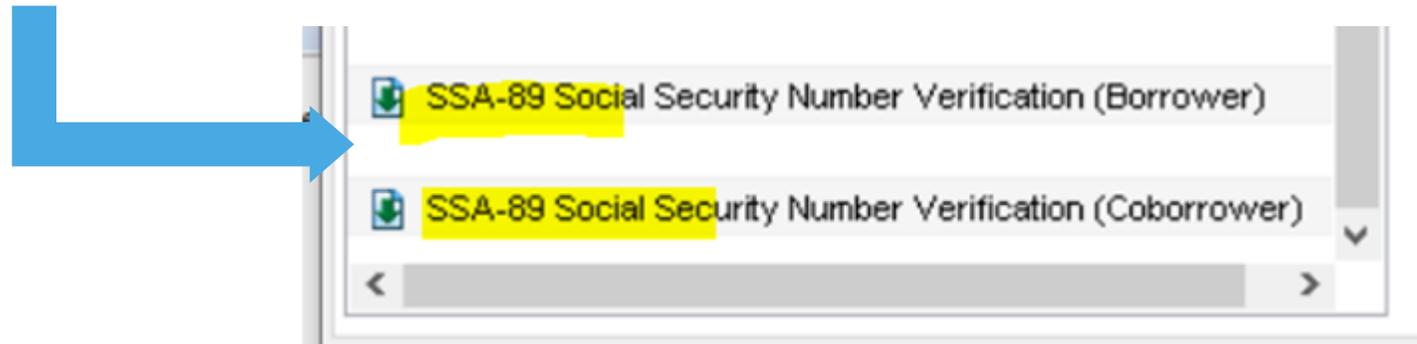

This or That....

Or, pull it directly from the eFolder

PRINT ICON

To print an HOI Mtgee Change Request, Title Request Form, etc:
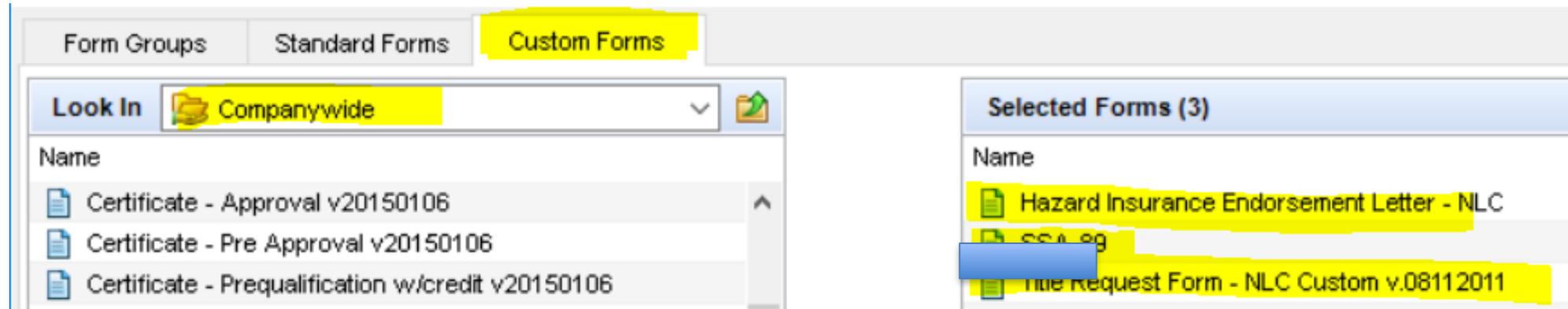
PRINT ICON

To print the SSA Authorization:
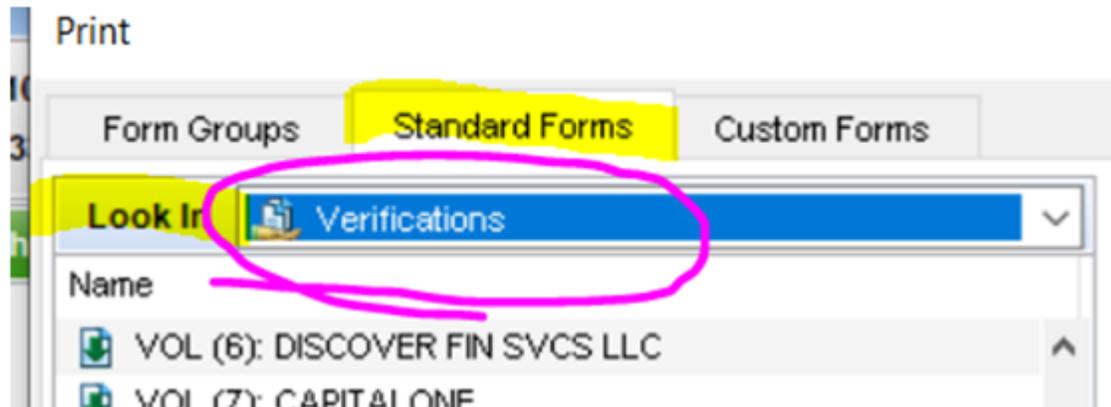
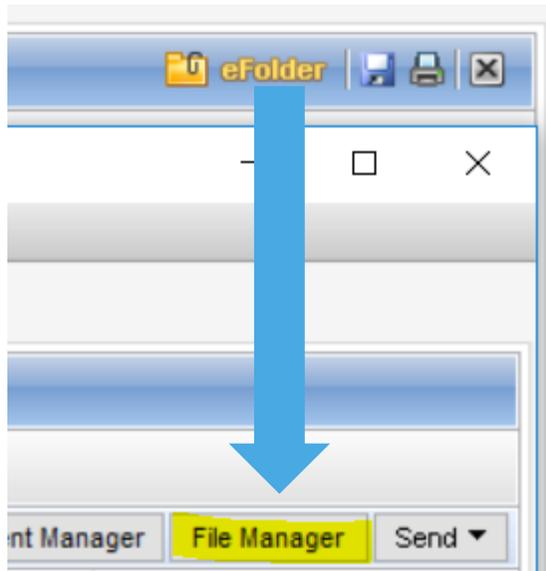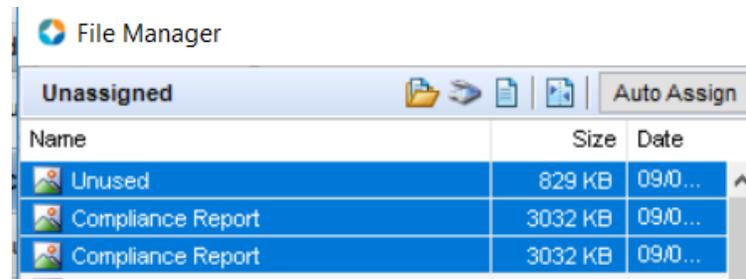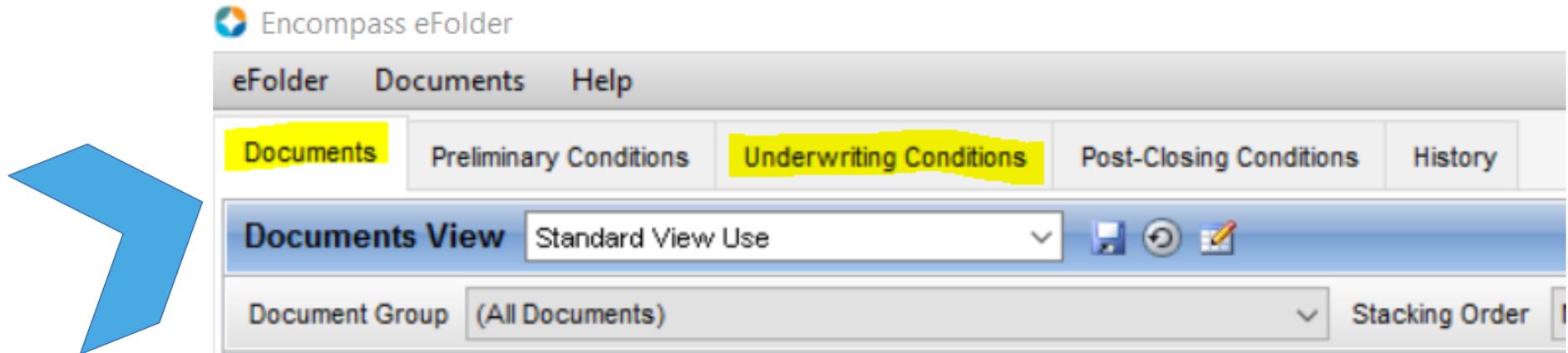# THE EFOLDER

Paperless File Management
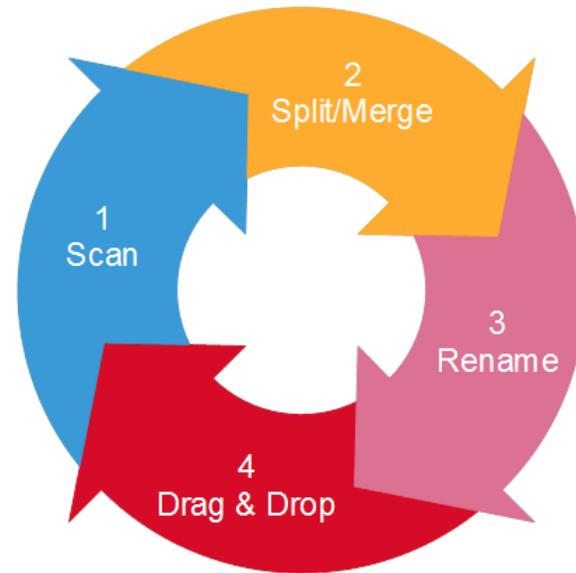
eFolder > File Manager:

- Where the Unassigned Documents are located
- You can browse/load, scan, drag/drop from desktop
- Review documents to drag to eFolder "buckets"
- Leave the "junk" in the File Manager
- Items that are "deleted" from the eFolder buckets flow here

Use the "merge" icon to group documents together
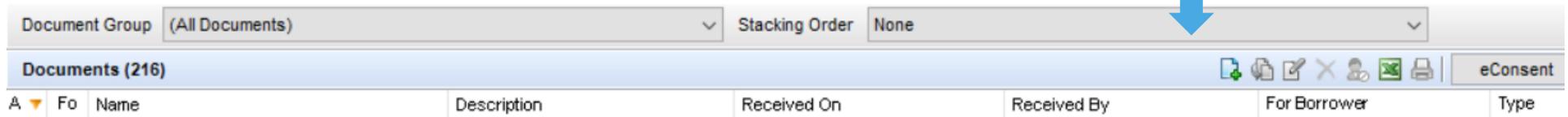
The eFolder View – Documents Tab:

Documents Tab= all loan disclosures,
3rd Party Items,
& Borrower Documents
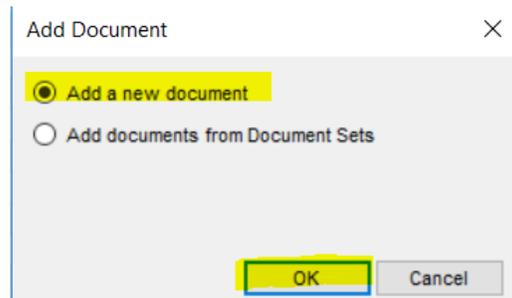
The eFolder View – adding folder(s)/bucket(s):

If you need to **ADD** a folder document that is not currently displayed in the eFolder view, click the **"New Document"** icon.

– For example, your borrower may have been divorced and has child support documentation, you would need to ADD these folders:
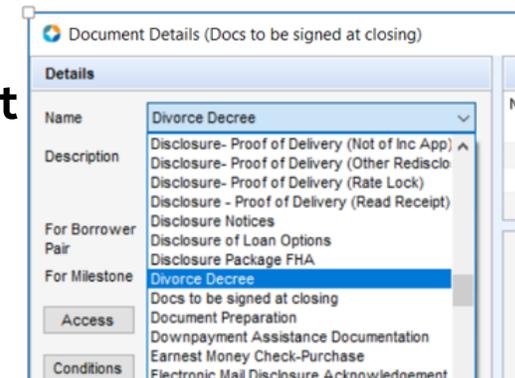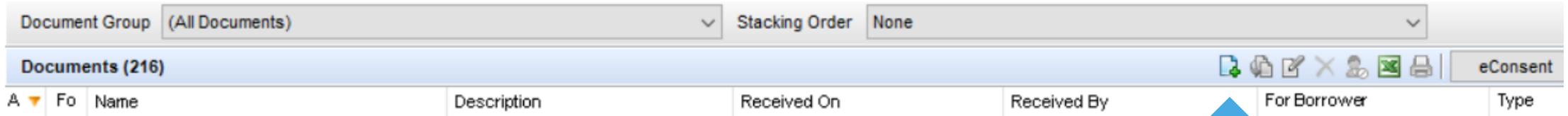
1) Click here

Document Group	(All Documents)		Stacking Order	None		
Documents (216)						eConsent
A ▼ Fo	Name	Description	Received On	Received By	For Borrower	Type

2) This pop-up will appear Click OK

Add Document ✕

◉ Add a new document

◯ Add documents from Document Sets

OK   Cancel

3) If you know the name of the folder, type the first letter to get to that section; otherwise, scroll

Document Details (Docs to be signed at closing)

Details

Name: Divorce Decree

Description

Disclosure- Proof of Delivery (Not of Inc App)
Disclosure- Proof of Delivery (Other Redisclo
Disclosure- Proof of Delivery (Rate Lock)
Disclosure - Proof of Delivery (Read Receipt)
Disclosure Notices
Disclosure of Loan Options
Disclosure Package FHA
Divorce Decree
Docs to be signed at closing
Document Preparation
Downpayment Assistance Documentation
Earnest Money Check-Purchase
Electronic Mail Disclosure Acknowledgement

For Borrower Pair

For Milestone

Access

Conditions

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The eFolder View – adding folder(s)/bucket(s):

| Document Group | (All Documents) | ∨ | Stacking Order | None | ∨ |

Documents (216)   📄 📋 📝 ✕ 🔲 ✉ 🖨 | eConsent

A ▼	Fo	Name	Description	Received On	Received By	For Borrower	Type

1) Click here

Once you have created the folder, you can immediately load the documents either by browsing your computer or pulling documents from the unassigned section of the File Manager

📂 📤 📄 📎 ⬆ ⬇ | 📄 ✕

Document Details (CA Privacy Policy Disclosure)

Details	
Name	CA Privacy Policy Disclosure ∨
Description	CA Privacy Policy Disclosure
	Canceled Check
	Cash To Close Purchase
	Child Support Documentation
	Clear to Close Certificate
For Borrower	Closed Accounts Letter

20 19 nations lending
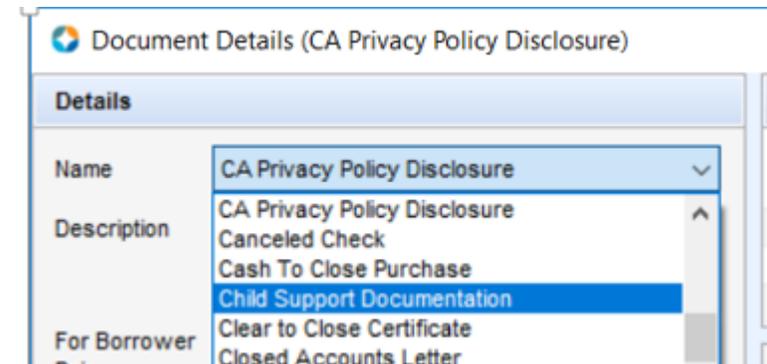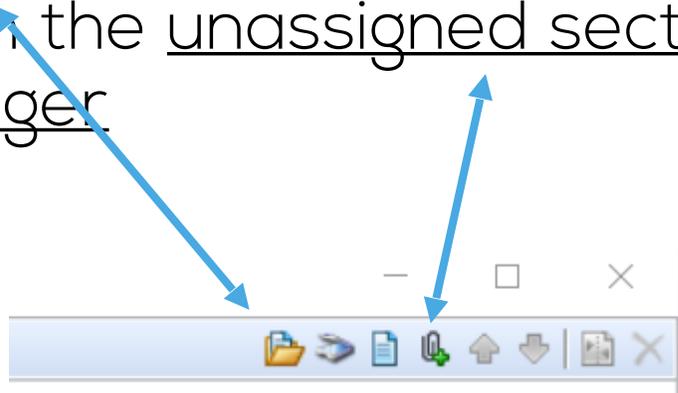
The eFolder View – Document Folder Use

Most folders are logically named to match the documents being loaded; i.e. pay stubs, W-2s, Bankruptcy Papers, etc

Here are some that may not be so obvious:

Mortgage Statement = Mortgage Statement(s) for the Subject Property ONLY

Proof of PITI Other REO = Mortgage Statement(s), proof of HOI, proof of Taxes, etc for <u>all properties **OTHER THAN the Subject**</u>. Best Practice = create a separate bucket for each address

Mortgage Payoff Statements = Mortgage Payoff(s) for the Subject Property & any other REOs being paid in full

Payoffs non-mortgage = All other payoffs, i.e. credit card statements, Installment Loans, Judgements, etc

Income Verification and Ability to Make Payme = This is <u>NOT a folder for Income Verification docs</u>; this is used for an IVF form
In the states of PA, VA, & IL only

The eFolder View – Document Folder Use

Commonly-used folders & their importance

Docs to be signed at closing ⌄ = ALL documents that must be SIGNED, REVISED, INITIALED, etc at Closing

Large Deposit Documentation ⌄ = Documentation to satisfy Large Deposits on Bank Statements goes here

Invoice - additional 3rd parties ⌄ = Any/All Invoices to be paid at closing, **with the exception of Appraisal Invoice & Credit Invoice (they have their own folders)**

Unsigned Attachments ⌄ = Once the signed disclosures are returned via DocuSign, all BLANK/unsigned disclosures are compiled into this folder

Do Not Ship ⌄ = Place all documentation that would normally be left in the File Manager into this folder; the "junk"

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The eFolder View – Document Folder Use

Title Docs should be separated into the following folders:

Closing Disclosure- Prelim = **ONLY the Prelim CD**; keep only the most recent version

Closing Protection Letter = **ONLY the CPL**; < 60 days old; if score <580, then <30 days old

Tax Certification = **Tax Cert** and any supporting documentation, as needed

Wire Instructions = **ONLY the Wire Instructions**

Title Report = **Title Report and** any additional documents that don't fit into the other four categories

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The eFolder Pipeline:

While in a document folder, anything typed into the "Description" box will appear on the eFolder pipeline *view*

The eFolder View:

Underwriting Conditions Tab = all u/w conditions, Including Suspense Conditions
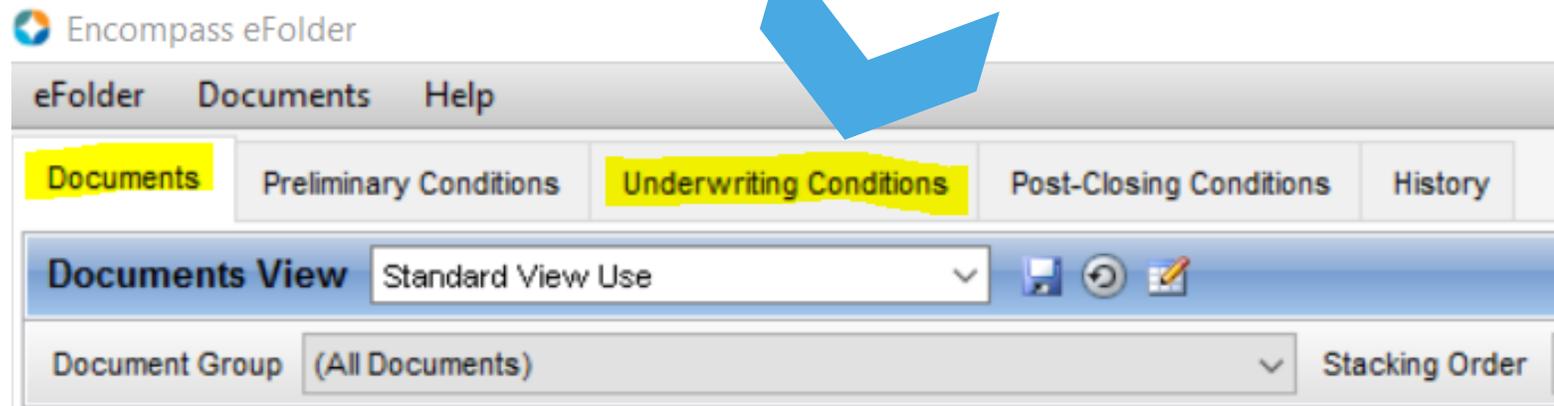
eFolder > Underwriting Conditions – attaching documentation

For each condition, double-click the item to open the full condition:

eFolder › Underwriting Conditions – attaching conditions

Many of the "standard" conditions will already have the "bucket(s)" attached that would normally be used to clear the condition
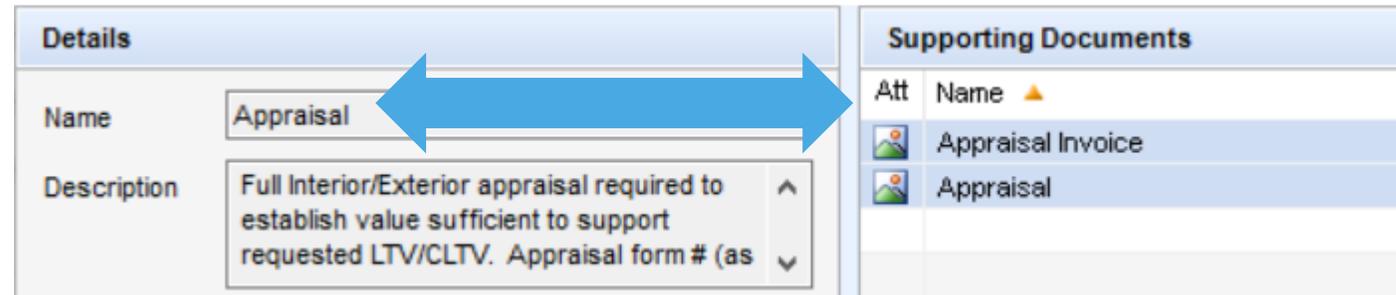
Once the bucket for Appraisal and Appraisal Invoice are "filled" in the Documents Tab, the items will already be associated to the condition because the buckets/folder were pre-attached

eFolder › Underwriting Conditions – attaching conditions

If a required bucket/folder is not already pre-attached, simply click the **"Assign" button**

This will open up the Document Folders

- Highlight the folder(s) required to satisfy the condition; you can hold the "CTRL" button down to select multiple folders
- **Click Assign**
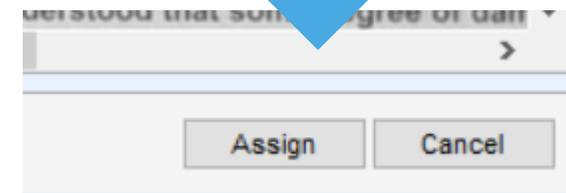
eFolder › Underwriting Conditions – attaching conditions

You will notice that we now have the Termite/Pest Inspection associated to the condition:

eFolder › Underwriting Conditions – attaching conditions

Once all documents required to satisfy the **Condition Description** are associated to the condition, checkmark the **Fulfilled Box** – this will populate the name/date to the conditions view

eFolder > Underwriting Conditions – Comments

If an underwriter needs to provide additional guidance on a specific condition or rejects a condition, they will generally place notes in the **Comments Tab**:

This is a good place for the processor to place notes or responses to the u/w comments

FORMS TAB

Show in Alpha Order

Show All

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1003 – Page 1:

Forms	Tools	Services
1003 Page 1		

– Ensure that **Interest Rate and Qual Rate** are EQUAL unless doing an ARM product

Total Loan Amt	305,995.00
Interest Rate	3.250 %
Qual Rate	3.250 %

– Confirm accuracy of **Subject Property Address** and **# of units**; generally based on USPS and/or legal description from the county

II. Property Information and Purpose of Loan

Subject Property

Address	5504 Mulberry Dr	County	Broward
City	Tamarac	No Units	1 Year Built 1971
State	FL Zip 33319		

1003 – Page 1:

– Ensure that the **Title will be held** section is accurately completed

- ** NOTE: if you are doing a REFINANCE and the current title vesting is accurate, the Encompass file should be set up to **match current title vesting** with regard to the name(s)
  - **This avoids AKAs and multiple sets of docs being signed at closing**

1003 – Page 1:

– Be sure to confirm a **FULL 2 year Residency** History & proper mailing address is input

  • **Click Show All (VOR) to add an additional address**

– Be sure to verify a **COMPLETE 2 year Employment History**

  • **Click Show All (VOE) to add jobs**

  • The 2 years should be provided **based on Application Date**

  • **** NOTE: FHA specifically requires a 2 year WORK HISTORY** - periods of unemployment do not count towards the 2 year period
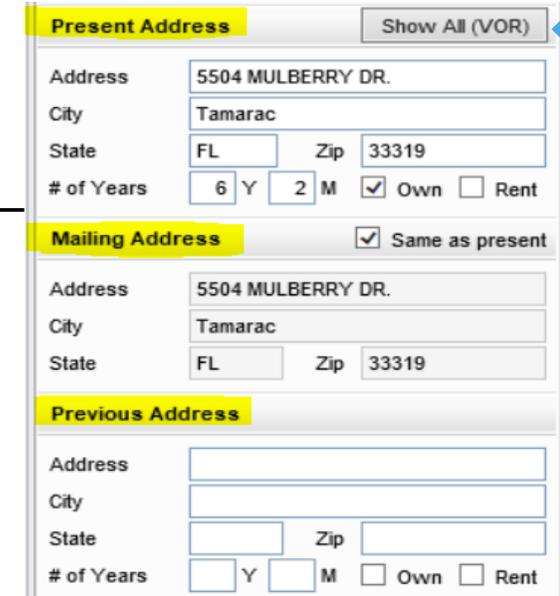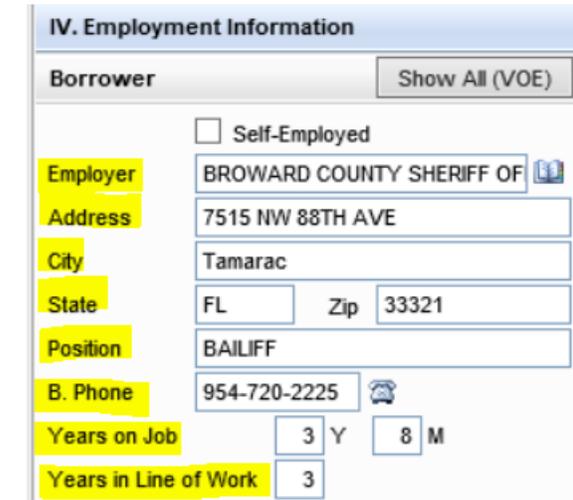
1003 – Page 2:

Forms	Tools	Services
1003 Page 2		

- Ensure that the Income Section is BROKEN-DOWN; income should not be "lumped" into one total figure:

- If there is **O/T, Bonuses, Commissions,** etc – this should be listed in its own field

- **Do NOT use the lock box for Net Rent**; data should be input correctly in the REO screen to flow to this field

- "Other Income" should be selected from the dropdown choices whenever possible

Gross Monthly Income

	Borrower	Co-Borrower	Total
Base	3,229.20		3,229.20
Overtime			
Bonuses			
Commissions			
Div. / Interest			
Net Rent Inc.			
Other			
Other	5,712.81		5,712.81
Total	8,942.01		8,942.01

Monthly Housing Expenses

	Present	Proposed
Rent		
First Mtg.	1,850.00	1,331.71
Other Fin.		
Haz. Ins		313.18
RE Taxes		321.94
Mtg. Ins		
HOA Dues		104.00
Other		0.00
Total	1,850.00	2,070.83

Other Income

B / C	Description	Monthly Income
B	DFAS Retirement (taxable income)	4,260.81
B	VA Benefits NonEducational	1,452.00

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1003 – Page 2:

- Ensure that Present Housing Expenses are accurate and broken-down
  - **Regardless of loan type, the "Present" expenses are ALWAYS the owner-occupied housing expenses**
- Ensure that the Proposed **Haz. Ins**, **RE Taxes** and **any other figures** are   accurately input
-

** For an owner-occ Refi, the Haz. Ins and RE Taxes should match; present = proposed

** **HOA dues** would be input on this screen

** **Flood Insurance**, if applicable, should be entered on the 2015 Itemization (see next slide) and the data will flow to this screen (in "other")

Monthly Housing Expenses

	Present		Proposed
Rent			
First Mtg.	1,214.88	✎ 🔓	1,331.71
Other Fin.		✎	
Haz. Ins	313.18		313.18
RE Taxes	321.94	✎	321.94
Mtg. Ins		✎ 🔒	
HOA Dues	104.00		104.00
Other		✎	0.00
Total	1,954.00		2,070.83

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1003 – Page 2: Inputting Flood Insurance, if applicable

– **Step 1:** Go To the 2015 Itemization and input the monthly premium on Line# 1006
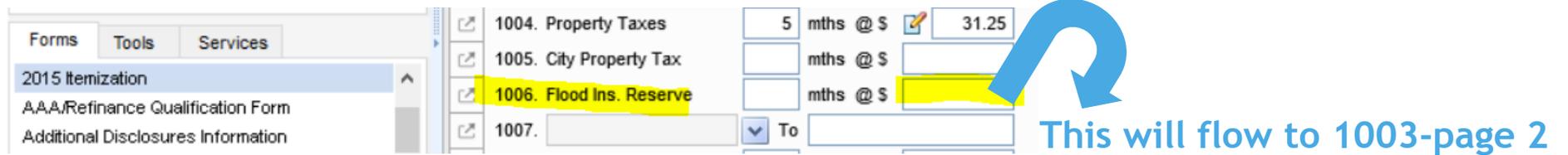
This will flow to 1003-page 2

– **Step 2:** Complete the Aggregate Setup = input the "**2 month cushion**" and place a "**12**" in the box for the policy expiration (next due) date
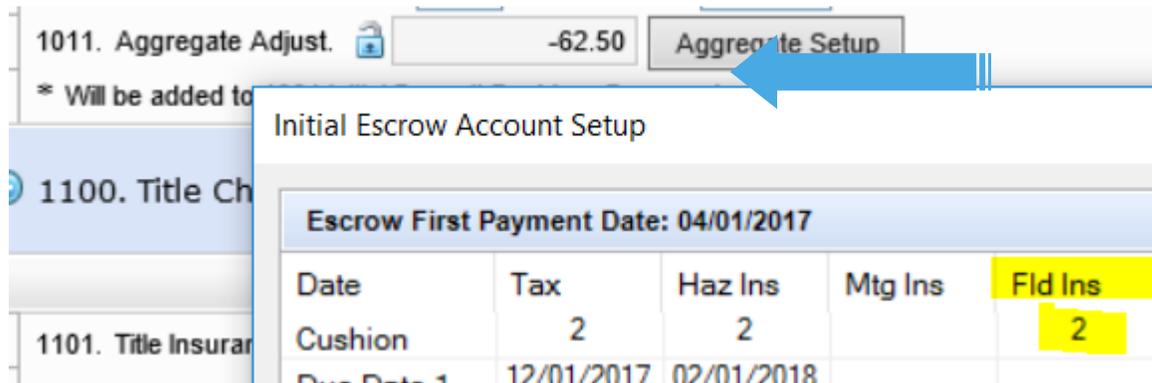
1003 – Page 2: Inputting Flood Insurance, if applicable

– **Step 3:** If the full Flood Policy Premium will be paid in this loan, input the full premium, 12 months, on **Line# 906**

- If inputting "12" in the months field is not 100% accurate, then you may utilize the "**lock box**" to input the true/correct premium amount
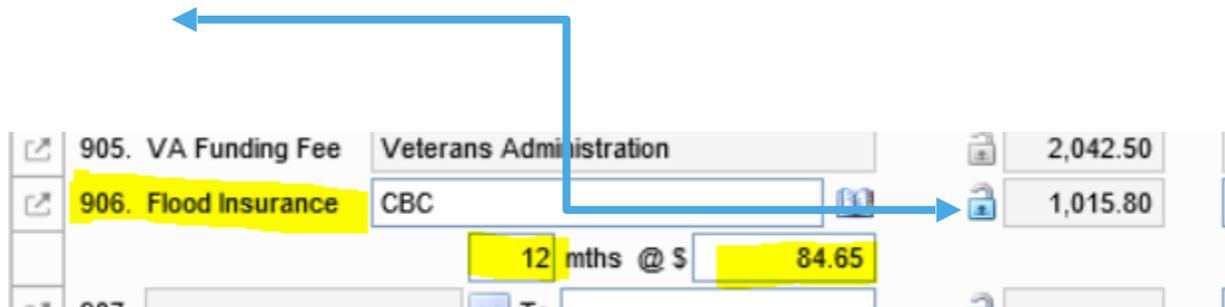
1003 – Page 2: Inputting/Confirming Accurate Mtg. Ins

ALL forms of MI are input by utilizing the paper/pencil button from the Monthly Housing Expenses:

- **CONV loans** can be either **monthly** (BPMI), **single-pay**, **Split**, or **LPMI** (see SharePoint › Mortgage Insurance – CONVENTIONAL loans › NLC MI Matrix for further explanation) – **** we do NOT offer Lender-Paid Monthly**
- **FHA loans** will have **both** an Upfront MIP & a Monthly MI
- **VA loans**, if not exempt, will have **only an Upfront MIP (also answer bottom section of MI screen)**
- **USDA loans** will have **both** an Upfront MIP & a Monthly MI

1003 – Page 2: Inputting/Confirming Accurate Mtg. Ins

#1 – used for FHA; USDA; VA, unless exempt; CONV, if Borr Single Pay or Split

#2 – used for CONV, if borrower will pay MI in cash at closing

#3 – check-mark if doing LPMI (Lender-Paid Mortgage Insurance)

#4 – used for FHA; USDA; CONV if doing BPMI

#5 – used for CONV, if doing BPMI (MI cert will show breakdown for boxes 1 & 2)

#6 – for CONV – Primary/2nd home, % will be **78%**; for CONV – Investment, **0%; if doing LPMI, % will be 0%; left Blank for FHA, VA, and USDA**

#7 – check-mark for FHA; check-mark for USDA

#8 – check-mark for CONV Investment Properties (all MI types except LPMI)

#9 – CONV loan – input # months, if applicable, per MI Cert; most will be "0"

#10 – Completed this section if doing a VA Loan

#11 – for FHA loans, once FHA Management screen is completed, click to ensure accurate data; Encompass is programmed to complete accurately

MI – Adding to Aggregate Setup

Whenever CONV **Monthly Mortgage Insurance** is being utilized, be sure to add the following to the **Aggregate Setup of the 2015 Itemization:**

Place a "1" for each of the first 12 months, starting with the first payment due month

Escrow First Payment Date: 05/01/2017

Date	Tax	Haz Ins	Mtg Ins
Due Date 1	11/01/2017	02/01/2018	05/01/2017
Due Date 2			06/01/2017
Due Date 3			07/01/2017
Due Date 4			08/01/2017
05/2017			1
06/2017			1
07/2017			1
08/2017			1
09/2017			1
10/2017			1
11/2017	12		1
12/2017			1
01/2018			1
02/2018		12	1
03/2018			1
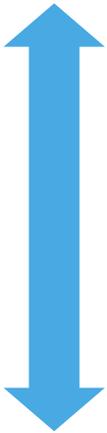
1003 – Page 2:

– Ensure that the **MOST RECENT assets**, if applicable, are input accurately

- Use the **Show All (VOD)** button to access the assets
- Use the paper/+ symbol to ADD new accounts

1003 – Page 2: Confirm if CREDIT is Joint or Not Joint

– You may receive errors when running AUS if this is not completed accurately:

1003 – Page 2:

- **Ensure that the Liabilities Section is accurate =**
  - **EVERY account** listed on credit should be reflected in the liabilities
  - Confirm that **HELOCs** are correctly reflected in the "Type" column
  - **Time Shares** should be listed as INSTALLMENT "Type"
  - Confirm that **Open-type AMEX** accounts reflect as "Open 30-day charge"
  - **Student Loans** – be sure to enter a Payment unless loan type is VA and student loan is deferred for > 12 months
  - **Collection Accounts (non-medical)** – ensure that a 5% Payment is entered, if required by agency guidelines
  - If **OMITTING a debt** from the DTI, be sure to provide supporting documentation as needed; **use the "Exclude from URLA" box in Show All (VOL)**
  - **** NOTE: Encompass does NOT count "Mortgage" Type accounts from the Liabilities section with regard to DTI; these are counted from the REO screen**

1003 – Page 2:

– Any **Alimony or Child Support PAYMENTs** being made **BY** the Borrower should be reflected here, at the bottom of the page:

1003 – Page 3:
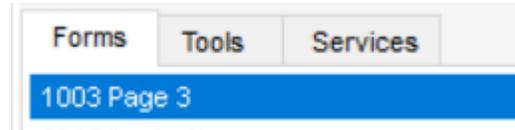
– Ensure that the REO section is accurately completed – click **Show All (VOM)** to access the properties list

• Use the Paper/Plus to add Additional Properties as needed

1003 – Page 3: REO Section

– If the REO is the **Subject of the Loan**, the "Subject Property" box should be check-marked

Click to attach mortgage liens in the liability section

Input appraised value

Address	5504 Mulberry Dr		☑ Subject Property	
City	Tamarac		Property is used as	Primary Residence ▾
State	FL	Zip 33319		

Attach/Show Liens

		Mortgage Balance 🔒	223,385.14
Present Market Value	322,100.00	Mortgage Payment 🔒	1,850.00

Property Status (S,PS,R)	▾	Gross Rental Income	0.00
Type of Property	Single Family ▾	Taxes, Ins, Expenses	0.00
Purchase Price		Percentage of Rental	
Date Acquired	//	Participation %	
		Net Income / Loss 🔒	

Comments	

Select the correct property usage; **If Property is Investment, "R" should always be selected for Property Status

Select Property Type from dropdown

If taxes & insurance are not included in the Mortgage Payment above, add here

Property Status:
S = Sold
PS = Pending Sale
R = Rental (Investment)

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1003 – Page 3 – Setting up Investment Properties in the REO:

Step 1 = Calculate the Gain/Loss using the 1084 Worksheet

**These figures will be used when setting up the info in Encompass

- Set up the dropdowns as shown:

Property is used as **Investment**

Property Status is **"R" for Rental**

Select the Type of Property

- Ensure that any mortgage lien is to the REO via the **Attach/**

- Input the **Present Market Value**

- Input the figures from the 1084 Worksheet (see next slide)

1003 – Page 3 – Setting up Investment Properties in the REO:

- (Note, this particular property is Free & Clear)
- **The numbers from the 1084 go directly into Encompass**

The system will calculate to match the 1084, so $371 will reflect accurately in Encompass and when AUS is run

** You will only be inputting Taxes/Ins/Exp if the Property is F&C or if these are NOT included in the mortgage payment

Subject Address: 295 Redwood

Tax Return - 1040 Schedule E

	2014	2015
Gross Rents Received (Line 3)	$4,000	$20,700
Total Expenses (Line 20)	- ($13,479)	- ($14,553)
Insurance (Line 9)	+ $640	+ $674
Mortgage Interest (Line 12)	+ $0	+ $0
Taxes (Line 16)	+ $3,055	+ $3,107
Depreciation (Line 18)	+ $5,968	+ $6,371
Amortization/Casualty Loss/One Time Expense (see comment)	+ $0	+ $0
HOA Dues	+ $0	+ $0
Total Annual Gross Income	=	$184

12 Month Avg	$1,358	Adjusted Gross Income/Loss	$687
24 Month Avg	$687	Monthly PITIA Payment	- $316
		Total Qualifying Income or Loss	= $371

Mortgage Balance	0.00
Mortgage Payment	0.00
Gross Rental Income	687.00
Taxes, Ins, Expenses	316
Percentage of Rental	
Participation %	
Net Income / Loss	371

1003 – Page 3 – Setting up Investment Properties in the REO:

Another Example:

– You will notice that the $1179 is already accounted for since the mortgage lien is properly attached to the REO

– The processor noted that the escrows are included

– The system correctly calculates the true gain/loss to match the 1084 worksheet

Additional Requests Information Screen:

Blue Fields are **REQUIRED** fields
– for this screen, required when finishing the Resubmittal Milestone

The Closing Team will require a Fax# or Email Address for executing mtgee correspondence

- If the agency does not utilize a fax#, input all ZEROs and supply an **email address (input under Tools › File Contacts, see next slide)**

Tools Tab > File Contacts – for inputting HOI email contact:

AAA/Refinance Qualification Form & Purchase Qualification Form

- Primarily completed by the LO during the application-taking process
- Contains links to the screens that should be completed by the LO
- Processing can utilize the FHA Summary link to request the FHA Case# assignment via Encompass (see Tutorial on how to pull a case# via Encompass)

AAA/Refinance Qualification Form & Purchase Qualification Form
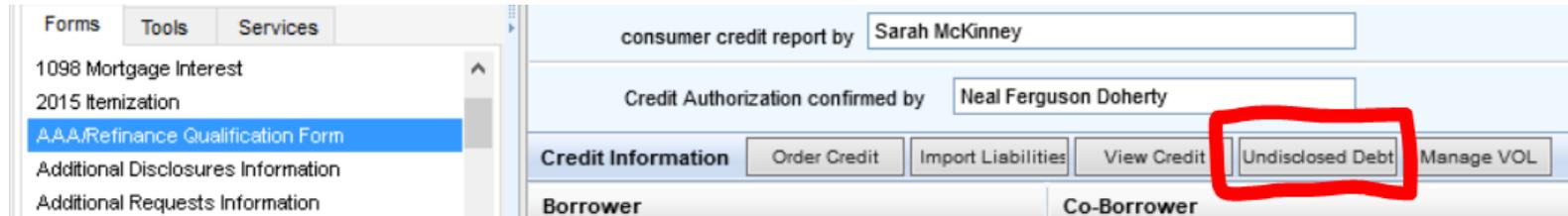
– Also available from this screen is the link to complete the **UDD form PRIOR to initial disclosures** being sent to the borrower(s)

– This way it comes back ALREADY COMPLETED!!

– Simply click the Und Debt button and complete the fields

** All common inquiries on a given date can be input on the same line
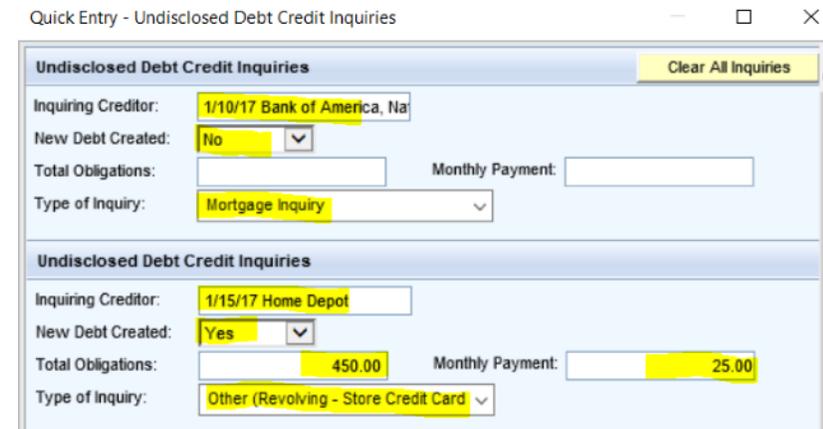
ATR/QM Management Screen:

Qualification Tab:

– Here, you can confirm Points & Fees compliance

ATR/QM Eligibility Tab:

– Here, you can confirm Ability to Repay (ATR) and Qualified Mortgage (QM) status

Borrower Summary – Origination Screen:

- Ensure accuracy of the **subject property address**; generally per USPS, as the standard. If USPS not available, search county records.

| Subject Property Information | Copy from Present | Order Appraisal | Order Flood | Order Title |

Address	2925 SE FARLEY RD		Property Type	Detached
City	Port Saint Lucie		Estimated Value	275,000
State	FL	Zip 34952-5819	Appraised Value	240,000

- Be sure to select the appropriate **Property Type**
- **Estimated Value** should be the amount that the borrower believes the home to be worth. This should be input by the LO during the taking of the application.
- **Appraised Value** comes from the appraisal and will typically not coincide with the Estimated Value.

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Borrower Summary – Origination Screen:

– Ensure that the **CREDIT REFERENCE#** matches the credit report associated to the file

TransUnion / Empirica	762
Equifax / BEACON	791
Minimum Required FICO	620

TransUnion / Empirica	754
Equifax / BEACON	789
Minimum Required FICO	620

| Credit Score for Decision Making | 789 | Credit Reference # | 35701027 |

If the file requires SEPARATE credit reports per agency guidelines (unmarried), only the Borrower report# will appear

| Name | Date | Size | Current Version |
| Credit Report | 09/06/16 03:05 PM | 929 KB | ☑ |

Pages

CREDIT PLUS

125%   View in Original Format

FILE #   35701027 FNMA #

SEND TO   NATIONS LENDING CORP
                CUST . # 100886

You should only have ONE report per borrower/borrower pair

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Borrower Summary – Origination Screen:
Investment Property – Input for Rental Gain/Loss:

- **Purchase File – New Investment Property**
  - Input the Gross Rent per Lease
  - Input the Occupancy Rate of 75%

- **The system will calculate the gain/loss by taking the Gross Rent X 0.75 – Proposed PITI**
  - You will see the gain/loss on the Transmittal Summary
  - In this case, ($3500 x 0.75) - $2215.31 = $409.69
  - **** SEE NEXT SLIDE**

Borrower Summary – Origination Screen:

– **In this case, there is a (+) Cash Flow for the Subject Property**

Borrower Summary – Origination Screen:

Investment Property – Input for Rental Gain/Loss:

– **Refinance File – Seasoned Rental Property = Subject of the Loan**

- Calculate the Subject Property Gain/Loss based on most recent tax return(s) depending on product/AUS findings. Use the 1084 worksheet.

- From the 1084 worksheet:
  (only one year of tax returns were required per AUS)

** see next slide

RENTAL INCOME   (need 1040 and Schedule E)

Complete only if required by DU Findings

Tax Year :	2015
Income (+) or Loss (-)	$ 51,342.00	If Loss Enter as Negative
2010 Line 22 / 2011, 2012 & 2013 Line 21 (Sch E)	
+ Depreciation	$ 4,071.00
2010 Line 20 / 2011, 2012 & 2013 Line 18 (Sch E)	
+ Insurance (Line 9 of Schedule E)	$ 2,500.00
+ Mortgage Interest (Line 12 of Schedule E)	$ 22,674.00
+ Taxes (Line 16 of Schedule E)	$ 4,398.00
+ HOA Dues (if appl)	$ -
2010 Line 18 / 2011, 2012, 2013 Line 19 (Sch E)	
Gross Rental Income	$ 84,985.00
Monthly Gross Rental	$ 7,082.08
Less PITIA Payment (enter as a negative)	
24 Month Average	$ 6,013.67

Borrower Summary – Origination Screen:

- Input the amount calculated from the 1084 Worksheet into the **Gross Rnt** field on the Borrower Summary – Orig:

- Inputting an Occup Rate of 100% will allow the system to count the calculated amount

- Once again, the system will calculate the (+/-) cash flow by subtracting the proposed PITI from the **Gross Rnt** amount and this will appear on the Transmittal Summary

Borrower Summary – Origination Screen:

- If you are doing a REFINANCE and subordinating a FIXED 2nd mortgage, you would input that here:

**** NOTE: the system will "assume" new financing and place the amount being subordinated on 1003-page 3, line j. Be sure to remove this figure from line j.

The CD/Loan Closing Request Form:

1) Input Target Closing Date

2) Loan must be LOCKED & Cond Approved

3) **** All FEE-RELATED items must be accurate**

4) Make any additional notes, for example, if a POA is being used

5) Select CD Delivery Method

6) Select whether or not LO wishes to review prior to delivery

7) If a final LE must be sent for any COC, checkmark the **Generate Final LE box**

8) Checkmark the **Generate CD Request box**

9) Save the file

CD Request Function:

CD/Loan Closing Request Form

Branch: 3154 Miramar FL: Nina   Est. Closing Date 11/28/2018

CD Requirement   **Please submit your CD Request here**

+ Rate Locked
+ Conditional Approval   **PLEASE NOTE:**
+ Pay off (refi only)   CD requests are sent 24-48 hours from the time requested.
+ ALTA 1 / Prelim CD
+ Updated Tax Cert.   If you need a rush request, please
+ HOI Policy   contact cdrequest@nationslending.com
+ Mortgage Insurance
+ Title Commitment to determine who needs to recieve CD

NOTES: CD Delivery Method

          Send to LO for Approval prior to Deliver

Return file to LO & Processor   Assigned CD Analyst   Susan Kondratick

Generate Final LE   ☑ Generate CD Request   11/06/2018 05:10 AM

The CD/Loan Closing Request Form:

The person responsible for completing the Loan Closing Request would need to complete the ENTIRE bottom portion of this page

The "Check the Box to Generate…" should NOT be check-marked until the loan is CLEARED TO CLOSE

** Be sure to input an **accurate Requested Closing Time** to properly alert the Funding Team of when to anticipate DOCS

DocuSign Disclosure Request Screen

What to look for.....

You want to see the borrower's name, followed by "Completed" or "Sent"

If you see nothing here, contact the Disclosure Team

DocuSign Disclosure Request

Loan Estimate	03/24/2017 15:44	Nicholas Apostolakis - Completed | Teresa Shanks - Completed	03/22/2017 08:37
Nations Disclosure- Cover Letter- Rate Lock	03/24/2017 15:44	Nicholas Apostolakis - Completed | Teresa Shanks - Completed	03/22/2017 08:37
Nations Lock Agreement	03/24/2017 15:44	Nicholas Apostolakis - Completed | Teresa Shanks - Completed	03/22/2017 08:37
Notice of Change Circumstance Reasons	03/24/2017 15:44	Nicholas Apostolakis - Completed | Teresa Shanks - Completed	03/22/2017 08:37
CA Additional Per Diem Interest Charge Disclo...	03/17/2017 10:27	Delivered to DocuSign Queue Service	0:26
CA Commitment Agreement	03/17/2017 10:27	Delivered to DocuSign Queue Service	0:26
CA Credit Score Disclosure	03/17/2017 10:27	Delivered to DocuSign Queue Service	0:26
CA Disclosure Receipt	03/17/2017 10:27	Delivered to DocuSign Queue Service	0:26
CA Machine Copies Notice	03/17/2017 10:27	Delivered to DocuSign Queue Service	0:26
CA Notice of Right to a Copy of the Automated...	03/17/2017 10:27	Delivered to DocuSign Queue Service	0:26
CA Notice to Home Loan Applicant	03/17/2017 10:27	Delivered to DocuSign Queue Service	0:26
Nations Disclosure- Conditional Commitment	03/17/2017 10:27	Delivered to DocuSign Queue Service	0:26
Nations Disclosure- Cover Letter- Conditional...	03/17/2017 10:27	Delivered to DocuSign Queue Service	0:26
CA Rate Lock Agreement	03/14/2017 07:33	Nicholas Apostolakis - Completed | Teresa Shanks - Sent	03/14/2017 05:08
Loan Estimate	03/14/2017 07:33	Nicholas Apostolakis - Completed | Teresa Shanks - Sent	03/14/2017 05:08
Nations Disclosure- Cover Letter- Rate Lock	03/14/2017 07:33	Nicholas Apostolakis - Completed | Teresa Shanks - Sent	03/14/2017 05:08

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FHA Management Screen:

Basic Info Tab:

– Ensure that **Property Type** and **Purpose of Loan** are completed:

Tracking Tab:

– Input **Date Pulled** & **FHA Case# including ADP CODE**

FHA Management Screen:

Tracking Tab (cont):

- For FHA to FHA Refinances, input the **Refi Auth Data** per FHA Connection

- Input **CAIVRS#** for borrower(s)

FHA Purchase Calc Screen:

- **Line #103** is the total of Line Items e, f, g, & h (if applicable) from the Details of Transaction

e. Estimated prepaid items	🔓	1,841.67
f. Estimated closing costs	🔓	4,908.10
g. PMI, MIP, Funding Fee	🔓	2,193.68
h. Discount (if Borrower will pay)	🔓	147.95

- **Line B** comes from Line Item k, which populates from the 2015 Itemization – Seller Paid Closing Costs column

j. Subordinate financing		0.00
k. CC paid by seller	🔓	4,000.00
l. Cash Deposit on sales c...		500.00

Calculations

Line 103 Total Closing Costs	9,091.40		Purchase Price	129,900.00
Line 902 UFMIP	2,193.68		3.5% Requirement	4,546.50
Total CC excluding UFMIP (line A)	6,897.72			
Seller Paid Closing Costs (line B)	4,000.00		Verified Assets	12,273.31
Lender Credits (line C)	25.00		Line 303 Cash to Close	7,922.64

Total Credits (Lines B & C) Cannot Exceed Total Closing Costs excluding UFMIP (Line A)

			Max Tax Pro-Ration Credit	4,350.67
Closing Costs Unpaid	2,872.72		Tax Pro-Ration Amount (Cannot exceed Max Tax Pro-Ration Credit)	-1,002.24
EMD	500.00			
Line 303 Cash to Close	7,922.64		Total Investment	4,547.68
Total after fees	-5,549.92		Does the borrower meet the minimum required investment of 3.5% (Yes/No)	Yes
Brw's Current Investment	5,549.92			

FHA Purchase Calc Screen:

- **Closing Costs Unpaid** is Line A minus Lines B & C

- **The EMD** is the cash deposit on the sales contract

- Line # 303 comes from Item p in the DOT

- The **Total after fees** is calculated by taking the Closing Costs Unpaid, MINUS the EMD (since this is a credit), MINUS the Cash to Close, giving us the **Borrower's Current Investment of $5549.92**:
  - ($2872.72 - $500) - $7922.64 = (-$5549.92)

FHA Purchase Calc Screen:

– **Verified Assets** will populate based on the Total Bank Deposits listed on 1003-p2

– **Max allowable tax pro-ration credit** will be the amount of verified assets MINUS the cash to close (since we must show sufficient funds coverage to apply the proration)

– **Actual Tax Pro-Ration Amount** should come from the CD provided by the title agent

– **Total Investment** equals "Current Investment" ($5549.92) MINUS the Tax Pro-Ration = $4547.68

  *** This amount MUST exceed the 3.5% Requirement ***

Purchase Price	129,900.00
3.5% Requirement	4,546.50
Verified Assets	12,273.31
Line 303 Cash to Close	7,922.64
Max Tax Pro-Ration Credit	4,350.67
Tax Pro-Ration Amount (Cannot exceed Max Tax Pro-Ration Credit)	-1,002.24
Total Investment	4,547.68
Does the borrower meet the minimum required investment of 3.5% (Yes/No)	Yes

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FHA Purchase Calc Screen:

– **NOTE** – this calculation screen will now be located on the Quality Assurance Review Page 2 Form

– **NOTE** – this screen will also be available on the Purchase Qualification Form
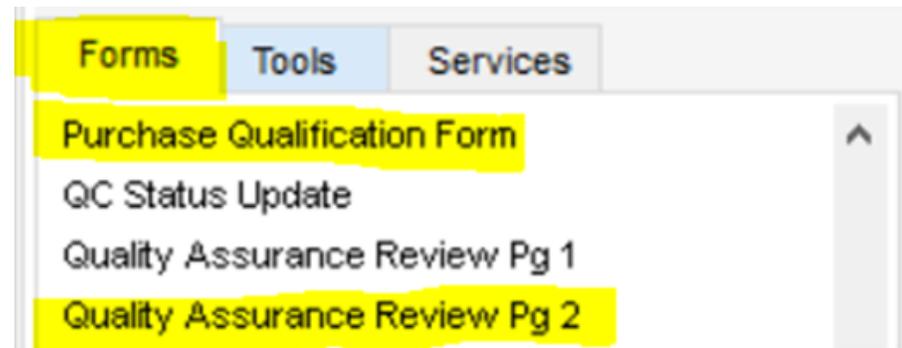
Forms	Tools	Services
Purchase Qualification Form		
QC Status Update		
Quality Assurance Review Pg 1		
Quality Assurance Review Pg 2		

FHA Summary:

- Adjustments can be made on this to revise/correct the information appearing on the HUD-92900-A

FNMA Streamlined 1003:

– On CONV loan types, you would input a Repayment Type Code of **"No Negative Amortization"** to avoid a Warning on the DU Early Check report

– On a REFINANCE where you are **subordinating a HELOC 2nd**, you would input the HELOC Actual Balance and the HELOC Credit Limit here:
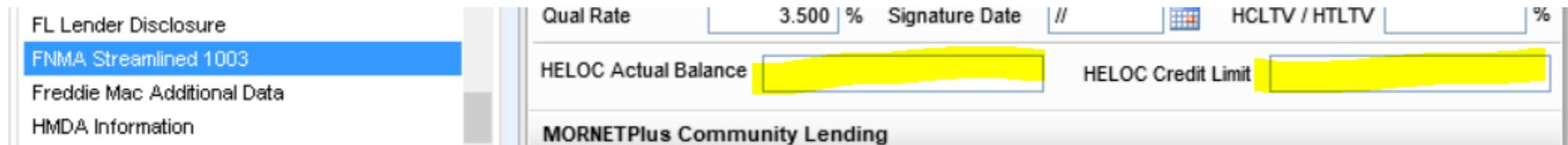
FNMA Streamlined 1003:

- If you are doing a **FNMA Home Ready product**, you would note that here:
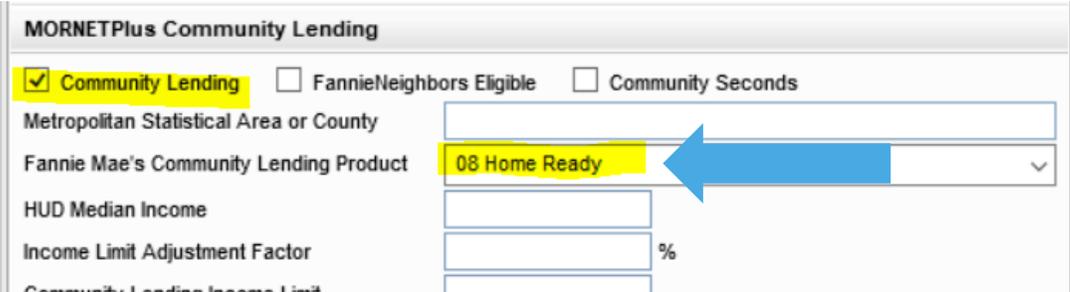
- The **CAIVRS** can also be input on this screen:
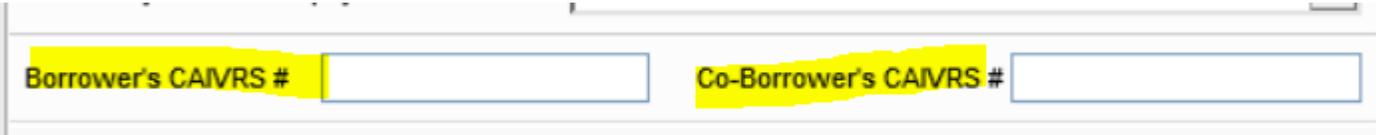
- On <u>VA loan files</u>, this is where you would notate if Borrower & CB are married:

Freddie Mac Additional Data Screen:

Input data on this screen **PRIOR** to running files through LP to avoid missing data errors.
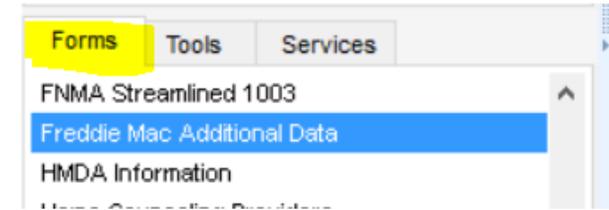
Complete all applicable fields:

Forms	Tools	Services
FNMA Streamlined 1003	
Freddie Mac Additional Data	
HMDA Information	

Processing Point	Application/Processing
Secondary Finance	No secondary financing
Req'd Doc Type	Full documentation

Purpose of Loan	Purchase
Property Type	Single Family Detached PUD
Building Status	Existing
New Construction Type	
Condo Develop Name	SUMMER SANDS
Condo Class	

Mortgage Insurance Information

MI Refundable Option		MI Coverage	%
Renewal Type		Renewal Option	
Payment Option		Payment Frequency	
Years of Coverage		Premium Source	

Freddie Mac Additional Data Screen:

If you are doing a **Freddie Home Possible** or **Home Possible Advantage** loan, you would designate that product offering here:

HUD 1003 Addendum:

On FHA loan files, your Branch Lender ID# will be listed here:
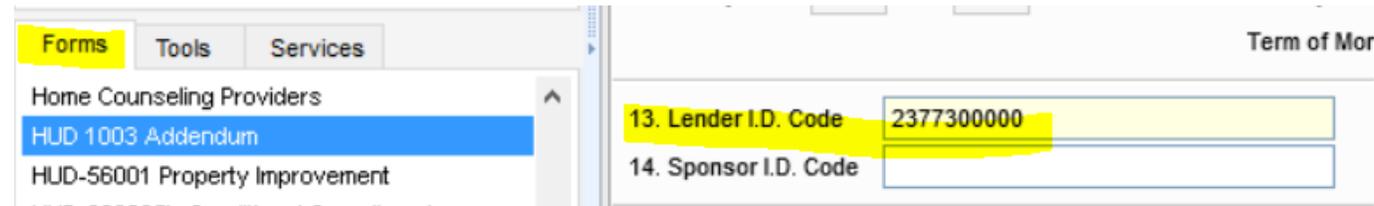
This is a screen where you can also make corrections, if needed, to the FHA 92900A/VA 26-1802 form:
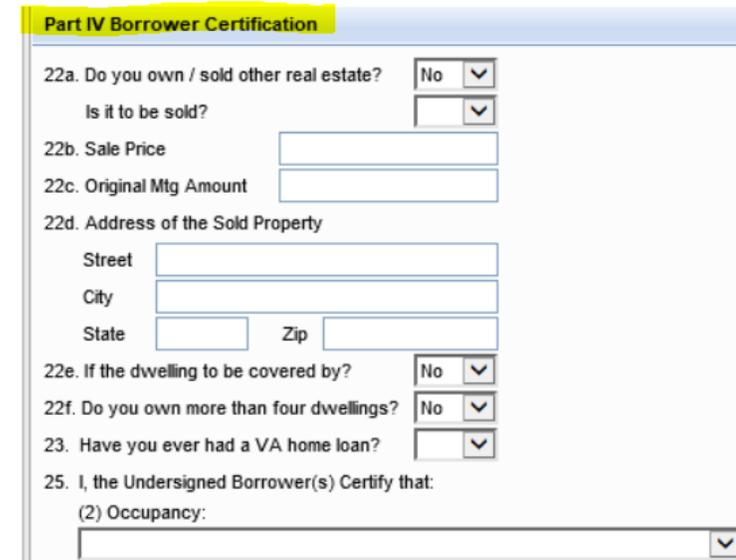
HUD-92900LT FHA Loan Transmittal:

If you are processing an **FHA Purchase using GIFT FUNDS**, you MUST input the information on this screen so that AUS recognizes the use of GIFT FUNDS.

** You may receive Approve/Eligible findings if the data is NOT input here, then end up with REFER findings (requiring MANUAL UNDERWRITE) once input.

** Be sure to check this!!

HUD-92900LT FHA Loan Transmittal:

If you are processing an **FHA Purchase using GIFT FUNDS**, you MUST also input this information so that AUS recognizes the use of GIFT FUNDS.

Income Calculation Worksheet:

This form is used to show your calculation for Hourly/Salaried Borrowers. There is a Borrower & a Co-Borrower Tab.

– 1) Select the Pay Type

– 2) Input data from Paystubs & W-2s

– 3) Checkmark additional boxes to open up sections for Overtime/Bonus/Commission

– **** NOTE: clicking on an option button will NOT populate the amount to 1003-page 2; the income figure being utilized must be manually input**

Income Calculation Worksheet:

– Example one of the additional income screens:

** Note: UW requires some form of income calculation be provided in the file at initial submission. This screen is a great place to do it. Or, you can place your own income calc form in the Cover Letter to u/w – Initial folder or notate your calculation on the Cover Letter to u/w – Initial.

Loan Contacts Screen:

** This screen was put into production on March 1st, 2017!!

** Used for ALL 3rd party tracking

** Flows to a pipeline view for Ordered/Received Dates

Loan Estimate Page 1 – Requesting a COC

Disclosure Information

Reason **4**

- ☐ Changed Circumstance - Settlement Charges
- ☐ Changed Circumstance - Eligibility
- ☐ Revisions requested by the Consumer
- ☐ Interest Rate dependent charges (Rate Lock)

1 ☑ Changed Circumstance

Changes Received Date: 02/20/2017

Revised LE Due Date: 02/23/2017

Changed Circumstance

2

3 Comments

If the COC involves a MATERIAL DATA change – adding/removing borrowers, loan program change, etc, be sure to add a note in the CONVERSATION LOG

...elect one or more changed circumstances below. Press Ctrl or Shift key to click and select multiple

...anged Circumstance	Comments
...ditional service is necessary based on receipt of title report	Additional service is necess...
...ditional borrower has been added or removed from the loan application	Additional borrower has bee...
...praised value is different than estimated value supplied	Appraised value is different...

1) Checkmark the Changed Circumstances box.
2) Click the Magnifying Glass and select the reason, if available. If not, select "Other".
3) If "Other" is selected, place a Detailed Explanation in the comments box.
4) Checkmark a Reason, if listed. If not, select "Other" and copy/paste your statement from the comments box.

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Loan Estimate Page 1 – Inputting INTENT TO PROCEED

1) Checkmark the **Intent to Proceed** box

2) Click on the **magnifying glass** to select the date of the Intent to Proceed disclosure (this will match the date of the INITIAL LE)

3) **Input the date SIGNED** by the borrower

4) Input the **Received Method**

** If the system will not allow you to complete this screen due to a "presumed received date" that is later than the actual received date, you will need to input this info under Tools > Disclosure Tracking (see next slide)

Tools > Disclosure Tracking – Inputting Intent to Proceed

- **Go to the Tools Tab > Disclosure Tracking**
- Double-Click on the EARLIEST date to open up the screen on which you will input the **INTENT TO PROCEED** information

Tools > Disclosure Tracking – Inputting Intent to Proceed

– This is the screen that will open up:

– 1) Select the ACTUAL received date

– 2) Checkmark Intent to Proceed

– 3) Select the date that the borrower signed

– 4) Select Received Method

– 5) **Click OK at the bottom of the screen to save the data**

Nations Application Screen:

If you are <u>WAIVING ESCROWS</u> on a CONV file with </= 80% LTV or a DURP/HASP file where you are eligible to waive escrows, that would be completed here:

– You would select "NO" and UNcheck the boxes for Hazard Ins and/or Property Taxes, depending on what is being waived.

NLC Appraisal Request Form:

– This screen is utilized for **VA LOAN TYPES ONLY**

– Whomever is responsible to complete this screen, inputs the data and clicks *Request Appraisal*; the appraisal is order via the VA Portal by the Appraisal Desk

– Tracking of the appraisal status occurs on this screen as well

Patriot Act Form:

– Data can be typed directly into this screen and then the form can be printed and signed/dated by the LO (or this can be done right at their desk if they have the ability via their Adobe Acrobat version!)

- **Document 2 is REQUIRED** on all Patriot Act Forms

- The dropdown for Document 2 lists all possible choices

Processing Status:

- This is a "monitoring" screen that can be shown on your pipeline view
- Typically used to input items that are missing that keep you from moving the file to the next milestone
- Can also be used to update Est Closing Date & 1st Payment Date

Pipeline View:

Input Data Here:

Processing Submission Form:

– If your branch chooses to use this (we highly recommend it!), it would be completed by the LO

– This helps the processor know which "hat" (loan type/agency) to put on when initiating the fi...

– Also a good place to note best time & number to reach the borrower; input HOA contact details; input NOTES!!

Property Information Screen:

The following info should be completed on this screen:

– **Flood Cert Number and Flood Zone**, which comes from the Flood Certificate pulled through FZDS. This info should auto-populate as long as the flood cert does not go into "research" (you will get a pop-up if this happens)

Confirm that data matches appraisal

Property Information Screen:

- **If the Flood Cert goes into "research", you will receive an EMAIL when the Flood Cert is completed**

  - To have the required information populate into Encompass (instead of having to do manual input) you can go to the *Services Tab > Order Flood Cert > click   on the* *"paper" >* *highlight the cert > click* *Retrieve*

Property Information Screen:

— **Title Information:**
- **Parcel Number** = *confirm with Title & Tax Certification*
- **Title Report Date** = *confirm with Title Commitment*
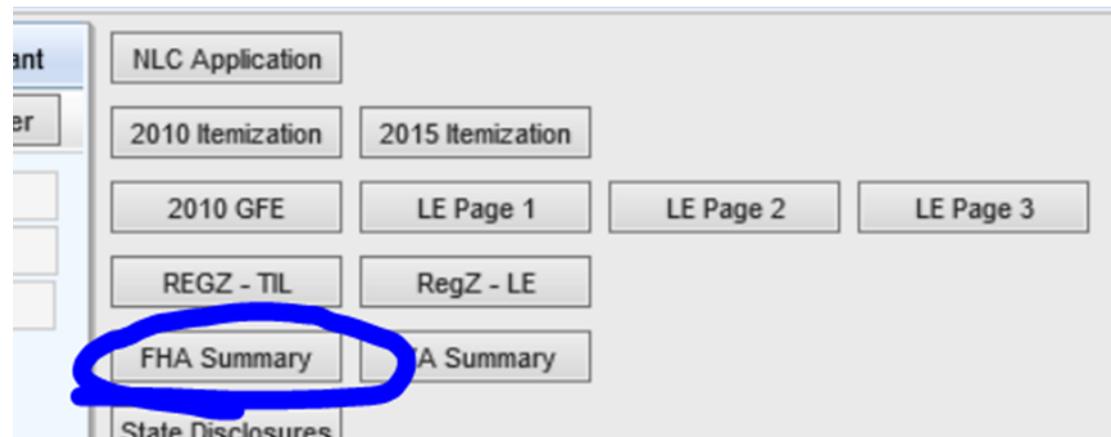
Property Information Screen:

– **Manufactured Housing Details, if applicable**

- *If doing a MH, be sure to complete the following info which can be obtained from the title commitment, appraisal, or HOI dec page:*

Purchase Qualification Form:

- Primarily completed by the LO during the application-taking process
- Contains links to the screens that should be completed by the LO
- Processing can utilize the FHA Summary link to request the FHA Case# assignment via Encompass (see Tutorial on how to pull a case# via Encompass)

Purchase Qualification Form:

- Also available from this screen is the link to complete the **UDD form PRIOR to initial disclosures** being sent to the borrower(s)
- This way it comes back ALREADY COMPLETED!!
- Simply click the Und Debt button and complete the fields

** All common inquiries on a given date can be input on the same line

RegZ – CD/RegZ LE:

- This is where you would want to track **Current APR versus Disclosed APR** to ensure you are within tolerance, not >/= +0.125 difference

- This is also a good location to confirm that the **1ˢᵗ payment date is in line with the Est Closing Date**

- **NOTE!! The system will NOT update the First Payment Date if the Est Closing Date moves into the next month (this must be done manually)**

Request for Transcript of Tax (Classic):

- This is where you can make revisions/corrections if an updated IRS 4506-T form is needed

- If ordering via **DataVerify**, Line#5 should read the DBA address for DataVerify

- If order via **IRS Direct**, Line#5 should read the Corporate Office address:

** The Encompass team sets this up for each branch **

Risk Assessment:

– If this is being requested by sales or processing, this will likely be related to extenuating circumstances, NLC Overlays, or other unique situations for which you would like an exception prior to submission to underwriting.

– If the loan is in underwriting and an exception is required, the u/w will request the exception through his/her manager or Credit Risk, depending on the situation and what type of exception is needed.

Risk Assessment:

Fill in this area with your request explanation. Be sure to include compensating factors!!

Rush Request Form:

The RULES:

– File must be **Cond Approved** (NOT in a Suspended u/w status)
– File must be ready for Final Approval review (**Resubmittal Milestone being completed**)
– **CD must be sent**
– Select the reason and explain
– Checkmark the confirmation box
– Rush will be Approved/Denied by UW Mgmt

State Specific Disclosure Information:
– TEXAS:

If the Subject of the loan is the borrower's Primary Residence, this box should be check-marked

Funded	07/05/16
Shipping finished	07/12/16
Completion	07/29/16
Purchased finished	09/08/16
Reconciled finished	09/08/16

Forms | Tools | Services

State-Specific Disclosure Information
Transmittal Summary
ULDD/PDD

Title Information

☑ Property is borrower's homestead
☐ Continuous Purchase Money Loan

Duties and nature of Relationship

Check all that apply:
☑ We will submit your loan application to a p...
☐ We are acting as an independent con...

If the original purchase loan is being refinanced with NO cash-out, a Rate&Term loan, then this box should be check-marked. The 3% fee cap does not apply on Rate&Term loans.

Transmittal Summary - 1008:

This is the best screen to utilize when comparing Encompass and AUS findings when there is a discrepancy.

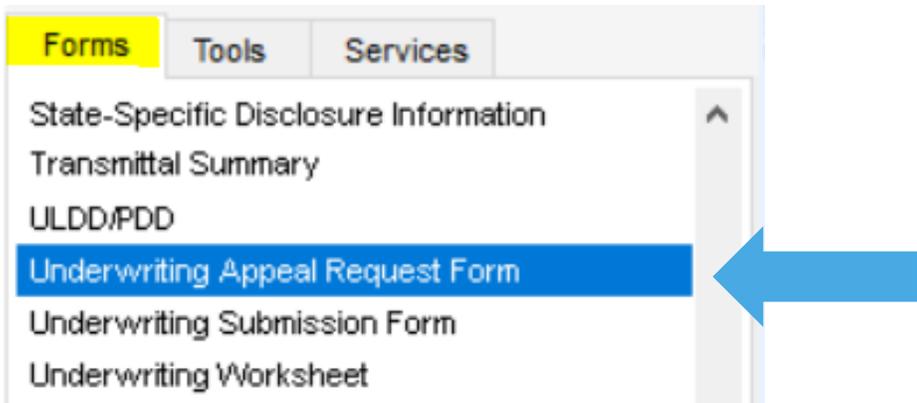**Use this screen to compare the data to the AUS Summary. This will generally point you to the area of discrepancy.**

Underwriting Appeal Request Form:
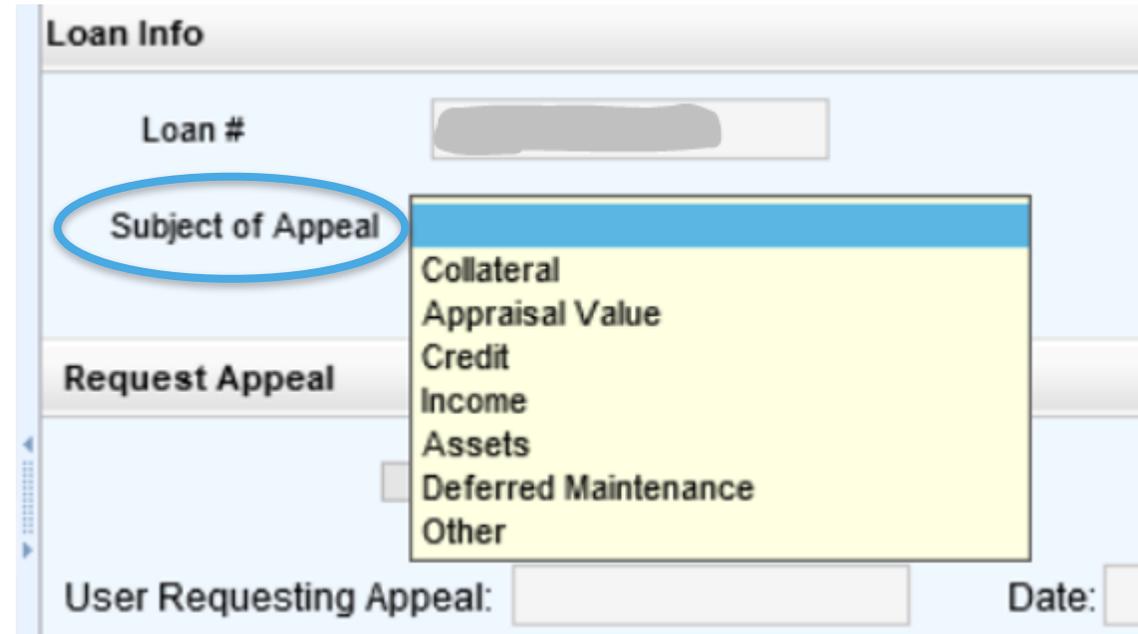
Workflow Process 👉

Location: SharePoint >
Nations Lending Processing >
UW Appeals Process via Encompass

Underwriting Submission Form:

This form is used to perform 4 separate functions

Underwriting Submission Form:

Pre-Review Requested [//]
Pre-Review Completed [//]

- Function #1 – **Pre-Review Requested**:
  - This is utilized for those instances where you have a file "almost" ready to go back in for Final Approval review, but you are missing an item or two that will take a few days to get back. You can send the file in to get the majority of the conditions reviewed to clear.
  - **Input today's date** (the date you are sending the file in)
  - **In the Comments box**, note the items missing & expected date of receipt
  - **Finish the Resubmittal Milestone** to send the file back to the original u/w
    - The u/w will review the items to clear/reject & return the file to you. Once you have the remaining item(s), you will once again Finish the Resubmittal milestone to the u/w

Underwriting Submission Form:

– Function #2 – **Purchase Appraisal UW Review**

- This function is used to have the **APPRAISAL** (only) reviewed once it is received on a Conditionally Approved purchase file
- **Ensure that the appraisal docs are loaded** into the proper folders – Appraisal, Appraisal Invoice, Appraisal HVCC Cert, SSR Report
- Simply **Checkmark** the Purchase Appraisal UW Review Box
- Hit **SAVE**

Underwriting Submission Form:

– Function #3 **- Suspense Conditions to UW for Review**
  - This function is used to have **SUSPENSE Conditions (only)** reviewed to clear when an Underwriter has issued SUSPENSE conditions
    – **Ensure that documentation to clear the Suspended Item(s) is/are attached to the Suspense Condition(s) for u/w review**
  - The u/w would prefer to see the SUSPENSE conditions cleared in order to issue a true Conditional Approval
  - Simply **Checkmark** the Suspense Conditions to UW for Review box
  - Input **Comments** as needed
  - Hit **SAVE**
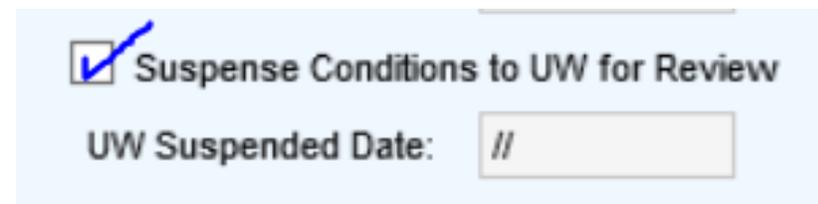
Underwriting Submission Form:

- Function #4 **-Condo Review Request**
  - This function is used to trigger a FULL Condo Review for a CONV loan file
    - Ensure that appropriate documentation is provided
    - This triggers a review by the Condo Review Team
  - Simply **Checkmark** the Condo Review Request bo
  - Input **Comments** as needed
  - Hit **SAVE**
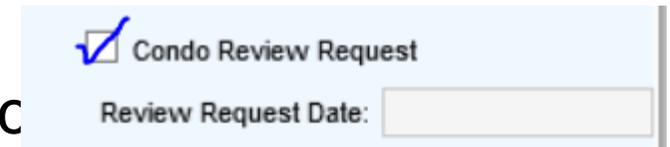
> ☑ Condo Review Request
> Review Request Date: [   ]

You can find procedures & protocols, job aids, and other useful tools on SharePoint > Retail Processing > Condo Review

Underwriting Worksheet:

– Once conditionally approved, good screen to review document expiration dates & UW notes

Underwriting Worksheet:

– Also where you can review the AUDIT status:

USDA Management:
Req for SFH Loan Guarantee/Resv. Of Funds Tab (3555-21)

- For USDA loans, much of the data auto-populates & the u/w completes the rest. This form will be supplied to the processor to have the borrower sign/date/return prior to the loan being submitted to USDA for commitment.

eFolder "bucket"

VA 26-0286 Loan Summary:

The following sections should be manually completed on this screen:

Forms   Tools   Services
VA 26-0286 Loan Summary

6a. 6b. Ethnicity and Race from 1003
7. Entitlement Code from VA Cert of Eligibility   05
8. Entitlement Amount   36,000.00
9. Branch of Service   Marines
10. Status   Separated from Service
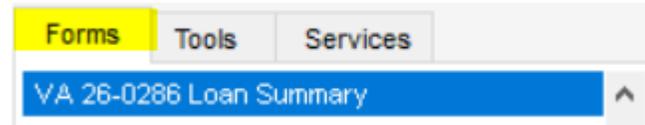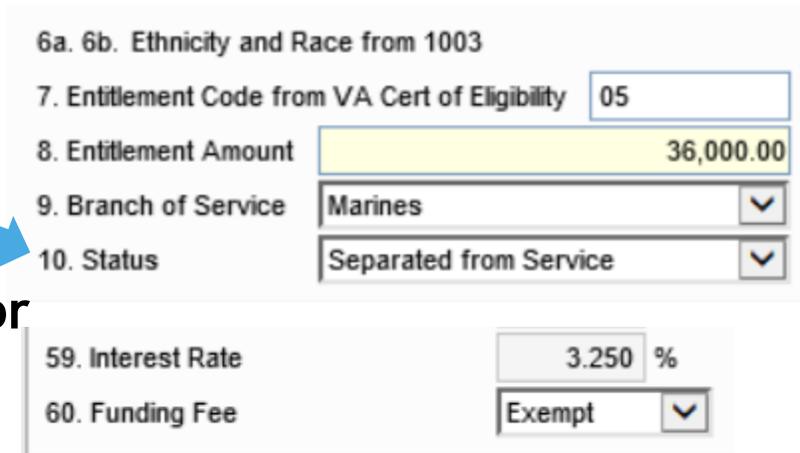
#10, you can verify with the borrower or from the DD214

Line#s 7, 8, 9, and 60 will come from the COE – Certificate Of Eligibility

59. Interest Rate   3.250 %
60. Funding Fee   Exempt

Fields 47a/b/c should auto-populate as shown; Be sure to revise as needed per AUS

47a. Loan processed under VA recognized automated underwriting system   Yes
47b. Which system was used?   DU   51. Residual Income
47c. Risk Classification   APPROVE   52. Residual Income Gui

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VA 26-0286 Loan Summary:

The following sections should be manually completed on this screen:

- This section is for <u>VA IRRRLs only</u> and the data would be obtained from the NEW VA IRRRRL case# assignment obtained from the VA Portal

VA 26-1820 Loan Disbursement:
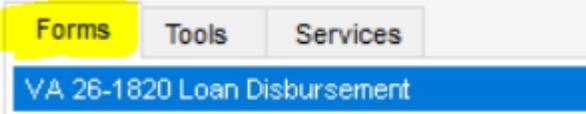
This screen contains many of the "Required Fields" on a VA loan type – these must be manually input

Relative Not Living with Veteran

6. Name   Tom Unik Jr
   Phone   216-281-1300 ☎

Current Address
   Address   1426 Harborview Drive
   City   Cleveland
   State   OH   Zip   44102

This data will come from the NLR (Nearest Living Relative) Disclosure

14. Annual Real Estate Taxes   3,708.70

15. Insurance
a. Hazard Face Amount   304,900.00
    Hazard Annual Premium 🔒   3,758.16
b. Flood Face Amount
    Flood Annual Premium 🔒
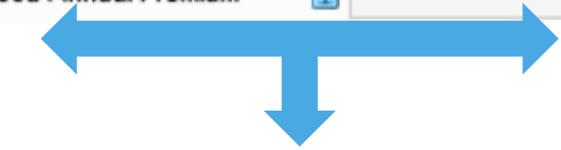
This will come from the TAX CERT & HOI

VA 26-6393 Loan Analysis:
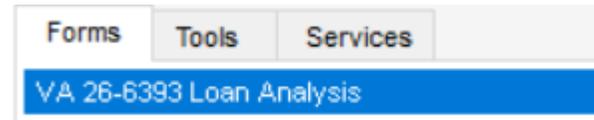
Forms | **Tools** | **Services**

VA 26-6393 Loan Analysis

** There is a detailed tutorial for this screen in SharePoint > Tutorials & Job Aids folder

**** This screen MUST be completed prior to initial submission to u/w on ALL VA loans**

- **Required Fields:**

Maintenance is calculated as Square footage (from appraisal) X 0.14 i.e. 14 cents per sq. ft.

Section C - Estimated Monthly Shelter Expenses

| 14. Term of Loan | 30 | Y | 3.250 | % | 19. Maintenance | 293.58 |
| 15. Mortgage Payment | | | 1,331.71 | | 20. Utilities | 0.00 |

VA 26-6393 Loan Analysis:

– Required Fields:
** Check-mark the boxes for debts that are NOT being paid in the loan; so for Purchases, ALL boxes would be checked unless a debt was being paid outside of or through the closing

Section D - Debts and Obligations   Show All (VOL)

	Creditor	Include on Line 41	Monthly Payment	Unpaid Balance
23.	GREEN PLANET SERVICING	☐	1,850.00	223,385.14
24.	NAVY FEDERAL CR UNION	☑	304.00	17,470.00
25.	KIA MOTORS FINANCE	☑	410.00	9,031.00
26.	CB/VICSCRT	☑	65.00	1,353.00
27.	COMENITY BANK/VCTRSSEC	☑	65.00	1,353.00
28.	STATE DEPARTMENT FCU	☑	25.00	641.00
29.	CBNA	☑	27.00	250.00
30.	Alimony / Child Support	☐		
	Job Related Expense			
	Other Expense			
	Negative Rents			
	Other Liabilities	☑	75.00	50,493.00

VA 26-6393 Loan Analysis:
– Required Fields:

Note: if income was Grossed-up for qualifying purposes, it must be reduced back down to "base" amount for RESIDUAL purposes, using the "lock box" as on line 39

Section E - Monthly Income and Deductions			
32. Items	Spouse	Borrower	Total
Earnings from Employment		3,229.20	3,229.20
DEDUCTIONS			
33. Federal Inc Tax		417.58	
34. State Inc Tax		0.00	
35. Social Security		200.21	
36. Other		46.82	
37. Total Deductions		664.61	664.61
38. Net Take-Home Pay		2,564.59	2,564.59
39. Other Net Income		5,712.81	5,712.81
40. Total (Sum of lines 38 & 39)	2,564.59	5,129.18	8,277.40

The amounts used in the DEDUCTIONS section will come from PayCheckCity.Com

VA 26-6393 Loan Analysis:

– **Required Fields: VA Residual Requirement**

– The Guideline Value is obtained from the VA Lenders Handbook> Chapter 4 – Item 44 (provided on the next slide)

43. Less Estimated Monthly Shelter Expense (Line 22)		2,364.41
44. Balance Available for Family Support	$ Guideline 441.00	4,941.99
45. Ratio (Sum of items 15,16,17,18,21 and 41 / sum of items 32 and 39)		34.017 %
46. Past Credit Record		Satisfactory

The value on the right of the input box for Line# 44 must EXCEED the Guideline value

– ***** <u>NOTE</u>**: if the DTI is >/= 41% or you have Refer/Eligible findings, you must increase the base residual requirement by 20%, so you would multiply the base amount by 1.2 and input this amount in the Guideline field; example from above $441 x 1.2 = $529.20

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VA 26-6393 Loan Analysis: Residual Incomes by Region

Table of Residual Incomes by Region				
For loan amounts of $79,999 and below				
Family Size	**Northeast**	**Midwest**	**South**	**West**
1	$390	$382	$382	$425
2	$654	$641	$641	$713
3	$788	$772	$772	$859
4	$888	$868	$868	$967
5	$921	$902	$902	$1,004
over 5	Add $75 for each additional member up to a family of 7.			

Table of Residual Incomes by Region				
For loan amounts of $80,000 and above				
Family Size	**Northeast**	**Midwest**	**South**	**West**
1	$450	$441	$441	$491
2	$755	$738	$738	$823
3	$909	$889	$889	$990
4	$1,025	$1,003	$1,003	$1,117
5	$1,062	$1,039	$1,039	$1,158
over 5	Add $80 for each additional member up to a family of 7.			

Key to Geographic Regions Used in the Preceding Tables			
Northeast	Connecticut	New Hampshire	Pennsylvania
	Maine	New Jersey	Rhode Island
	Massachusetts	New York	Vermont
Midwest	Illinois	Michigan	North Dakota
	Indiana	Minnesota	Ohio
	Iowa	Missouri	South Dakota
	Kansas	Nebraska	Wisconsin
South	Alabama	Kentucky	Puerto Rico
	Arkansas	Louisiana	South Carolina
	Delaware	Maryland	Tennessee
	District of Columbia	Mississippi	Texas
	Florida	North Carolina	Virginia
	Georgia	Oklahoma	West Virginia
West	Alaska	Hawaii	New Mexico
	Arizona	Idaho	Oregon
	California	Montana	Utah
	Colorado	Nevada	Washington
			Wyoming

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VA 26-8923 Rate Reduction WS:

This form does not always function correctly, so we recommend using the IRRRL Wksht located on SharePoint in the Agency-VA folder > VA Calculation Worksheets

VA Appraisal Status:

On this screen, you can locate the **SAR** – the underwriter who issued the NOV (Notice of Valuation) for the appraisal

You can track the **NOV** issuance

You can track the **ROV** – Reconsideration of Value – if requested

VA Cert of Eligibility:

This screen can be utilized to update the information populating to the VA 26-1880, if needed to request restoration of entitlement

VA Initial PopUp:

– This form should be completed by the Loan Officer when taking the initial loan application.

– This data will flow to the **VA 26-8937 disclosure** and the **Nearest Living Relative disclosure**

VA Management – Basic Information Tab:

Much of the information under this tab will flow from the 1003 pages

The Veteran Information
can be input here from the COE:
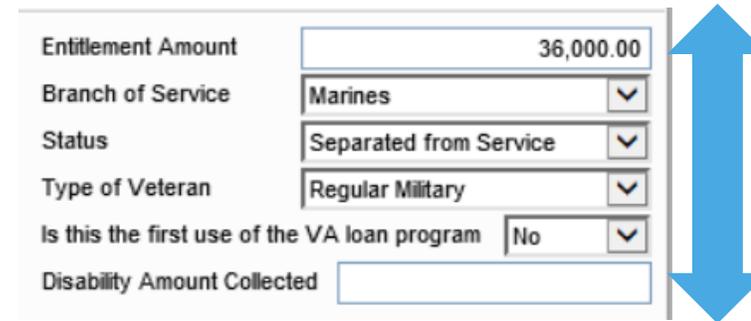
Also, you can note on this screen if the Borrower/Co-Borr are married or if you are utilizing entitlement from more than one veteran
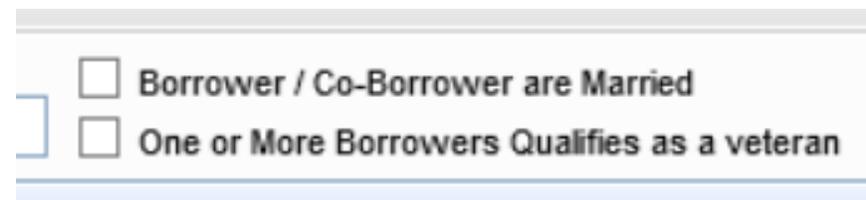
VA Management – Qualification Tab:

On this screen, you can obtain the Residual Income upon completion of this section:

Click "Get Residual Income" and the base guideline amount will populate based on _family size_ and _region_

There is also a direct link to the VA Guidelines from this screen:

VA Management - Qualification Tab:

If you are doing a VA IRRRL, the Recoup Period is calculated on this screen:

Note: Prepaids are NOT included in the recoup calculation

Nations requires a recoup of </= 96 months or the file must be reviewed by our Risk Team for acceptability

VA Management – Tracking Tab:
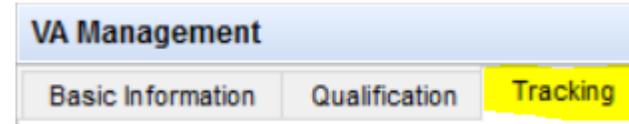
This is another area where you can locate the SAR, track the NOV status, track the Certificate of Eligibility (COE) receipt, and input the Borrower(s) CAIVRS number(s)

There is also a notes box for COE Issue History if you have a complicate situation that you would want to explain:
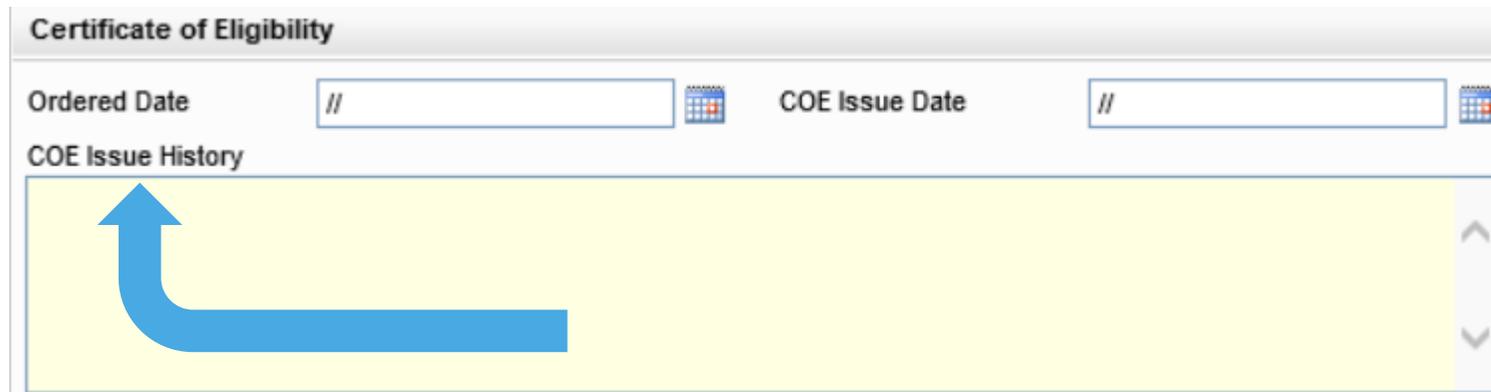
VA Summary:

This is a VA compilation screen with all of the bells & whistles

Open up the 26-1880 fields with a click of a button!
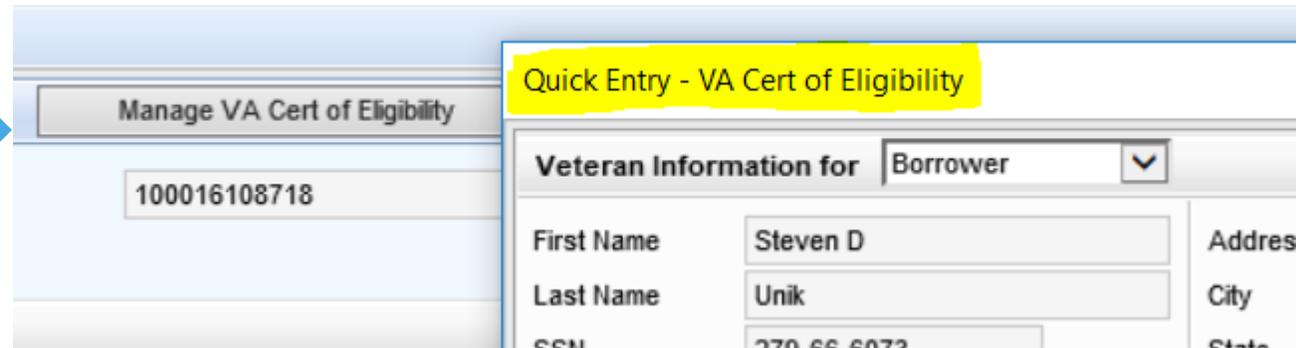
Manage VA Cert of Eligibility

100016108718

Quick Entry - VA Cert of Eligibility

Veteran Information for   Borrower

First Name	Steven D		Addres
Last Name	Unik		City
SSN	279-66-6073		State

You can complete the Veteran Info, the NLR info, the 26-8937 questions, the VA Loan Data, get the Residual Income, obtain VA County Limits, get the Recoup, etc....

VOD/VOE/VOL/VOM/VOR:

These screens compile the data from the 1003 screens for ease of access and review when opening up eFolder documentation.

The **VOL screen** is most helpful since this screen allows you to view/edit all liabilities while retaining the ability to scroll through the credit report

- ** When you click on **VOL**, you will see the following PopUp:

Encompass ✕

⚠️ Do you want to adjust the revolving debt information fields to meet Fannie Mae guidelines? Click Yes to set the Payment amount to $10 or the Factor for Revolving Debt to 5%, whichever is greater. Click No to keep the current field entries.

Yes   No

Be sure to CLICK NO

TOOLS TAB

File Contacts:

All parties to the loan should be located in this area

Title agent, Seller(s), Seller/Buyer Agent(s), etc must be manually input

– Be sure to input as much data as possible. If address is not listed on the purchase contract, you would want to "Google" the info to complete

Business Contacts:

If you consistently use contacts such as title agents, you can email Encompass@NLCLoans.com to request that the contact information be added to the Business Contacts in Encompass

- They are unable to set branches up with the access to add "Companywide", but they are able to do this for you
- Email the Encompass Team with the Title Agency name, address, etc to have them added for access from the cardex
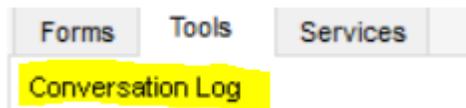
Conversation Log:

The Conversation Log should be utilized to document "material data" changes such as adding/removing borrowers, loan program changes, revisions to VA funding fee & reason, etc

U/W will place notes in this area with regard to loan complications, suspense data, etc

** The Conversation Log goes out with AUDIT FILES, so you would want to keep this area professional and clear of unwarranted communication

Disclosure Tracking:
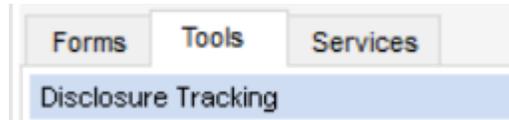
As the name implies, the Disclosure History is located on this screen

If Initial Disclosures were sent via **DocuSign**, the history will show here, but the documentation list will appear under the FORMS Tab > DocuSign Disclosure Request. The unsigned disclosures will flow to the eFolder > Unsigned Attachments once signed documents are imported

If Initial Disclosures were sent via **Ellie Mae Disclosures**, the disclosures will be accessible from the history. Double-click on the timeline item and select View Document in the pop-up

Disclosure Tracking:

Additionally, the Compliance Timeline, LE Tracking, and CD Tracking appear on this screen:

- – The eConsent is not applicable to DocuSign files; the DocuSign Certificate, which auto-populates to the eFolder, confirms E-consent

Fee Variance Worksheet:

This sheet compares the Initial LE, LE Baseline, CD Baseline, and 2015 Itemization figures to make comparisons > alerting to variances that would require a cure be applied

Fee Variance Worksheet:

Tools Tab > Fee Variance Worksheet:

Fee Variance Paths

Good Faith Fee Variance Violated alert appears until:

- Change fee to within tolerance
- Redisclose Loan Estimate or Closing Disclosure indicating:
  - > Indicate Reason for the revised disclosure (e.g. Changed Circumstance – Settlement Charges)

If your file is reflecting a required cure, be sure that you have:

A) Checkmarked the **"B" boxes**, as applicable

B) Confirmed that your **fee name/fee amount** MATCH your prelim CD

C) Triggered a **COC**, if applicable, for any legitimate revisions

If all of this information is properly reflected in the file & a cure is required, it will need to be noted on the Fee Variance Worksheet and applied as a credit on 1003-page 3

** Review the 2015 Itemization/LE/ CD Tutorial on SharePoint for a more detailed review of this screen

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Compliance Review = Mavent:

This report will auto-run during multiple points of the loan process

The processor should additionally run this prior to submission to u/w for final approval & review for any **FAILS**

TILA/RESPA is the only "fail" allowed; you can move forward once you confirm that APR is not outside of tolerance

Should have no issues unless LO is trying to do a loan in a state in which he/she isn't licensed

Loan Status: **PASS**

ATR/QM	TILA/ RESPA	High Cost	Higher Priced	State Rules	License	NMLS	GSE	Enterprise Rules	HMDA	OFAC/SSN	Other
PASS	PASS	PASS	PASS	PASS	PASS	PASS	Not Processed	PASS	Not Processed	PASS	PASS

If you are getting a fail/ warning here, it will likely be related to fees; check the ATR/QM screen under Forms Tab
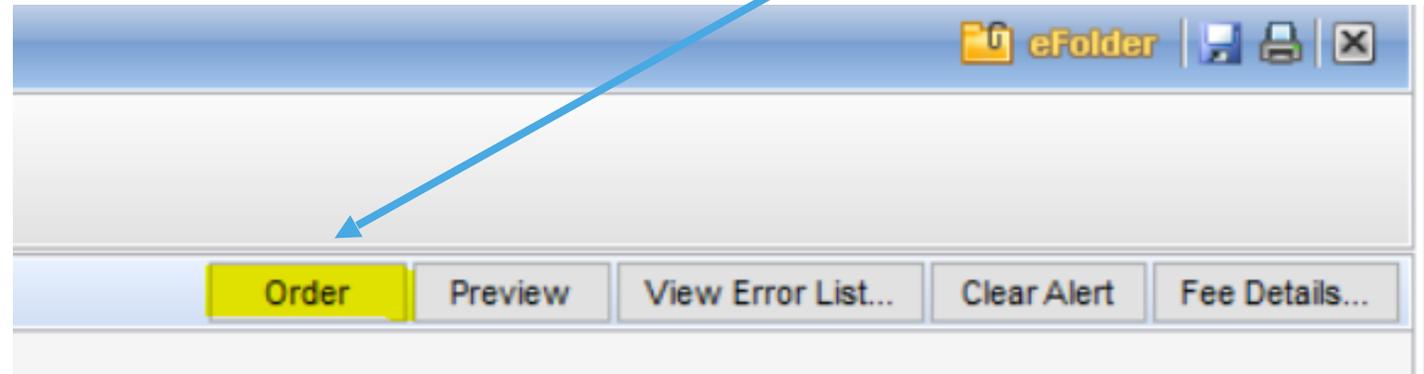
If High Cost/Higher Priced is fail/warning, check FEES

If Enterprise Rules is fail/ warning, typically related to VA fees – confirm if fee is allowable per VA

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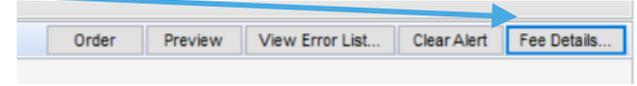
Compliance Review = Mavent:

In order to prompt MAVENT to run, you will click on Compliance Review under the tools tab & **click Order**

It may take a couple of minutes to process

Compliance Review = Mavent: APR fee versus Non-APR Fee

Be sure to click the **Fee Details** button to check APR labeling

| Order | Preview | View Error List... | Clear Alert | Fee Details... |

Anything in **RED** must be corrected on the 2015 Itemization

Report Fees

This list shows th[...]ompliance report. Problem fees are highlighted in red and should be resolved to get the most accurate Compliance report.

HUD # ▲	Encom[...]	[...]escription	Amount	Paid By	Paid To	Encompass APR	Compliance APR	HOEPA/QM
1101d	Abstract Or Title Sear...	Abstract Or Title Search Fee	595.00	Borrower	P	False	False	False
1101e	Deed Prep	Other-Finance Charge	50.00	Borrower	P	False	True	
1102b	Closing Fee	Settlement or Closing Fee	175.00	Borrower	P	True	True	False

			Borrower	Seller ?	Paid By / P / B / **A** / Pa
1101. Title Insurance Services					
	To	Competitive	1,550.00		
Title Examination	To	Competitive	* 595.00		
Attorney's Fees	To	Competitive	* 275.00		
Closing Protection Letter	To	Competitive	* 35.00		
Abstract Or Title Search F	To	Competitive	* 595.00		
Deed Prep	To	Competitive	* 50.00		
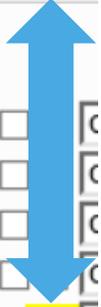
The APR box is not check-marked, but it should be since the Fee Details states "**Compliance APR**" is true.
The box should be check-marked and Mavent re-run to correct

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Co-Mortgagors:

This screen is used to <u>swap borrower position</u> or <u>remove a borrower</u> from the application

The MOVE button is used to swap borrower positions

The Delete Co-Borrower button would be used to eliminate the co-borrower from the app

Audit Trail:

This screen is covered in Slide #3

Inputting a Field ID# and clicking "Show" will provide you the input information, if the field is auditable

Example: **Field ID# 101** pertains to the borrower's base income figure:

SERVICES TAB

Forms	Tools	**Services**

» Order **Credit Report**	
» Access **Lenders**	
» Search **Product and Pricing**	
» Request **Underwriting**	
» Order **Appraisal**	
» Order **Flood Certification**	
» Order **Title & Closing**	
» Order **Doc Preparation**	
» Register **MERS**	
» Order **AVM**	
» Order **Mortgage Insurance**	
» Order **Fraud/Audit Services**	
» Request **HMDA Management**	
» Order **Additional Services**	
» Order **Verifications**	
» View **My Custom Links**	

Order Credit Report:

This is one of the several locations where credit reports can be ordered/ accessed

CREDIT PLUS is the agency that we use

ALL credit reports must be pulled directly through Encompass

| Forms | Tools | Services |

» Order Credit Report

Credit Report

My Providers | All Providers

Select a provider and click Submit.
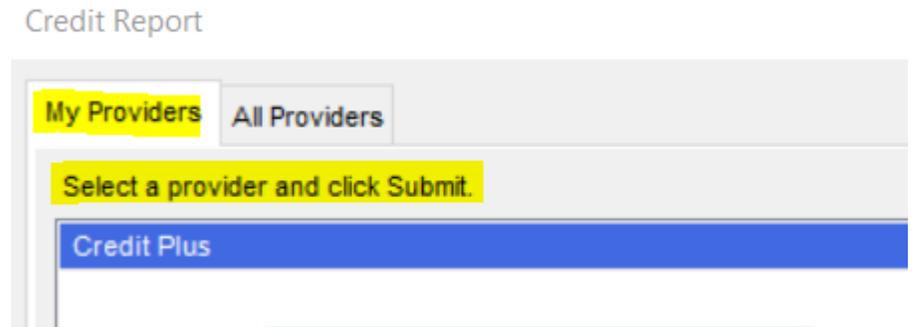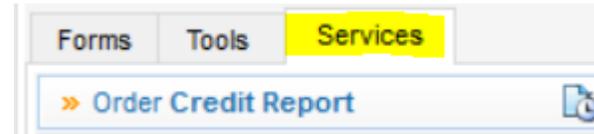
Credit Plus

Credit Agency: **Credit Plus**

Username: dawn2nlc

Password: ••••••••••••

Branch ID:

☑ Save Password

Report Type: Consumer Credit

Order Method: Default Report

Report On:

New Report
Default Report
Retrieve Existing Report
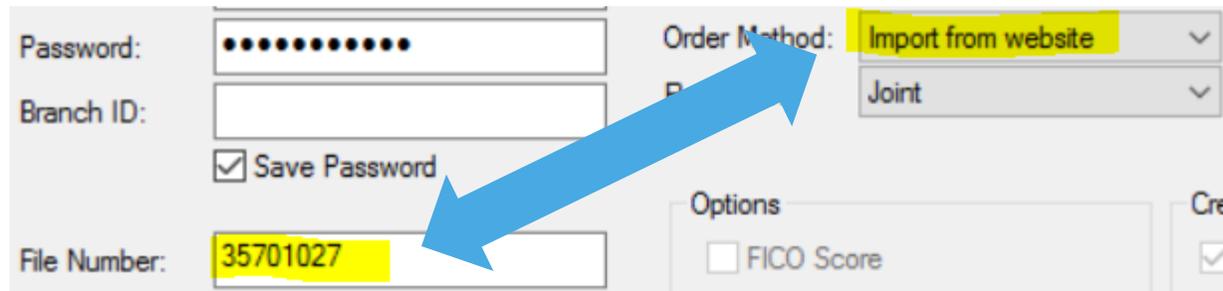Import from website
Upgrade

Order new report, unless existing report is

Options

dit Bureaus

Order Method:
New Report if credit is expired & a new report is needed
Import from website if you have split a file (new reissue#) or received a new reissue# for a ScorePlus request

Order Credit Report:

Selecting Import from website will open up the File Number field = this is where you will place a new reissue#

** Whenever a new report is imported into Encompass, you must then IMPORT THE LIABILITIES; **this is a separate step**

Additionally, be sure to remove any old reports from the eFolder

Order Credit Report:

To <u>Import the Liabilities</u> for the new report, go to <u>1003-Page 2</u>

Click **Import Liabilities**
A pop-up window will appear

Order Credit Report:

Once you have pulled/imported a new report, be sure to re-mark any accounts being PAID OFF, and re-attach any REOs to their respective mortgage tradelines

If you have had to manually input any student loan or collection payments, these figures will also have been over-written with the import of the new liabilities & need to be re-entered

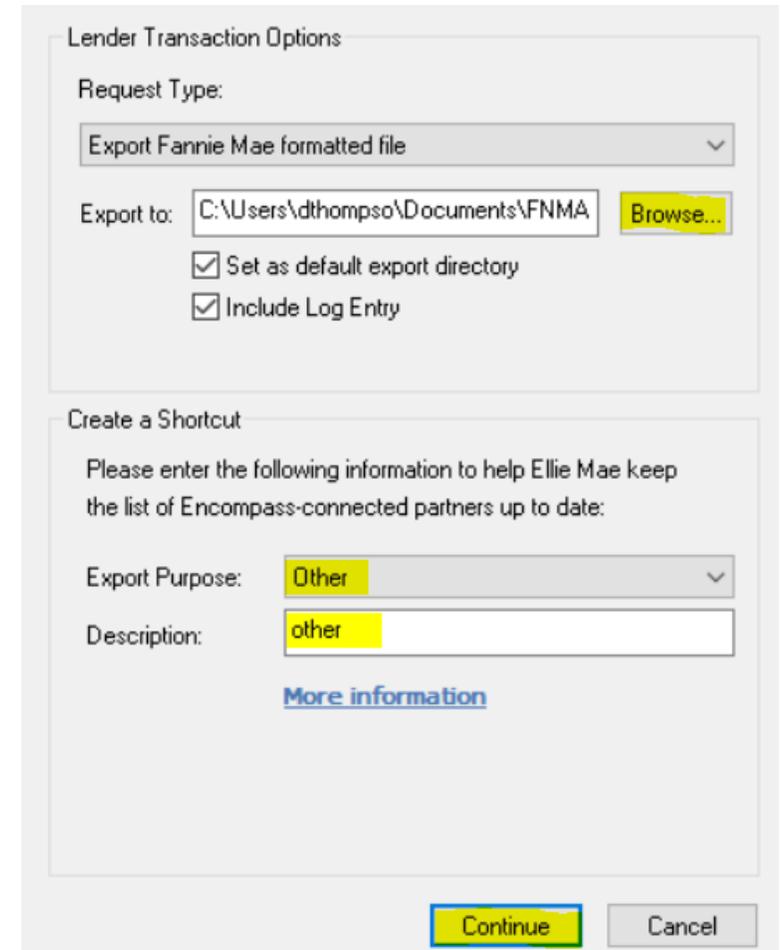To reiterate, be sure to REMOVE ANY OLD CREDIT REPORTS from the eFolder

Access Lenders:

This screen is used to **create a FNMA 3.2 file**, generally used to export the file data when submitting a file for outside underwriting = Jumbo CONV, FHA 203K, or C2P with disbursements; or running a file through **GUS for USDA**
- – 1) Click Access Lenders
- – 2) Select Export file to other partners on the pop-up window
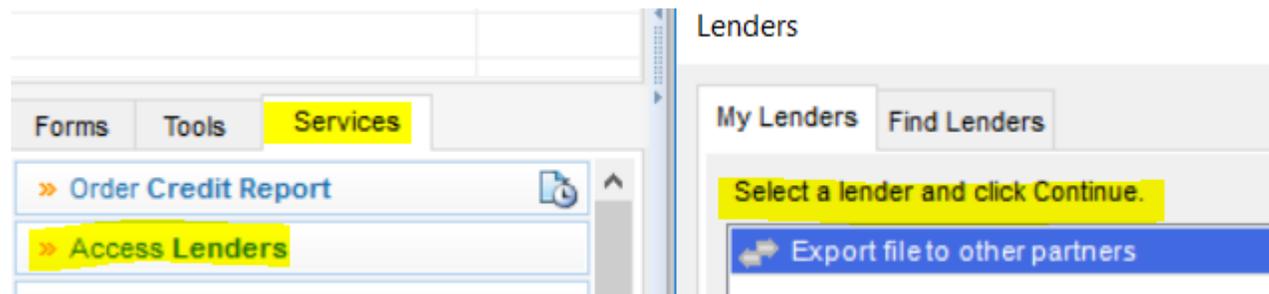
Access Lenders:

- 3) Click **Browse** to select where you would like to save the file
- 4) Select "Other" for **Export Purpose**
- 5) Note "Other" in the **Description**
- 6) Click **Continue**
- 7) A pop-up will appear to confirm that the FNMA 3.2 file was created

Request Underwriting:

This screen will be used for running **DU**, **LP**, and **FNMA Early Check** for Fannie/CONV files
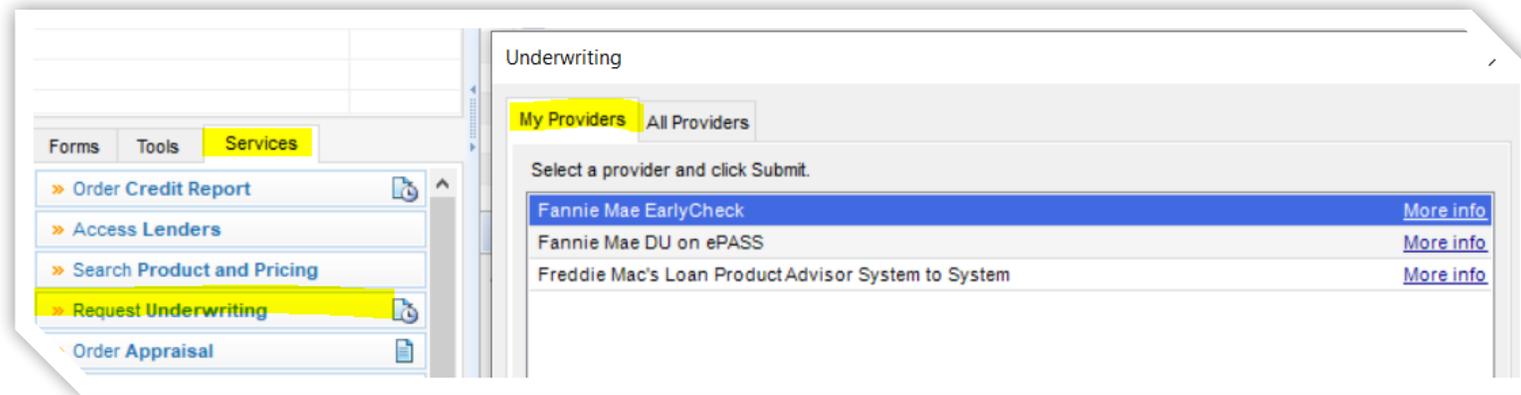
If the item does not appear on your "My Providers" tab, simply click on the "All Providers" tab, select the item, and select "Add to my list"

Order Appraisal:

This screen is used for ordering all appraisal types with the exception of VA Loan Types **(those are ordered using the NLC Appraisal Request screen)**
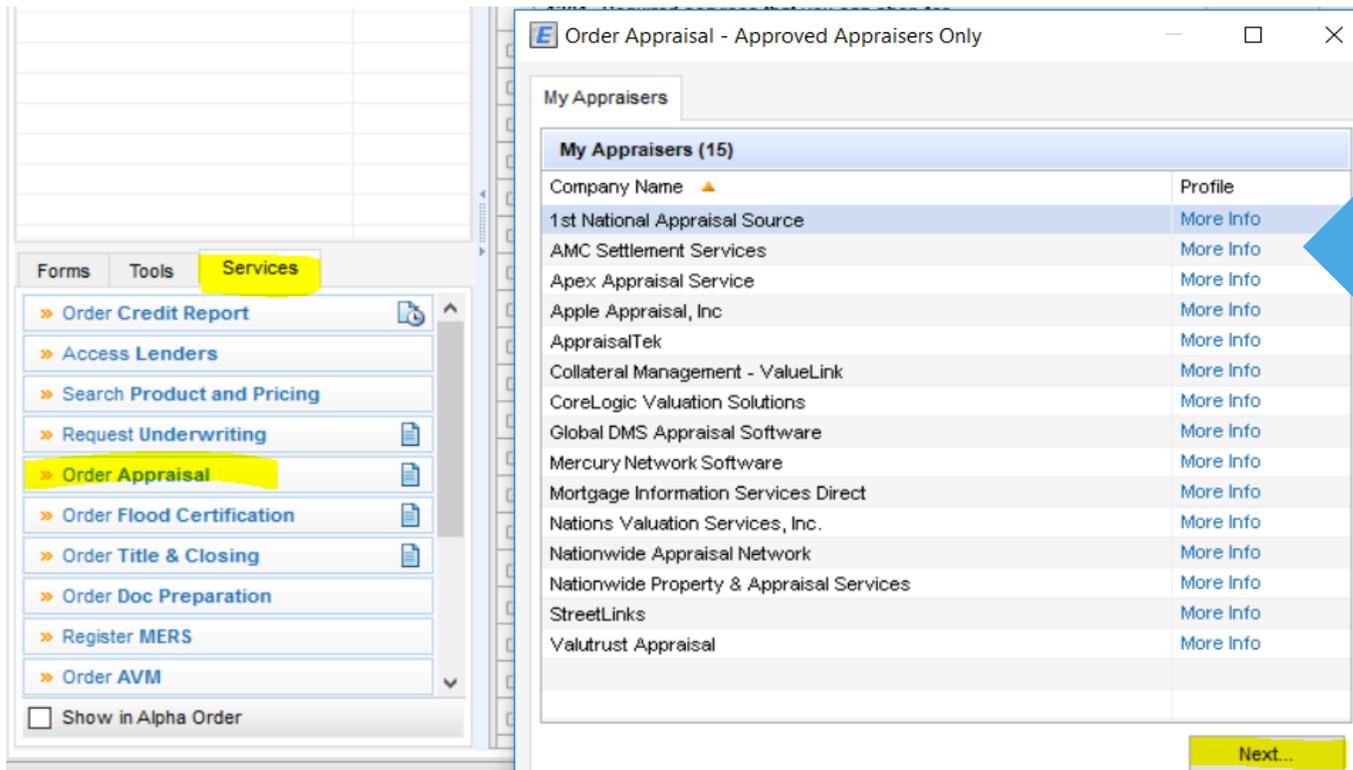
You would select the AMC, then follow the screen prompts

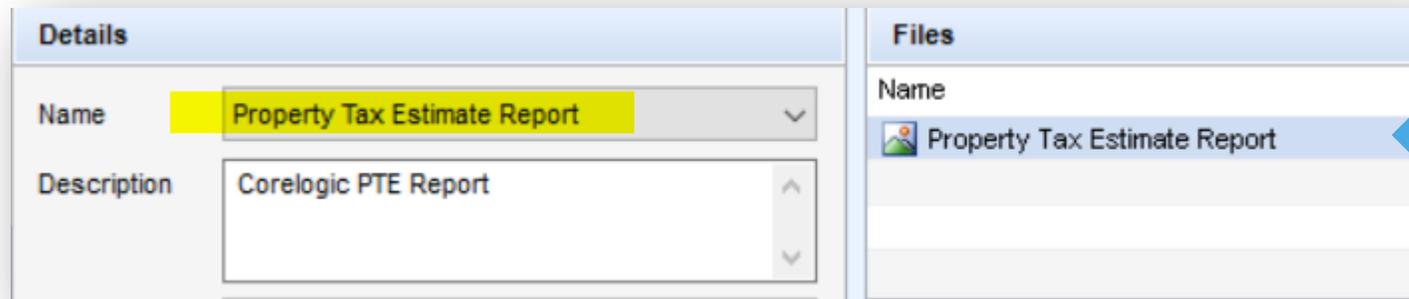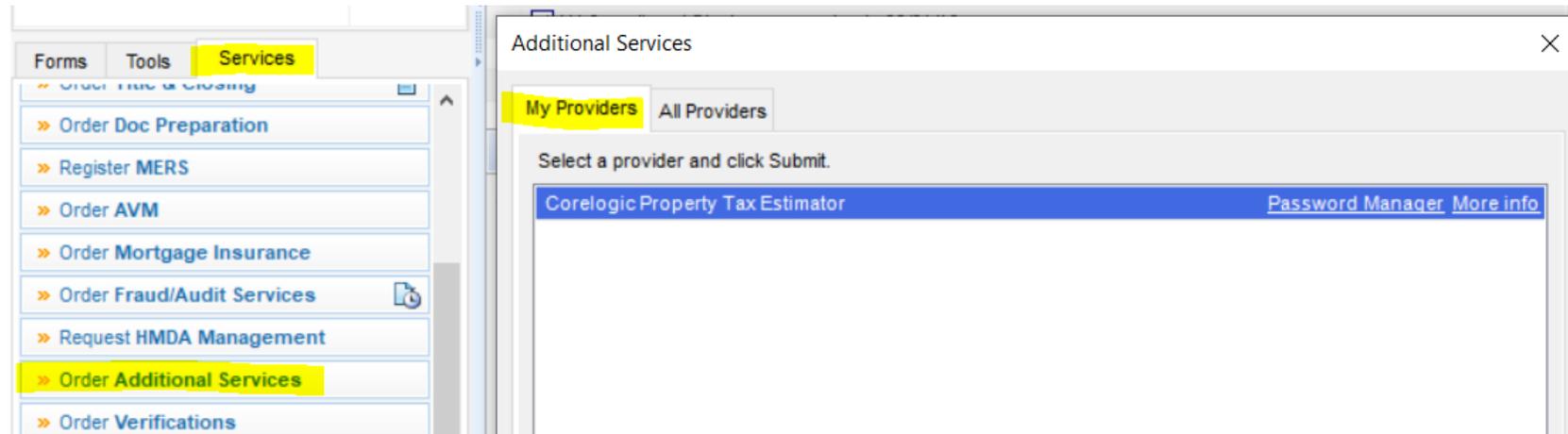# Order Additional Services – CoreLogic PTE:

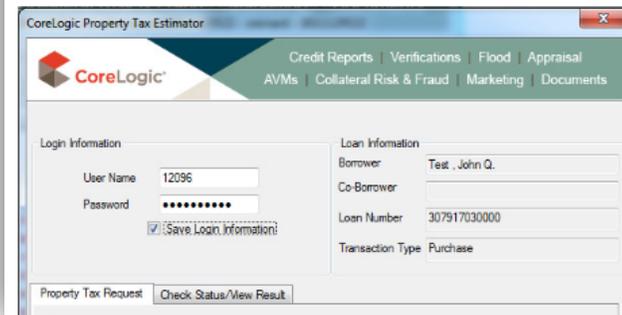This screen is used for requesting the CoreLogic Property Tax Estimator

The report populates to this eFolder bucket

Order Additional Services – CoreLogic PTE:

This tool is utilized to ascertain accurate tax figures and aggregate setup dates:

The first time you access PTE, enter the following credentials, then check the box to Save Login Information for future requests. **These credentials will be used company-wide, so please do not disable the password by exceeding the login attempts.**

- **User Name = 12096**
- **Password = 310%17*MT1**

The job aid can be found on SharePoint > Nations Lending Processing > LOANCARE Tax Due Dates & CoreLogic Tax Figures > *Quick Reference Guide – CoreLogic PTE*

Order Appraisal:

Once the appraisal order has been placed, you can track the progress by clicking the **"paper" link** here:

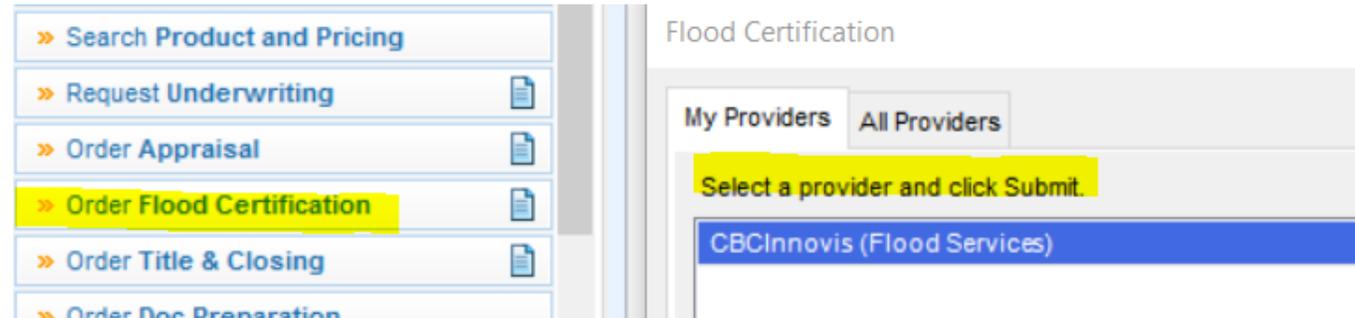Once the appraisal is completed, the person placing the order will be notified via Email

Order Flood Certification:

We use CBCInnovis, nka FZDS

You will select **Life of Loan with Census Tract** and click Order
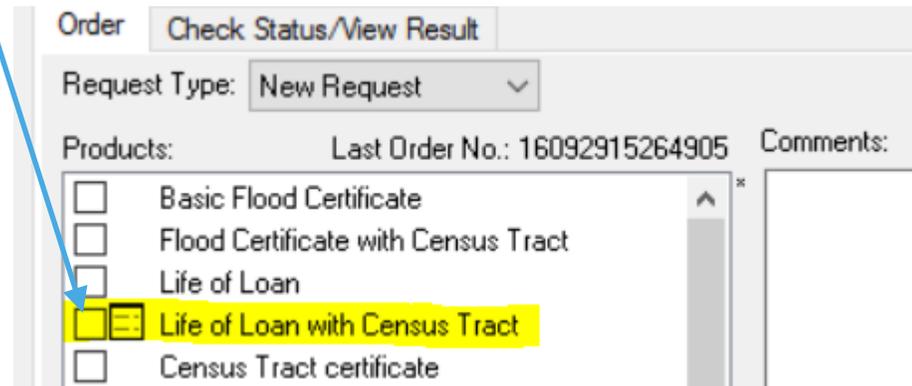
Order Flood Cert:

The Flood Cert will auto-populate into the eFolder
- 2 pages, if NOT in a flood zone
- **3 pages, if the property IS in a flood zone**. **The 3rd page will be the <u>flood disclosure</u>, which must be signed/dated by the borrower & returned at least 3 days prior to closing

<u>If the Flood Cert goes into "Research"</u>, you will receive a pop-up window notifying you of this; the Flood Cert will then be sent to you via email, but you will want to **retrieve through Encompass in order to populate the Flood Cert data** (determination#, flood zone, etc) into the Property Information screen
- Click the "paper", highlight the item, click **Retrieve**

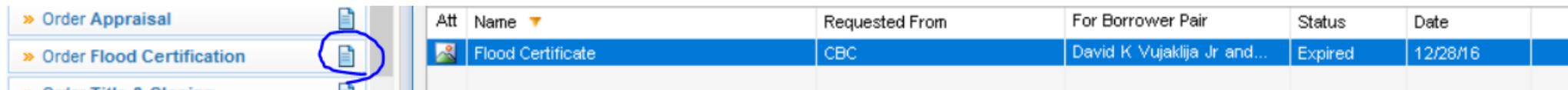|		Att	Name ▼	Requested From	For Borrower Pair	Status	Date
» Order Appraisal	📄						
» Order Flood Certification	📄	🖼	Flood Certificate	CBC	David K Vujaklija Jr and...	Expired	12/28/16
» Order Title & Closing	📄						

Order Title & Closing:

If you are using a title agency that is integrated with Encompass, you would be able to use this feature:

If not, there is a Title Request Form that can be accessed from the print icon – Select "Preview" to review & edit as needed
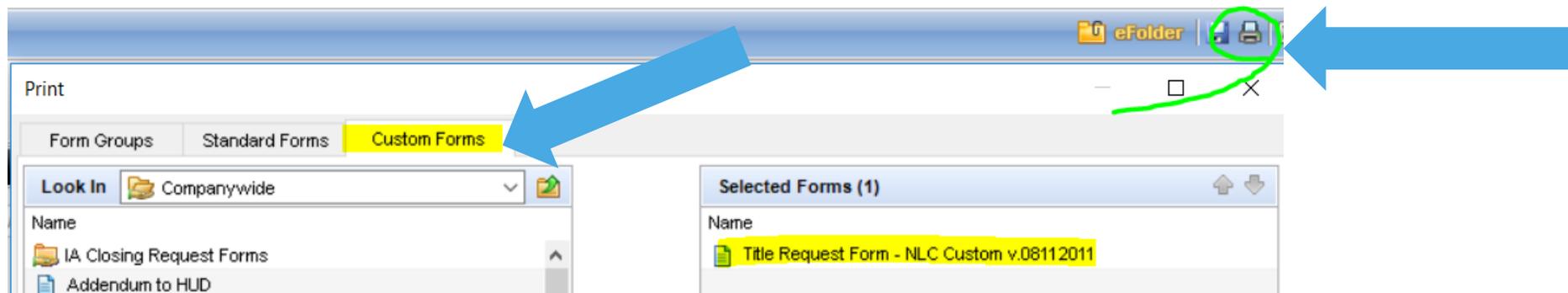
Order Mortgage Insurance:

This screen would be utilized to obtain a QUOTE for **Conventional MI**

This would typically be supplied by the LO prior to issuance of Initial Disclosures to the borrower

The final MI Cert is ordered by the Underwriter

There is an MI Matrix located on SharePoint that explains the different MI types. Nations accepts all MI types **with the exception of Lender Paid Monthly**

Order Fraud/Audit Services:

This service is ordered through **DataVerify**

Input your Username/Password and click **ORDER**

The report will "pop up" for review, but it does not auto-populate to the eFolder

- You must print/save/load or print directly to the Encompass eFolder > **DataVerify folder**

It is the processor's responsibility to REVIEW the DataVerify report

Order Fraud/Audit Services – DataVerify, items for review:

Review all **HIGH Alerts** – provide documentation or explanation to clear as applicable

Look for notification that borrower(s) filed **Fraud Alert(s)**

Review **Employer Profile Report**
- Look for **Borrower Associated Business Search**
- Address any businesses not otherwise documented in the file

Review **REO Report**
- Look for properties owned by the borrower(s) that are not listed on the 1003

Review **MERS**
- Look for ACTIVE MERS for properties not listed on the 1003

Borrower Associated Business Search

Company Name	Address
A & D SPRINGS AND WIRE FORMS LLC	307 N CENTER ST
FEIN: N/A	IRVINGTON, KY 40146
Contact Name: AMY VUJAKLIJA	SSN: XXX-XX-9749 Title: AGENT
Date First Seen: 10/12/2004	
Date Last Seen: 8/10/2016	

Order Fraud/Audit Services – DataVerify, items for review:

Review the **Loan Participant Analysis**

- Ensure that ALL parties to the loan are reflected in the Loan Contacts area (Tools Tab) & pulled through DataVerify for LDP/ GSA purposes

- You will access the report via **DataVerify.com** to pull off the Loan Participant Analysis and the Watchlist Match Report to place into the **LDP/GSA folder**

  - **** Be sure to address any "hits", pulling Advanced Searches from Sam.Gov as needed**

Name	LDP / GSA
Description	Place ONLY the Loan Participant Analysis and the Watchlist Match Report, pulled from DataVerify.com in this folder

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Order Verifications:

This function is utilized for ordering **Tax Transcripts/ W-2s/SSA Verifications, etc** via **DataVerify**

- Select the Product
- Click Get Available Years
- Select the years needed
- Attach 4506-T (or SSA Auth)
- Click Submit Order

This function can also be used to request a **VOE from theworknumber.com**; a salary key is not required

Order Verifications:

Ensure that you are placing the DocuSign Cert in the SAME FOLDER as the 4506-T prior to placing the order for tax transcripts via DataVerify

- When you **Browse Encompass eFolder** to attach the documentation, you will select the IRS 4506T folder, containing both items needed to process the transcript request