

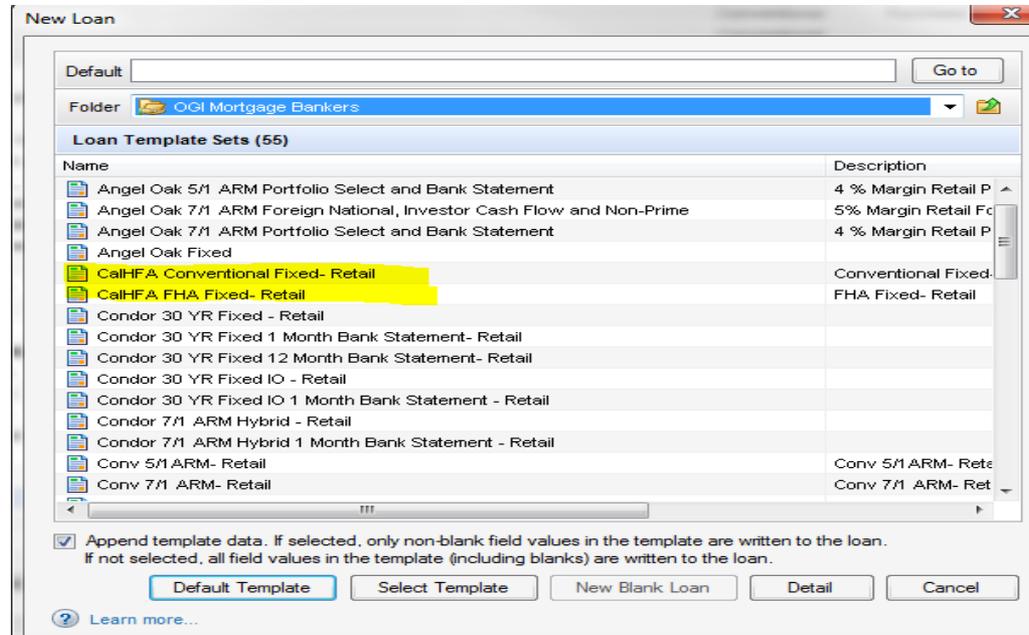


CalHFA LOAN CREATION ENCOMPASS INSTRUCTIONS

07/12/2018

STEP 1: Starting Loan Template

- Select the loan template according to the type of loan.
 - CalHFA Conventional
 - CalHFA FHA.



STEP 2: Complete 1003

Application Milestone:

- ❑ Complete all information in the Required Fields (Ex. Transaction details, first payment date) need to be completed

The screenshot displays a software interface for an 'Application Worksheet for Yvette Lara'. On the left, a sidebar lists various application milestones such as 'File Started', 'Application', 'Initial Disclosures', and 'Completion'. The main area shows a 'Documents' list with checkboxes for items like '***ZZZ Trash', '*LOAN APPROVAL', and '*Underwriting - Final 1003'. At the bottom, a 'Required Fields' section is highlighted with a red border, containing the following items:

- Fees Interest From //
- Trans Details Est Closing Date //
- Trans Details First Pymt Date //
- Borr Credit Report Authorization Method (dropdown menu)

Buttons for 'Go to Fields' and 'Field Summary' are located at the top right of the 'Required Fields' section.

STEP 3: Confirm Loan Amounts

- ❑ Go to CalHFA website link below for exact loan amounts Rates:

<http://www.calhfa.ca.gov/calc/scenario.html>

- ❑ Complete Loan Scenario Calculator
- ❑ Results will be used in Encompass

Loan Scenario Calculator

Use this calculator to compare CalHFA loans. This tool is intended for loan officers and lending partners. If you are a homebuyer, loan officer walk through this with you. This tool is for estimation purposes only. Final loan figures may be different.

Best viewed in IE9 or higher, Chrome, Firefox or Safari. Asterisk (*) denotes required field.

First-Time Homebuyer? Yes No

How Many Borrowers On The Loan?: * 1 Borrower 2+ Borrowers

County: *

Purchase Price: *

Credit Score: *

Property Type: *

Closing Costs: *

Include All Title/Escrow/Lender Fees, Prepaids, etc:

Optional Fields:

Seller Concessions:

Gifts, Grants, or Borrower's Monies:

Non-CalHFA Subordinate Financing Amount:

Target LTV:

Scenario 1

Loan Program: *

ZIP funds can only apply to closing costs.

CalHFA Subordinate Loan: *

Interest Rate: *

High Balance Fee:

MI Type: *

STEP 4: Review Results

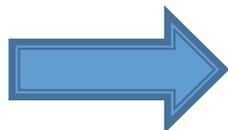
RESULTS

Results will give you the following info to update

Encompass:

- Confirm Loan Amounts
- Confirm Selected Rate

See Example :



	Scenario 1
Program Name	CalPLUS FHA w/ZIP 4%
Base First Loan Amount	\$434,250.00 (FHA Loan Limit)
Upfront FHA/MI Premium/VA Funding Fee	\$7,599.38
Total First Loan Amount	\$441,849.00
MyHome/School Program Amount	\$15,750.00
ZIP Loan Amount	\$17,673.00
ZIP Loan Amount Applying To Closing Cost	\$17,673.00
ZIP Loan Amount Applying to Principal Reduction	\$0.00
Total Financing From CalHFA	\$475,272.00
Loan LTV	96.5% LTV
Loan CLTV	103.92% CLTV
Borrower Estimated Contribution	\$2,327.38
<i>Amount in addition to any borrower contribution above</i>	
Monthly P&I Payment	\$2,543.53
Estimated Monthly Property Taxes	\$468.75
Estimated Monthly Hazard Insurance Payments	\$112.50
Estimated Monthly Mortgage Insurance Premium	\$307.59
Total Estimated Monthly Payments <input type="text" value="Add Other Monthly Amounts"/>	\$3,432.37

STEP 5: Complete the Subordinate Financing

Forms: Borrower Summary Origination 2016

- Completed with the total amounts of the 2nd & 3rd liens if needed.
- Go to CalHFA website link below for exact loan amounts Rates:

<http://www.calhfa.ca.gov/calc/scenario.html>

The screenshot displays the 'Borrower Summary Origination 2016' form with a 'Subordinate Mortgage Loan Amounts' dialog box open. The dialog box contains the following data:

Mortgage Type	Amount
1st Mortgage	434,250.00
2nd Mortgage	15,750.00
Additional	17,673.00

The 'Sub. Financing' option in the 'Lien Position' section is highlighted with a red box. The 'OK' button in the dialog box is also highlighted with a blue box.

Purpose of Loan

- Purchase
- Cash-Out Refi
- No Cash-Out Refi
- Construction
- Construction - Perm
- Other -

Property Will Be

- Primary

Loan Type

- Conv
- FHA
- VA
- USDA-RHS
- Other -
- HELOC

Lien Position

- First
- Second
- Sub. Financing

Subordinate Mortgage Loan Amounts

1st Mortgage: 434,250.00
2nd Mortgage: 15,750.00
Additional: 17,673.00

OK Cancel

months Qualify using P&I

Enforce County Loan Limit Note Rate 5.625 %

STEP 6: Updating Fees For CalHFA

Make sure to review the fee template below and all fees are input accordingly based on the lien you are disclosing.

- Adjust MCC Fee \$750.00 to \$450 with CalHFA if using MCC
 - If not using remove completely
- In Conversation Log - add what type of loan programs will be used

Example: FHA CalHFA + MyHome + 4% Zip

Origination / Discount Point Adjustment		Borrower	Seller	Paid By / P / B / A / Paid To		
e.	Origination Points <input type="checkbox"/> Bona Fide <input type="text"/> % + \$ <input type="text"/>			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f.	<input type="text"/> % or <input type="text"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g.	<input type="text"/> % or <input type="text"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h.	<input type="text"/> % or <input type="text"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Charge for Rate Chosen						
803.	<input type="text"/> To <input type="text"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
804.	Appraisal Fee <input type="text"/> Qwik Turn AMC, Inc <input type="text"/>	550.00		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
805.	Credit Report <input type="text"/> Informative Research <input type="text"/>	20.00		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
806.	Tax Service <input type="text"/> OnY Glo, Inc. <input type="text"/>			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
807.	Flood Certification <input type="text"/> Service Link <input type="text"/>	9.00		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
808.	Funding Fee <input type="text"/> To Master Servicer	250.00		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
809.	Flood Certification Fee <input type="text"/> To Master Servicer	10.00		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
810.	MCC Fee <input type="text"/> To MCC	750.00		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
811.	Processing Fee for MyHo <input type="text"/> To OnY Glo, Inc.	250.00		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
812.	Tax Service Fee <input type="text"/> To Master Servicer			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
813.	Subordination Fee <input type="text"/> To OnY Glo, Inc.	400.00		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
814.	Processing Fee for Zip <input type="text"/> To OnY Glo, Inc.	50.00		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
815.	Reinspection Fee/1004D <input type="text"/> To TBD	150.00		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
816.	Quality Assurance Review <input type="text"/> To Informative Research	70.00		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
817.	<input type="text"/> To <input type="text"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
818.	<input type="text"/> To <input type="text"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
819.	<input type="text"/> To <input type="text"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 7: Add PIGGYBACK Loan

Tools > Piggyback Loans

Select "New 2nd" button to automatically create your 2nd lien

- Complete all the Highlighted Blue fields
- Note Rate for MyHome 2.5%

The screenshot shows the '1st Loan Position (Current Input)' and '2nd Loan Position' tabs. The '1st Loan Position' is filled with blue highlights, and the '2nd Loan Position' is mostly empty. The 'New 2nd' button is highlighted in red. The 'Tools' menu is open, and 'Piggyback Loans' is highlighted in red.

1st Loan Position (Current Input)	2nd Loan Position
Loan Program	Loan Program
Closing Cost Program	Closing Cost Program
Loan Type: Conventional	Loan Type
Property Will Be: Primary	Property Will Be
Lien Position: First	Lien Position
Purpose of Loan: Purchase	Purpose of Loan
Appraised Value	Appraised Value
Purchase Price: 430,000.00	Purchase Price
Down Payment: 6.977% (30,000.00)	Down Payment
Loan Amount: 400,000.00	Loan Amount
Note Rate: 4.250% (RegZ)	Note Rate
Qual Rate: 4.250%	Qual Rate
Term: 360 mths	Term
Due in: 360 mths	Due in
Monthly Payment: 1,967.76	Monthly Payment
LTV: 93.023%	LTV
CLTV: 93.023%	CLTV
TLTV: 93.023%	TLTV
Top Ratio	Top Ratio
Bottom Ratio	Bottom Ratio
Interest Only	Interest Only
Details of Transaction	Details of Transaction
a. Purchase Price: 430,000.00	a. Purchase Price
b. Alterations	b. Alterations
c. Land	c. Land
d. Refinance: Payoff	d. Refinance: Payoff

The screenshot shows the '1st Loan Position' and '2nd Loan Position' tabs. The '1st Loan Position' is filled with blue highlights, and the '2nd Loan Position' is filled with yellow highlights. The 'New 2nd' button is highlighted in red.

1st Loan Position	2nd Loan Position
Loan Program	Loan Program
Closing Cost Program	Closing Cost Program
Loan Type: Conventional	Loan Type: Conventional
Property Will Be: Primary	Property Will Be: Primary
Lien Position: First	Lien Position: Second
Purpose of Loan: Purchase	Purpose of Loan: Purchase
Appraised Value	Appraised Value
Purchase Price: 430,000.00	Purchase Price: 430,000.00
Down Payment: 6.977% (30,000.00)	Down Payment: 100.000% (430,000.00)
Loan Amount: 400,000.00	Loan Amount
Note Rate: 4.250% (RegZ)	Note Rate
Qual Rate: 4.250%	Qual Rate
Term: 360 mths	Term
Due in: 360 mths	Due in
Monthly Payment: 1,967.76	Monthly Payment
LTV: 93.023%	LTV
CLTV: 93.023%	CLTV
TLTV: 93.023%	TLTV
Top Ratio	Top Ratio
Bottom Ratio	Bottom Ratio
Interest Only	Interest Only
Details of Transaction	Details of Transaction
a. Purchase Price: 430,000.00	a. Purchase Price
b. Alterations	b. Alterations
c. Land	c. Land
d. Refinance: Payoff	d. Refinance: Payoff

STEP 8: Complete 2nd Lien Data

Open 2nd Lien

Application Milestone:

- ❑ Complete all information in the Required Fields (Ex. Transaction details, first payment date)

The screenshot displays a software interface for managing a loan application. The main window is titled "Application Worksheet for Yvette Lara".

Alerts & Messages: A sidebar on the left shows a list of milestones. The "File Started" milestone is highlighted in yellow, with a date of 07/03/18. Other milestones include "Automated Email Sent" and "Application".

Application Worksheet: The main area shows the following details:

- File Started By:** Yvette Lara (yvette.lara)
- Loan Officer:** Yvette Lara (yvette.lara)
- Days to Finish:** -6
- Finished:** 07/04/2018 12:13 PM
- Disclosure Desk:** Yvette Lara (yvette.lara)

Documents: A list of document types is shown, including "Initial Disclosures", "Pre-Proc/Submis", "Reviewed/Pending Items", "Sub. for Initial Decision", "In Underwriting", "Re-sub for Final CTC", "CTC Issued/Ready for Doc", "Docs Requested", "Docs Received", "Docs/Funding Review", "In Funding", "In Shipping", "Post-Closing", "Insuring", "PA Expected", "Accounting Reconciliation", and "Completion".

Required Fields: A red-bordered box highlights a section titled "Required Fields" with the following items:

- Fees Interest From: //
- Trans Details Est Closing Date: //
- Trans Details First Pymt Date: //
- Borr Credit Report Authorization Method: [Dropdown menu]

STEP 9: Remove Fees From 2nd Lien

Forms > 2015 itemization >

- Remove ALL fees (This includes the automatic per diem).
- Total closing costs for this lien should reflect \$0

The screenshot displays a software interface for loan origination. On the left, a 'Forms' menu is visible with '2015 Itemization' selected. The main area shows a table titled '801. Our Origination Charge' with columns for description, unit, and amount. Below this is a 'Closing Costs Summary' table with various cost categories and their values. Two red circles highlight specific fields: one around the 'Forms' menu and another around the 'Total Borrower Paid CC (a)' field in the summary table.

Description	Unit	Amount
Loan Origination Fees	% or \$	
Application Fees		
Processing Fees		
Underwriting Fees		
Broker Fees	% + \$	
Broker Compensation	% + \$	
	To	

Category	Value
Contract Seller Credit	
Total Borrower Paid CC (a)	
Total Seller Paid CC	
Total Broker Paid CC	
Total Lender Paid CC	
Total Other Paid CC	
Total Non-Borrower Paid CC (b)	
Total Lender Credit (c)	
Total Closing Costs (a + b)	

a. Purchase Price	450,000.00
b. Alterations	
c. Land	
d. Refinance	
e. Estimated prepaid items	
f. Estimated closing costs	
g. PMI, MIP, Funding Fee	
h. Discount (if Borrower will pay)	
i. Total Costs (a through h)	450,000.00

STEP 10: How to Create 3RD Lien

My Pipeline> Will reflect both 1st & 2nd Loans

- Select 2nd Lien Loan #
- Right click to select – Duplicate Loan (drop box)
- Window Pop Up - Select Duplicate the Selected loan

MarylandTest, Ken		Conventional	Purchase	5.000
MDTest, Ken	lo test	Conventional	Cash-Out Refi	
MDTest, Ken		Conventional	Purchase	6.000
MnTest, Ken		Conventional	Purchase	5.000
ORETest, Ken		Conventional	Purchase	5.000
Pit, Brad	Yvette Lara	FHA	Purchase	5.625
Pit, Brad	Yvette Lara	Conventional	Purchase	2.500

Duplicate Loan

Select the duplication option:

Duplicate the selected loan.

Create a second lien using the data from the selected loan.

Create a second lien linked as a piggyback using the data from the selected loan.

Select the folder for the new loan:

Prospects

Select the loan duplication template:

OK Cancel

STEP 11: Complete 3rd Lien

Borrower Summary Page 2016 >

- Update the loan amount
- Update rate to 0.001%.
- You will need to make sure the 1003 data is complete
- Select Second Lien Position

I. Types of Mortgage and Terms of Loan

Loan Type	Lien Position	Amortization Type
<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/> USDA-RHS <input type="checkbox"/> Other -	<input type="checkbox"/> First <input checked="" type="checkbox"/> Second Sub. Financing	<input checked="" type="checkbox"/> Fixed Rate <input type="checkbox"/> GPM - Rate % Years <input type="checkbox"/> ARM - <input type="checkbox"/> Other -

Purchase Price: 450,000.00 Total Loan Amt: 17,673.00 Term: 360
Loan Amount: 17,673.00 Interest Rate: 0.001% Due In: 360
MP / FF: Qual Rate: % Monthly Pmt: 49.10

II. Property Information and Purpose of Loan

Subject Property

Address: 478 Sandy St County: Los Angeles
City: Beverly Hills No Units: 1 Year Built:
State: CA Zip: 90210
Legal Description: Please see attached

Purpose of Loan

<input checked="" type="checkbox"/> Purchase <input type="checkbox"/> Cash-Out Refi	<input type="checkbox"/> Construction <input type="checkbox"/> Construction - Perm	Property will be
		<input checked="" type="checkbox"/> Primary <input type="checkbox"/> Secondary Gross Rent: <input type="text"/>

Alerts & Messages Log Application Worksheet for Yvette Lara

File Started By: Yvette Lara (yvette.lara) Days to Finish: -4 07/04/2018 12:05 PM Change Milestone Date
Loan Officer: Yvette Lara (yvette.lara) Finished
Disclosure Desk: Finished

Documents eFolder Create

Tasks Create

File Started 07/03/18
Application
Initial Disclosures
Hire-Procs/Submits
Reviewed/Pending Items
Sub. for Initial Decision
In Underwriting
Re-sub for Final CTC
CTC Issued/Ready for Docs
Docs Requested
Docs Received
Docs/Funding Review
In Funding
In Shipping
Pool-Closing
Insuring
PA Expected
Accounting Reconciliation
Completion
Complete File Contacts expect 07/05/18
Automated Email Sent 07/06/18

Forms Tools Services

Borrower Summary Origination 2016
003 Page 1
003 Page 2
003 Page 3
003 Page 4
HUD 1003 Addendum
MHC Narration

File Contacts Escrow Co Name
File Contacts Title Co Name

STEP 12: Final Step to Disclose

Log > Application >

- Select Disclosure Desk – use magnifying glass
- Select Box – Complete File Contacts
- Select Finished Box

**** Must Complete for all Loans created – 1st, 2nd, 3rd

**** Note Lock cut off time is 2:30p and for FHA loans. FHA case number must be in file

Alerts & Messages **Log**

Application Worksheet for Yvette Lara

File Started By: Yvette Lara (yvette.lara) Days to Finish: -7 07/04/2018 02:05 PM [Change Milestone Date](#)

Loan Officer: Yvette Lara (yvette.lara) **Finished**

Disclosure Desk: OGI Disclosure Desk (disclosur) **Finished**

Documents **Tasks**

* Complete File Contacts completed on 07/12/2018

File Started: 07/03/18

- File Started
- Application
- Initial Disclosures
- Pre-Proc/Submis
- Reviewed/Pending Items
- Sub. for Initial Decision
- In Underwriting
- Re-sub for Final CTC