

Compliance Focus Areas – Federal

Application Disclosures

Affiliated Business Arrangement Disclosure (AMC)

- Required on broker loans only.
- Must be dated within three days of submission to underwriting.
- Must be a UWM disclosure and Class Appraisal and First Look Appraisals must be listed on form.
- Must be signed by borrower.

Affiliated Business Arrangement Disclosure (All Channels)

- Must be dated within three days of 1003 for retail/correspondent loans.
- Must be dated within three days of submission to underwriting for broker loans.
- Required on broker and correspondent loans if they have an affiliate relationship.
- Required on all retail loans for Class Appraisal.
- Nature of relationship (including percentage of ownership interest if applicable) and estimated charges for settlement services are required.
- Must be signed by borrower.

Anti-Steering Loan Options Disclosure

- Required on all broker loans (including both Borrower Paid and Lender Paid transactions)
- Contains three loan options for each transaction type that the borrower has expressed an interest in (i.e. fixed and ARM) that the loan originator has a good faith belief that the consumer is likely to qualify for:
 - (1) lowest interest rate;
 - (2) lowest interest rate without risky features (negative amortization, prepayment penalty, interest-only payments, balloon payment in the first 7 years, demand feature, shared equity or shared appreciation);
 - (3) lowest total dollar amount of discount points, origination points or origination fees.

ARM Disclosure

- Must be dated within three days of 1003 for retail/correspondent loans.
- Must be dated within three days of submission to underwriting for broker loans.
- Must be dated within three days of product change from fixed to ARM.
- Only required on ARM loans.
- For broker loans UWM must be named on form.

Borrower's Certification and Authorization

- Must be dated prior to final approval.
- Must be signed by borrower.

CHARM Booklet

- Must be dated within three days of 1003 for retail/correspondent loans.
- Must be dated within three days of submission to underwriting for broker loans.
- Only required on ARM loans.
- Provided as part of EASE Docs; for non-EASE Doc loans the borrower acknowledges receipt via the ARM disclosure as well as the General Disclosure at Closing.

Credit Score Disclosure

- Must be dated prior to final approval.
- Must be H-3 Model Form Credit Score Disclosure Exception including the Notice to the Home Loan Applicant.
- Must include mid credit score, range of scores, comparison of score to scores of others and all key factors from the credit report.

, Electronic Delivery Consent, Intent to Proceed and Appraisal Delivery Waiver

- Electronic Delivery Consent must be dated on the same date or before electronic delivery of documents.
- Intent to Proceed must be dated on the same date or before ordering of appraisal and must be signed and dated by all borrowers on loan.
- Borrower is given options of choosing to receive the appraisal(s) electronically or in the closing pkg. If neither is chosen, then closing cannot be scheduled less than six days prior to delivery.
- Higher-Priced Mortgage Loans (HPML) as well as all loans in the state of IL are prohibited from waiving the right to receive appraisal(s) three days prior to closing.

Homeownership Counseling Disclosure

- Must be dated within three days of 1003.
- Must list the 10 Homeownership Counseling Agencies near the borrower's current primary mailing address.

IRS Form 4506 T (Request For Transcript of Tax Return)

- Must be dated within three days of 1003 for retail/correspondent loans.
- Must be dated within three days of submission to underwriting for broker loans.
- For broker loans UWM must be named on form.
- Must be signed by borrower.

Lender Paid Mortgage Insurance Disclosure

- Must be dated prior to final approval.
- Must include a 10-year generic analysis of the different costs and benefits of lender paid mortgage insurance versus borrower paid mortgage insurance.
- Only applies to single-family primary residences.

Loan Estimate

- Must be dated within three days of the 1003.
- Re-disclosure allowed only for valid changes of circumstances; must be provided within three days of change.
- Contains the TIL information, Servicing Disclosure and Notice of Right To Receive Copy of Appraisal Report.
- Cannot be issued after the Closing Disclosure is issued.

Privacy Notice

- Must be dated within three days of 1003 for retail/correspondent loans.
- Must be given at closing for broker loans.

Written List of Providers

- Must be provided with the Loan Estimate for all shoppable services in Block C.
- At least one provider must be listed for each shoppable service.
- Must provide company name, phone number and address that matches service types listed in Block C of the LE.

Your Home Loan Toolkit

- Must be provided within three days of the 1003.
- Only required on purchase loans.
- Borrower acknowledges receipt as part of Borrower's Certification and Authorization.