

# Assisted Correspondent Training

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Assisted Corr Channel How To Guide



# This How To Will Walk You Through These Steps

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- Step 1: How to start a loan
- Step 2: Sending FSB a Prequalification vs a loan application
- Step 3: What to know about Prequalification
- Step 4: Loan Application – ordering disclosures
- Step 5: What to know about Disclosures
- Step 6: Processing the file and ordering the appraisal
- Step 7: Submission to Underwriting
- Step 8: Locking the Rate and Change of Circumstance
- Step 9: Approval and Conditions
- Step 10: Important Details
- Step 11: Loan Closings
- Step 12: Delivering the loan for purchase



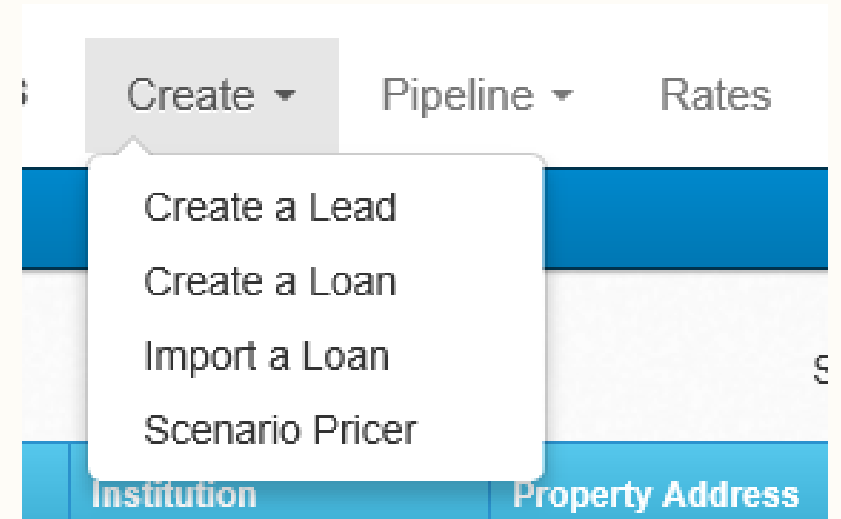
# Basic Information for Assisted Corr files

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- Send all emails to [assistedcorr@flanagansstatebank.com](mailto:assistedcorr@flanagansstatebank.com) – regardless of content. This allows the 4 person team to respond in a timely manner and from any member of the team.
- Not all files will be a true correspondent file. USDA, VA and Conventional loans can and should close in the Correspondents name. However, unless the Correspondent is DE approved through FHA, the FHA loans will be a brokered loan.
- FSB will guide the Assisted Corr through both loan types. Correspondent and Brokered!

# Step 1: How to start a loan

- Complete the Submission Form and mark if this is a Prequal or an Application
- If this is a Prequal, Steps 2 & 3 will be important to review!
- Create a file in Mortgagebot *OR* send our team the 1003, credit, FNMA 3.2 file (if available) to allow us to create the file
- If you choose to create a file in Mortgagebot, please upload or email the credit report and submission sheet to us.
- If you are ready for disclosures, proceed on to Step 4





## Submission Cover Sheet

This form must be completed in its entirety to be approved for underwriting submission. Blank forms or missing information from this checklist will result in a delay of your file being submitted to underwriting.

Loan #: \_\_\_\_\_ Borrower Name: \_\_\_\_\_

Loan Amount \_\_\_\_\_ Property Address \_\_\_\_\_

Compensation if brokered file: ☐ Lender Paid ☐ Borrower Paid ☐ Corr file – does not apply  
**Assisted Correspondent Only:** ☐ Prequal ☐ Application

Loan Officer Email Address \_\_\_\_\_ Phone # \_\_\_\_\_

Processor Email Address: \_\_\_\_\_ Phone # \_\_\_\_\_

Please check all that apply:

**Mortgage Insurance (Conventional Only)** ☐ BPMI (standard MI) ☐ LPMI ☐ Split ☐ Single Financed

Escrow Waiver? ☐ Yes ☐ No Escrow Repair Holdback? ☐ Yes ☐ No Gift Funds Used? ☐ Yes ☐ No

Cash Out Refi? ☐ Yes ☐ No Manufactured Home? ☐ Yes ☐ No

**Prequal Completed prior to UW? (Must be uploaded into file)** ☐ 600-619 program ☐ Regular Prequal

**FSB Underwriting Fee Waived** ☐ Yes ☐ No (automatic if UW fee does not show on LE)

Please provide the following for our file and CD Prep:

Listing Agent: \_\_\_\_\_ Company: \_\_\_\_\_

Address: \_\_\_\_\_

License ID for Agent: \_\_\_\_\_ License ID for Company: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_ or ☐ FSBO

Selling Agent: \_\_\_\_\_ Company: \_\_\_\_\_

Address: \_\_\_\_\_

License ID for Agent: \_\_\_\_\_ License ID for Company: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_ or ☐ FSBO

Title Company Name: \_\_\_\_\_ Contact: \_\_\_\_\_

Address: \_\_\_\_\_

Email for CD & Docs: \_\_\_\_\_ License # \_\_\_\_\_

Phone # \_\_\_\_\_

*For Credits that are applicable on file such as property tax, etc., they must show on the preliminary CD from the Title Company for FSB to list on the Initial CD.*

**Credit Report Information – Required (we MUST be able to read)**

Credit Vendor \_\_\_\_\_ Credit Reference # \_\_\_\_\_

Account User ID \_\_\_\_\_ Password \_\_\_\_\_

*If your password changes prior to completion of the file in UW'ing, please upload a note to UW with new information to allow FSB to complete the file without delays. These can be uploaded to a general Prior To Closing Condition*

# Submission Form

- The submission form is located at [www.fsbtpo.com](http://www.fsbtpo.com)
- Please complete the information requested as it will be needed during the loan process!
- This form is needed on all files to help advise on what is needed from the Assisted Corr team.
- Insure the credit report re-issue log ins are the active log ins for your vendor!



# Mortgagebot

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- Training will be supplied specific to our LOS system to allow the LO's and Processors knowledge on how to navigate our process as smoothly as possible
- If you are experienced with our system and would like additional training, please let us know.
- If you have not had training on our system, yet...please let us know and we will set up a time immediately!





# File Submission – The Details!

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- When you are submitting a file, either for Prequal or Disclosure, send in everything you may have on this file.
- The more information we have, the better! We can analyze what is available and advise you thoroughly on what additional documentation may be needed based on what is sent
- If you have income for us to review, it is helpful to have as much of the needed paystubs, W-2's and/or tax returns as possible to be as accurate as we can.
- We will use your credit report and “re-issue” the credit to keep from pulling a new report on the borrower. Credit Vendors do have special “re-issue” password credentials to keep the account secured! Check with your vendor if you do not have such password information.

## Step 2: Sending FSB a Prequalification vs a Loan Application

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# Prequalification vs a Loan Application

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## Prequalification

- Prequal application will not contain one or more of the 6 items required to consider it an application.
- Loan Officer desires a review of the file to insure it meets guidelines and qualification requirements to proceed into an application status
- No LE will be disclosed
- Written “prequal” will be provided by Assisted Corr team outlining documentation needs based on information provided to our team

## Loan Application

- The Loan Application has all 6 items required to deem it a complete application triggering the need for disclosures
- The Initial Doc Request form is needed at time of submission to allow the Assisted Corr team to prepare docs within the appropriate time frame allowed
- LE will be disclosed within 3 days from date of application
- A purchase contract is available (if a purchase transaction)

In both instances, a Submission Form is needed to advise!

## Step 3: What to know about Prequalification

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## Prequalification Confirmation Letter

The following is a pre-confirmation for the applicant, Lisa, Mona  
Loan number: 0011343000 This file was submitted by: Leonar  
1st National Bank of Paris TPO Account ☒ or Retail Branch

### Information Reviewed:

- ☒ 1003 (application) ☐  
☒ Credit Report – full tri-merge report ☐  
☐ LOX ☐  
☐ Bank Statements ☐

This information has been reviewed for ☐ USDA ☐ FHA

☒ 600 – 619 Program prequalification ☐ Regular Loan Prequali

☐ Purchase ☐ Refinance

This loan is ☐ denied as presented ☐ pre-qualified as presented  
Borrowers do not qualify for USDA due to exceeding the USDA income limits for the county

### Details of transaction:

Purchase price: 149,000 Estimated FMV: 149,000  
Property Address: ☒ TBD  
Mid Score for Borrower: 606 Mid Score for Co-  
Term: 360 Amortization: Fixed Prequalified  
Loan Amount: 143,785 Rate: 4.875 % Locked: ☒

### Conditions Required for Underwriting:

- ☒ Title commitment acceptable to Flanagan State Bank. Must have month chain of title, CPL and be in the amount of the loan for certification to be included. Wire instructions to be supplied for title.
- ☒ Appraisal with a value at or above 149,000. If the appraisal is completed prior to final approval. VA appraisals to be ordered through VA Only: Residual income guidelines to be met per VA Guidelines (600-619)
- ☒ If checked, the following conditions apply due to ☐ Manual GUI
- ☒ ☒ Homebuyer Education. If FHA, Homebuyer Education must be completed.
- ☒ DU Approve/Eligible findings must be received or ☐ File can be denied.
- ☒ 2 Months reserves ☐ 1 Month reserves Must be borrower's own funds and cannot be gifted
- ☒ 1-year job time at same employer for all borrowers must be verified
- ☒ IF MFH, LTV limited to 95%
- ☒ VOR for 12 months required. Or ☐ VOM required for 12 months
- ☒ LOX for derogatory credit that shows on the credit report. All what happened that was outside of the borrowers control, how the situation was adjusted to insure the situation would not occur again. If the LOX could be denied
- ☒ All large deposits exceeding 1% of the loan amount must be sourced to explain large deposits.
- ☒ Ratios to be determined by AUS approval. If an approve/eligible is required, then ratios are limited to 32/44 %
- ☒ Tax transcripts always required on all files. Please order through the appropriate channels to do this, please email [mtgsupportcenter@flanaganst.com](mailto:mtgsupportcenter@flanaganst.com)
- ☒ Initial disclosures fully executed per current regulations and rules
- ☒ W-2's ☐ 1099's required for 2015 & 2016 for all positions
- ☒ Tax returns for 2015 & 2016 ☒ Required ☐ Recommended
- ☒ 30 days most recent paystubs for ☒ borrower ☒ co-borrower ☐ guarantor
- ☐ Borrower ☐ Co-Borrower

- ☒ ☒ Written VOE's required for BORROWER for all positions showing on 1003 and to complete a 2-year work history
- ☒ ☒ Written VOE's required for CO-BORROWER for all positions showing on 1003 and to complete a 2-year work history
- ☒ Divorce Decree required for Amanda Endicott. Must verify age of child. Age of child to provide a 3 year continuance of the child support to use
- ☒ Divorce decree to be the "final" decree - must be recorded and signed by judge
- ☒ Borrower currently does not show enough cash to close on application. Please supply assets to meet cash to close and 2 months reserves
- ☒ Reserves must be borrower's own funds and cannot be gifted
- ☒ Non medical collections total \$2,822 and show as charge offs. Per FHA guidelines, an LOX must be supplied as to the reason for the charge offs
- ☒ the underwriter will determine if the charge offs pose an issue for our lien based on the information from the LOX and the borrowers profile.
- ☒ The underwriter may determine, at their discretion that the charge offs are to be paid in full. If payment arrangements are in place, please advise
- ☒ Currently, 5% of the balance of the accounts have been used as payments in the DTI for pre-qual purposes.
- ☒ Today's rate on this loan is 4.875% and results in a discount of .033% being charged to the borrower to meet Lender Paid Compensation
- ☒ of 2% to Southern Illinois Bank. .033% = 48.28 for the discount charge to the borrower. This figure is subject to change until the rate is locked
- ☒ Minimum required investment (MRI) of 3.5% = \$5215.00 from borrower (this is only down payment and does not include Closing Costs)
- ☒ Title, HOI, CPL to be completed in Flanagan's name
- ☒ FHA appraisal will be ordered by Flanagan after receipt of signed disclosures
- ☒ Fully executed purchase contract
- ☒ Copy of bank statements and cancelled check showing proof of earnest money deposit on contract, as applicable
- ☒ Copy of Driver's License for both borrowers
- ☒ Proof of receipt of child support for the most recent 6 months - can be print out from state, cancelled checks or other satisfactory documentation
- ☒ Estimated payment was used. Please provide accurate information for HOI and property taxes
- ☒ Estimated payment is: PITI 1125.39 - P&I = 774.24; HOI = 100.00; Taxes = 150.00; MI = 101.15
- ☒ When purchase contract is available - please request initial disclosures by sending Initial Disclosure request, PA and any important info to [assistedcom@flanaganstatebank.com](mailto:assistedcom@flanaganstatebank.com)
- ☒ Homeowner's Insurance policy with dwelling coverage to cover loan amount or full replacement costs to be adequate. Invoice must be supplied for full premium amount. Insurance must be effective as of the closing date.
- ☒ Further underwriting conditions will apply upon full file review. Applicant must meet all program guidelines at time of approval. Programs are subject to change at any time.

This file was reviewed by: Toni Pierce

Date: 10/17/2017

Management Review of the file completed by: Toni Pierce

Date: 10/17/2017

This notice is valid for 60 days. Further conditions will apply based on the additional information supplied by the Loan Officer and Processor to complete the submission package. Any changes to credit, credit score or application information will make this notice null and void. This is a prequalification determination only. Information used to determine this is limited and a full underwrite will be completed by our Underwriting Team to determine conditional approval or denial.

# Prequal Letter

FSB's prequal letter contains the details Loan Officers need. This will allow them to:

- Request specifically needed documents from the borrower at the beginning of the process
- Identify any potential hurdles on the file immediately
- Insure the borrower meets the guidelines for the program they are applying for

On 600-619 credit score Government Loan files, this is a mandatory step.



# Prequal Process

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- During the prequal, FSB will insure the 1003 is complete. If we find missing information, we will email the submitting LO or Processor.
- FSB will run the appropriate AUS and re-issue the credit report
- If income & asset information is available, please include this with the prequal submission to help us be as accurate on the Prequal as possible
- Upon receipt of the prequal, please review and ask any questions that you may have.
- If you feel an item in the Prequal may be an issue later in the process, we recommend due diligence to be used and our team will help with this process to do everything possible to eliminate any obstacles early in the process.



# Step 4: Loan Application

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Ordering Initial Disclosures



## TPO Loan Officer Initial Disclosures Request

Company Name: \_\_\_\_\_

Please complete this for EVERY loan that requires Initial Disclosures. Allow 24 hours for the preparation of the disclosures. Please provide form to your processor in a timely manner to insure dates are met to meet Federal Guidelines.

Borrower: \_\_\_\_\_ Loan Officer: \_\_\_\_\_

### Doc Delivery:

**\*\*Delivery Method:** ☐ In Person ☐ E-Sign ☐ Mail Confirm Closing Date: \_\_\_\_\_

*Processor note: borrowers should have email addresses entered in our system for each borrower*

### Fees for Disclosure

Please confirm the fees in the template below and add the fees that are specific to the file for disclosure. Make changes to the templated fees as needed, including Vendor changes

Escrow Waiver? ☐ Yes ☐ No (conventional loans only. LTV must be less than 80%)

Origination Section			
Fee Name	Template Amount	Add or Change to LE	Vendor
Origination Fee a/k/a Borrower Paid			
Lender Paid Comp (Brokered files only)	2.75		
Discount Points			
Processing Fee			
Underwriting Fee			FSB <input type="checkbox"/> check here to buy out with rate
Doc Prep			FSB
Courier Fee			
Wire Fee			
Services Borrower Cannot Shop For			
Appraisal Fee			Appraiser
Credit Report			
Final Inspection Fee			
Flood Determination Fee			
Life of Loan Flood Cert			
Verification of Employment			
Service Borrower Can Shop For			
Foundation Inspection			
Home Inspection			
Survey			
Title – Closing/Settlement Fee			
Title – Lender's Title Policy			
Title – CPL Fee			
Title – Chain of Title			
Title – Courier Fee			
Title – Email Fee			
Title – Wire Fee			
Title – Search/Exam Fee			
Title – State Fee			

Title – Owners Title Policy			
Title -			
Title -			
Other:			
Recording Fees			
Mortgage/Deed			
Other:			
Prepays			
Flood Insurance Premium			
HOA Dues			
Homeowners Insurance Premium			
Property Taxes – Due & Payable			
Escrow Account			
Flood Insurance – Monthly Amount			Number of Months:
Homeowners Insurance – Monthly Amount			Number of Months:
Property Taxes – Monthly			Number of Months:
Credits			
Earnest Money Deposit			
Property Tax Credit			
Seller Paid Closing Costs per contract			
Other:			

### Notes to Preparer:

If your Service Provider is different from the Vendor's noted in the form, please provide the Full Name, Address and Phone Number or, if we do not have your Vendor's on file, provide this information





# Completing the Initial Disclosure Request Form

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- When requesting Initial Disclosures, the Loan Estimate is the key piece of the disclosure packet.
- Accuracy is very important. Over disclosing by a bit is expected and good practice. Over disclosing by a lot is not the best practice.
- Please supply the fees that are known to be a part of the transaction. If there are anticipated fees that might be a part of the transaction, we recommend disclosing those as well.
- We will create, with your assistance, a template of your basic fees to work with. The first column will identify the fees you gave as a template amount. Any of these fees can and probably will be adjusted in the 2<sup>nd</sup> column when the form is filled in for the specific loan.



# Flanagan State Bank Fees

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## When closing as a Correspondent File, your fees will be:

- \$300 Underwriting
- \$75 Closing Docs
- \$100 Initial Disclosures and Re-disclosures
- \$50 Non MERS fee (if your institution is not signed up with MERS)
- \$125 Texas Legal Review Fee (only if a Texas loan)

## When closing as a Brokered File, your fees will be:

- \$914 Underwriting \*\*
- \$125 Texas Legal Review Fee (only if a Texas loan)

\*\*the underwriting fee has the option to be an adjustment on the rate.

Origination Section			
Fee Name	Template Amount	Add or Change to LE	Vendor
Origination Fee a/k/a Borrower Paid		1000	
Lender Paid Comp (Brokered files only)	2.75		
Discount Points		1.25%	
Processing Fee			
Underwriting Fee	300/914	300	FSB <input type="checkbox"/> check here to buy out with rate
Doc Prep	125		FSB
Courier Fee			
Wire Fee			
Services Borrower Cannot Shop For			
Appraisal Fee	450	600	Appraiser
Credit Report	35	75	
Final Inspection Fee			
Flood Determination Fee			
Life of Loan Flood Cert			
Verification of Employment			

# Template vs Add/Change

To provide an example on using this form, please see the image to the left. Fees are identified as a base amount to show the LO what FSB has for the templated amounts. Any updated amounts or changes are provided in the Add/Change column making the fees specific to the loan being disclosed. The templated fees serve as a reminder to the LO to double check for these fees but if the fee is accurate, it will be used, too. No need to add/change the fee. Our team will use a fee from the Template amount unless the second column tells us to do otherwise.

# Service Providers

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- For the Loan Estimate, we do need to know the Service Providers that will be used.
- Most Service Providers are used often and repeatedly. For those, we just need to know the company name, address, phone number and license numbers. We can add them to our system to make data entry simple. Please provide this information to us at your earliest convenience
- For the Service Providers that come up per loan, please insure on the Initial Disclosure Request Form on Page 2, that we have the needed information to properly disclose. There is room to list the company, address, phone and license information.



# Loan Estimate – Details!

- The submitting LO is responsible to identify the fees that are to be on the LE for our Assisted Corr Team.
- Our AC Team will do their best to help determine if all fees have been identified
- A purchase contract is needed to complete the LE (if a purchase transaction!)
- The LO will determine the interest rate that will be used for disclosure purposes. The rate can be a floating rate or a locked rate at the LO's discretion.
- If the rate is to be locked, this must be completed within Mortgagebot and confirmed prior to the disclosures being sent out. (please see the slide for locking rates!)
- Scenario Pricer is available to determine if the floating rate is accurate and reasonable and to help determine if discount points will be used. This is the LO's responsibility to guide on the proper disclosing of this information and to insure they are receiving the profit from the loan they are anticipating.




## Step 5: What to know about disclosures

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Dates, signatures and such!





# Receipt of Initial Disclosure Request Form

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- With the receipt of this form and the Purchase Contract, the clock begins for the 3 days that are allowed for disclosing
- Our preferred method of delivery for the disclosures is E-Sign. We will need email addresses for all borrowers on the loan.
- If the disclosures will be presented in person to the borrower, the disclosures will be sent back to the Loan Officer on the file.
- In person applications MUST be completed with signatures within 72 hours of the application date on the 1003. If this does not occur, we will require proof of delivery to the borrower to show the regulations were met. Proof of delivery must occur within the 3 day period
- In addition to sending the disclosures to the LO, FSB will include a Needs List to remind you of the items that will be needed per the information we have on the file to date



# A note about Disclosures and Re-disclosures

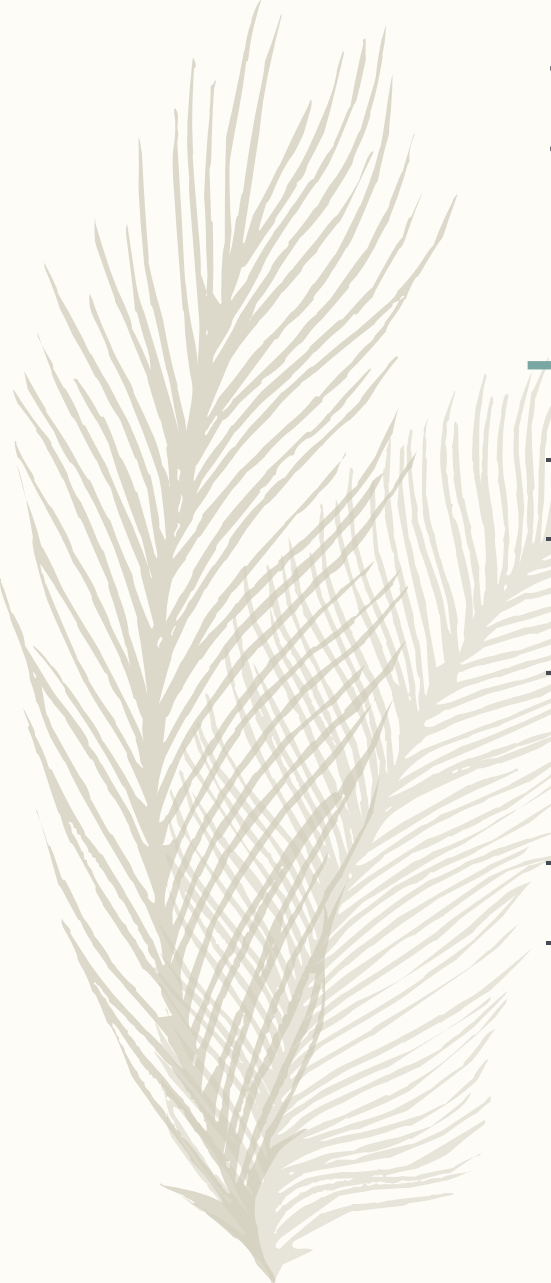
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- If you choose delivery to be via e-sign, you will be sent an email as the LO for signatures similar to the one sent to the borrower. Your borrower may have questions for you regarding the disclosures. You will have a hard time getting back into the disclosures sent to you via email, but you do have access to them within the Mortgagebot file. Simply go into the file and click on Doc Packages. The packages that are the most recent will be available for either Initial Disclosures or Re-disclosures.
- The Assisted Corr team will monitor the completion of the E-sign disclosures and upload them to the file when all signatures have been obtained



# New Construction

- If you are a bank and will be completing construction loans in house with the intent to complete the end loan with FSB, we strongly suggest prequalification to insure the end loan will go smoothly.
- Complete the 1003 we will be using for prequal as if the home was completed. Your loan should show on the liability section and the REO section should have the new residence listed.
- This type of loan is typically completed as a refinance. Due to this, we will complete the prequalification and then withdraw the file to meet our policy for refinance loans
- Disclosures for the new “end loan” should not be sent to the borrower until the home is within 30 days of being completed and receiving the Certificate of Occupancy
- Government loans do have specific “construction disclosures” that will be required on all homes that meet the definition of New Construction. This is deemed to be any home that was built within the most recent 12 months. The New Construction Docs will be sent to the LO as the borrower and builder will need to execute the forms.



# Deliver Documents to Assisted Corr

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- Email all documents to [assistedcorr@flanagansstatebank.com](mailto:assistedcorr@flanagansstatebank.com)
- Documents may be sent to us as you receive them! We do not mind piece mail and will update the file accordingly.
- Please include in the body of your email a brief description of what you are sending. This allows us to identify if all the attachments match what you thought you were sending!
- An updated needs list will be sent upon review of documentation received.
- If you do not receive a confirmation email from us within a hour of sending the email, please double check that we did receive your email. Sometimes large email attachments take longer to come through and we do not wish to miss any emails sent to us!

## Step 6: Processing the file and ordering the appraisal

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- ☐ 2 Years W-2's for reported income (2016 & 2017)
- ☐ 2 Most recent tax returns – personal with all pages and schedules
- ☐ 2 Most recent tax returns – business with all pages and schedules
- ☐ Most recent paystubs to equal 1 month of pay for all applicants
- ☐ (for USDA all the *above* information is needed for all adult household members)
- ☐ Most recent retirement statement – all pages required
- ☐ 2 Months Most recent bank statements – all accounts, all pages
- ☐ Copy of Cancelled check for earnest money deposit – front and back of check
- ☐ Child Support – 6 months proof of receipt of payment
- ☐ Divorce Decree – full decree/court order for child support identifying child and child's age
- ☐ Homeowners Insurance declarations page or binder with invoice showing premium due
- ☐ Verification of Rent OR rent free letter stating living with family
- ☐ Letter of Explanation for Derogatory Credit showing on credit report – credit included in packet
- ☐ Copy of Driver's License for all borrowers
- ☐ Fully executed purchase contract
- ☐ Proof of funds to close for down payment and applicable closing costs (as needed)
- ☐ Copy of all invoices applicable to the file
- ☐ Proof of:
- ☐ Other:
- ☐ Other:
- ☐ Other:
- ☐ Return signed initial disclosures packet and requested documents to your Loan Officer as soon as possible to meet closing deadlines.

## Needs List

The list to the left is a sample of what might be needed from your borrower. The Assisted Corr team will send a list of what is needed based on the information known at the time we are reviewing. This does not mean it will be an all encompassing list and further items may be needed as the file progresses.

To get the file into underwriting as quickly as possible, we do need the income and asset information as soon as possible.





# Standard Processing Items always needed for underwriting

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- Verification of Employment on all borrowers. On USDA loans, VOE's are being requested by USDA offices on all working household members.
- Appraisal
- Title Commitment – dated within 60 days of closing. EPA & Comp endorsements required. If a manufactured home, a location endorsement will be needed, as well. 24 month chain of title must be on commitment and clearly identified
- Property tax certificate showing property tax payment schedule (for Initial CD Prep)
- Preliminary CD From title company to show their fees and anticipated credits due to the borrower
- Home Owners Dec page with dwelling coverage to cover loan amount our full replacement costs included in policy. Invoice must be supplied for full premium amount unless a refi. Then just need an invoice for the balance due, if any. Insurance must be effective as of the closing date
- Provide all third party invoices – as available
- Lead Based Paint Disclosures – if home built prior to 1978



# Government Loan Processing – Standard items needed

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- **VOR or Rent Free letter** – is needed from a borrower on all government loans when the 1003 indicates they rent or a rent free letter from the owner of the home if they reside rent free
- **Anti-Steering form** – if a *brokered loan* that is paid by Lender Paid Compensation is required
- **LOX's for Derogatory Credit** – needed on all government loans. This helps make the decision on the credit for the underwriter
- **Divorce Decree/Child Support Order** – if a borrower/co-borrower is paying or receiving child support or there is a liability affected by a divorce, we will require the full, final divorce decree. We will also require proof of receipt of the child support/alimony or payment of the debt for 6 months. If the court documents do not show the age of the child, we will need a birth certificate.
- **Credit Inquiry Form** – is required for all inquiries within the most recent 6 months to indicate if new credit has been opened and the reason for the inquiry
- **If receiving SSI, Pension, Disability or any other fixed income** please supply the most recent Award Letter that identifies the income to be received for that year. The award letter also confirms continuance of the income



# Correspondent file vs Brokered file

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- Correspondent files will require all documents to have your company name on them. Such as title commitment, homeowners insurance, Closing Protection Letter, appraisal, etc.
- Brokered files will require our name and information on these items.



# Ordering the appraisal!

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## Correspondent Loan

- The Correspondent account will be responsible for ordering the appraisal.
- USDA, VA and Conventional
- VA is always ordered through the VA Portal
- Follow your institutions policies for ordering appraisals
- Corrections needed by underwriting will be relayed to the appraiser by the Correspondent

## Brokered Loan

- FHA will be ordered by the Assisted Correspondent team when given the approval to do so by the Correspondent!
- FSB will take care of any corrections needed internally

An appraisal includes a color copy of the appraisal, MISMO XML (to generate the SSR/UCDP), proof of delivery and invoices

## Step 7: Submission to Underwriting

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# Preparing the file for underwriting

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At several times during the beginning of the loan process, the Assisted Corr team will review the file to see if enough information has been supplied for the file to be sent to underwriting.

During the preparation of the loan file, FSB will order the following:

- Flood Cert
- FHA Case number (if an FHA loan)
- LDP/GSA
- Dataverify report (Fraud report)
- Tax Transcripts
- Appraisal – only if FHA or Brokered VA loan



# How To Know If Your File is in Underwriting

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Our Mortgagebot system provides easy to follow Pipeline Status'. To confirm your file is in line for underwriting, you will be looking for the pipeline status to show a date next to FINAL. When a date is present and the status shows one of these descriptions:

- U/W Submitted
- U/W Resubmitted
- U/W Received

The file is with our underwriting team for review!

The Assisted Corr Team will always send you an email, as well, to confirm the file is being sent to underwriting!

	Status: U/W Approved w/Conditions DU: <b>Approve/Eligible</b>	Loc 11/ FH

	Final: 11/2/2018 Status: U/W Resubmitted DU: <b>Submit/Error</b>	

## Step 8: Locking the Rate and Change of Circumstance

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# Scenario Pricer vs Lock Screen

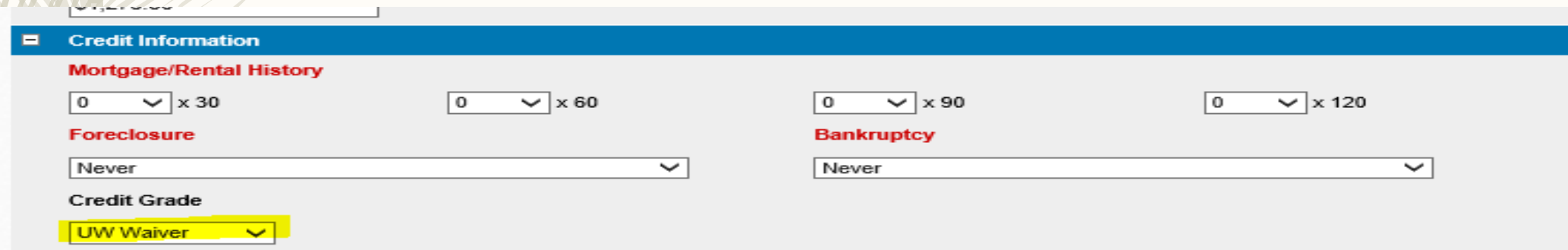
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- To check pricing on a loan, we recommend using Scenario Pricer. This allows you to choose any product available to determine the best option.
- The lock screen is best used when it is time to lock the loan.
- Remember that all pricing shown is net pricing (after adjustments have been removed)
- The Correspondent is responsible to determine their level of profit on loans. The Assisted Corr team can assist in answering questions regarding the pricing but does not know what each institution's profit point is and will not be able to advise on this.

# Locking a Loan

Use the Lock screen located in the file to complete the lock.

- The lock screen will confirm your pricing
- If locking a brokered file, you will want to make sure the underwriting waiver is in place to “buy out” the underwriting fee of \$914 to meet the QM Points & Fees test. See the Credit Information section of the lock screen to confirm this is marked properly
- At anytime you can use the Scenario Pricer to preview the rates and pricing available for other programs
- Email [assistedcorr@flanagansstatebank.com](mailto:assistedcorr@flanagansstatebank.com) when you lock the loan. We will then complete the re-disclosures for the locked rate and deliver them accordingly to the borrower or LO



The screenshot shows a web form titled "Credit Information" with a blue header. Below the header, there are several sections with red labels: "Mortgage/Rental History", "Foreclosure", "Credit Grade", "Bankruptcy", and "UW Waiver". The "Mortgage/Rental History" section contains four dropdown menus, each with "0" selected and a multiplier (x 30, x 60, x 90, x 120). The "Foreclosure" section has a dropdown menu with "Never" selected. The "Bankruptcy" section has a dropdown menu with "Never" selected. The "Credit Grade" section has a dropdown menu with "UW Waiver" selected, which is highlighted with a yellow background. The "UW Waiver" dropdown is also highlighted with a yellow background.



# Change of Circumstance

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- When the terms of the loan change, a COC will be required. The AC Team will be happy to complete the re-disclosures for the changes as long as they meet compliance guidelines. In order to know what changes are being made, please send to [assistedcorr@flanagansstatebank.com](mailto:assistedcorr@flanagansstatebank.com) a completed COC form outlining the changes. This will be the only way we know to prepare the needed re-disclosures.
- A generic COC form is available on our website at [www.fsbtpo.com](http://www.fsbtpo.com)



## Step 9: Approval and Conditions

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# Underwriting Basics

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- Underwriting turn times are 48 hours for Initial Underwriting or New files. 24 for conditions.
- The Assisted Corr Team will contact you when the file is out of underwriting via email.
- The Assisted Corr team will notify you only of the conditions we need you to complete. The Underwriting Notice and Condition Sheet is available within the file and may contain further conditions than what our team is requesting from you. When this happens, it means we will be handling the conditions that were not on our email request to you.
- ASK QUESTIONS if you do not understand the condition or why it is being asked for. We are happy to supply you with further information.



# Approval of your loan!

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**It is important at this stage to clear conditions as fast as possible to have a timely closing.**

To accomplish this we ask that you follow this process:

- Email all conditions to [assistedcorr@flanagansstatebank.com](mailto:assistedcorr@flanagansstatebank.com)
- If possible, **please try to email all the conditions at one time**. Or, at the least, try to email as many as you can all together.
- FSB will take care of uploading to the file and labeling them appropriately.
- If all conditions are in the first time around, we will submit for the final approval.
- An update will be provided within 24 – 48 hours with either an updated notice of approval or the Clear to Close.



# Clearing Conditions

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- **PLEASE NOTE:** it is FSB's goal to close the loans as quickly as possible. We have learned that the best way to do this is to keep the submissions to underwriting minimal. We strive for a 2 – 3 touch file, if at all possible. This has been proven to close the quickest as compared to a file that is submitted 8 – 10 times for review. If there are questions on the documentation being supplied to meet a condition, we can submit for review sooner. The Assisted Corr team will be watching for these moments, but insight from the LO is very helpful, too!
- If you have questions about the conditions and the information we are asking for, please ask ASAP. The sooner we can get resolution on your questions, the faster we can get to the end goal for closing the loan!

# Step 10: Important Details

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








0011333457 - Goff

Loan Notes for 0011333457 - Internet Explorer  
https://flanagansstatebank.mortgagebotlos.com/Note/List

### Loan Notes for 0011333457 – [REDACTED]

Print Notes

Created By Created Updated	Attention	Note	
Bullock, Pete 10/27/2017 5:22:52 PM 10/27/2017 5:22:52 PM	General	undisclosed debt and Mellody's DL have been uploaded	  
Adcock, Cindy 10/27/2017 3:08:39 PM 10/27/2017 3:08:39 PM	General	August and September bank statements have been uploaded to the Goff file. Please send October as soon as it is available.	  
Adcock, Cindy 10/26/2017 11:56:33 AM 10/26/2017 11:56:33 AM	General	August and September paystubs have been uploaded to the Goff file. We will need October when it is available.	  
Adcock, Cindy 10/23/2017 1:03:16 PM 10/23/2017 1:03:16 PM	General	I have uploaded the survey to MBot. Thank you.	  
Adcock, Cindy 10/23/2017 9:53:57 AM 10/23/2017 9:53:57 AM	General	The DL for Goff has been uploaded.	  

Search 

Add Note +

Show

Show

# Important pieces of the process!

The Assisted Corr team adds notes to the Notes Section of the file whenever the file is updated in any way!

Our Appraisal team uses the notes section in this manner, as well. On brokered loans, Appraisal notes will be added.



## More important pieces!

- Please supply FSB with the most complete 1003 as possible. The more detailed the more accurate the prequalification and the approval. This will also eliminate unnecessary conditions later in the process. Another plus is with the full picture, we can get a response back to you faster. It eliminates the back and forth from us asking questions to fill in the blanks.
- You will have access to Mortgagebot and this can be very helpful. We do ask that you advise us of any changes that are to be made to the file and let us update accordingly.
- You will be assigned a specific Assisted Corr Team Member on each file. There are 4 team members. You will have Pam, Pete, Sandra or Toni. Please reach out to the team as a whole when emailing about a file. This way if a team member is out, any of us will be able to assist. Always use the [assistedcorr@flanagansstatebank.com](mailto:assistedcorr@flanagansstatebank.com) for communication.
- If you would like to upload files rather than send a 1003 over to us, let us know and we will be happy to run you through how to do this!
- You will receive updates throughout the loan process. Please call us if you don't understand our update or the information we are sharing with you. 815-676-0990 is our general line to reach anyone on our team.
- We do have specific requirements pertaining to Secondary Market guidelines that may be different than your expectations. Such as – Large Deposit verification (anything over 1% of the loan amount or aggregate of large deposits on a bank statement), Requirement for donor statements on a gift, etc. We try to anticipate as much as we can, but we do not always know the pieces involved to advise accordingly. Please advise on all pieces to allow us to provide you with good information.
- Verbal VOE's are completed (PTF requirement) by our Post Closing team on all loans.

# Step 11: Loan Closings

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# Preparing for the Initial CD

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While the file is being prepared for underwriting, the AC Team gathers the following information:

- Real Estate Agent contact information with License Numbers for both the agent & the Realtor Company
- Title Company contact info with License Numbers issued by the state
- Homeowners Insurance agent contact info with company information
- Termite/Pest Inspection Company contact info and agent name
- Appraiser contact information

This information helps with the preparation of the Initial CD. Please provide this at the earliest opportunity! It is also used to complete the LDP/GSA.



# General Initial CD Procedures

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- Delivery of the Initial CD will occur when all ICD conditions showing on the approval notice are met
- Delivery of the Initial CD is to the Loan Officer. The Loan Officer is responsible for obtaining signatures on the
- The CD can be wet signed or e-signed. The CD should be dated the same day it is delivered to the borrower (which should be the same day we deliver it to the LO). The signature date is what we use for TRID Dates
- The signed CD may not be 100% accurate, but will be figured from invoices, preliminary CD from title and tax certificates.
- The Signed Initial CD should be held by the LO until the CTC is received and then sent in with the Closing Request to the Assisted Corr team.





# Closings – Brokered vs Corr

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- **Brokered loans are different in how the loan is closed and we want to assist you in being comfortable with them.** If you are brokering FHA or VA files, you will be following our Funding Process. With any loans closing in your name, you will follow your process.
- We will prepare ALL closing documents including the Closing Disclosure.
- Brokered files will close in FSB's name and Correspondent files will close in your name.



# Brokered Files

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- **Brokered (closes in FSB's name)**
- Loan will close in Flanagan State Bank's name
- FSB will send the wire out to the title company. This is done the morning of the closing. If you have an early closing, please advise the Funding Team ([fundings@flanagansatebank.com](mailto:fundings@flanagansatebank.com)) of the need to have the wire the day prior.
- A Funding Authorization is required by our Funding Team and instructions are sent to the title company on the documents that are needed for review prior to funding authorization by the Funding Team.
- Please read through our attached flyer: "Funding Tips for Fast Closings" for further details to keep loan closings simple and fast

## FLANAGAN STATE BANK FUNDING AUTHORIZATION

*TO RECEIVE FUNDING ON THIS FILE PLEASE FORWARD THE FOLLOWING  
ITEMS TO: [FUNDINGS@FLANAGANSTATEBANK.COM](mailto:FUNDINGS@FLANAGANSTATEBANK.COM)*

**Borrower:**

**Property Address:**

Once these items are received you will receive an authorization code to fund the loan. ***Please do not fund the loan until you have received this code. Please attach this form with the documents when sending them in for funding.***

_____	Closing Disclosure - Signed by Borrower (s)
_____	Seller closing disclosure - Signed by seller (s)
_____	Note - Signed by borrower(s)
_____	Mortgage and any riders - Signed by borrower(s)
_____	1003 - Signed by borrower and loan officer
_____	92900a - Signed by borrower (s)
_____	Warranty deed
_____	Patriot Act Form - Completed
_____	Driver's License(Valid) - Item used to complete Patriot Act
_____	Tax Record Information Sheet - Completed
_____	Occupancy Affidavit - Signed and Notarized
_____	Mailing Address Certification

**Prior to Funding - Underwriting Conditions to be reviewed**

Any questions please call the Post Closing department at 815-676-0990.

**Flanagan State Bank**

## Funding Authorization for FSB

We recommend reading our “Funding Tips for Fast Closings” available at [www.fsbtpo.com](http://www.fsbtpo.com) to help you prepare for closings with FSB. Our funding authorization requires the procedure to the left!



# Corr Files

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- **Correspondent (closes in your name)**
- All loan docs will be prepared in your name
- Wire to title company will come from your bank or company
- Funding Authorization (if used) will come from your company
- We will purchase the loan from you upon delivery of the closing package and original documents
- The only originals we need are the note and allonge. The allonge is available on our website at [www.fsbtipo.com](http://www.fsbtipo.com) under Channels
- The rest of the closing package will be scanned and emailed to [assistedcorr@flanagansstatebank.com](mailto:assistedcorr@flanagansstatebank.com) for the team to upload
- Assisted Corr Team will advise the Correspondent Team that a file is ready for review once the closing package is uploaded and the LO/Processor has confirmed the originals have been sent.
- A Purchase Advice will be provided for review of the loan figures and payment to the Corr account. Questions on the PA can be directed to Rebecca Moorehead, Post Closing Department Manager.  
[rebeccamoorehead@flanagansstatebank.com](mailto:rebeccamoorehead@flanagansstatebank.com)

## Step 12: Delivering the loan for purchase

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# Closing Package

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## Correspondent Files

- Closing package will come to the Correspondent
- Corr to email the scanned copy of the closing package to [assistedcorr@flanagansstatebank.com](mailto:assistedcorr@flanagansstatebank.com) and the team will take care of uploading to the file
- Overnight the Note, Allonge and Bailee Letter (optional) to FSB

## Brokered Files

- Closing package is delivered directly to FSB by the title company



# Closing Package Delivery - Details

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- Correspondent will have 5 days from closing or lock expiration, whichever is earliest, to deliver the loan to us without any extension fees being charged
- File is considered delivered upon receipt of the originals and the closing package is in the Mortgagebot file.
- Assisted Corr team will notify the Correspondent Department when they upload a closing package



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## Flanagan State Bank Available Channels for our Brokers, Banks, Credit Unions and Mortgage Bankers

FSB offers several ways to conduct business with our team. Please see the different options below and choose the one that works best for your

### Correspondent

[Correspondent Stacking Order](#)

[Allonge](#) - word format, ready to customize

[Bailee Letter](#) - word format, ready to customize

[CD Request Form](#) - if FSB prepares closing docs

[Closing Disclosure Instructions](#)

[Tips for Fast Closings](#)

[Correspondent Pricing Policy](#)

# Allonge & Bailee Letter

## Allonge

Fully executed by the owner of the company or by an executive of the company authorized to complete this form.

The mortgage should be used to complete the form and borrower names must match exactly to the mortgage.

## Bailee Letter

The definition of a bailee letter is an company who temporarily gains possession, but not ownership of a good or other property under a bailment. The bailee is entrusted with the possession of the good or property until new ownership of the property is established by purchase.

Use of the Bailee letter is optional, but the Allonge is a required document



# Post Closing Suspense

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- If a loan is suspended by our investors and we need a document to satisfy the suspense that can only come from your company or your borrower, we will reach out to the Loan Officer to assist with this.
- Please assist in a timely manner as we have a lock pending with our investor that we must satisfy.
- Suspense items must be sent to our Team within 48 hours or sooner of the request made.



# Thank you for attending our Assisted Correspondent Training.

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Our Assisted Corr Team is looking forward to being with you every step of the way. Please do not hesitate to use us as a resource for any and all mortgage questions!

Toni, Pam, Pete & Sandra  
[assistedcorr@flanagansstatebank.com](mailto:assistedcorr@flanagansstatebank.com)  
815-676-0990