

**HELOC Product Tip Sheet** – Listed below are additional instructions for the **standalone** second lien HELOC Product.

When importing the XML for the Standalone HELOC, the product name **to select is HELOC <u>Standalone</u> Program**, per current procedures "Importing and Editing MB Lending Portal URLA". Access the loan(s) via the pipeline; choose the Lending Portal URLA from the left side navigation.

 Continue with the current process of "Importing and Editing MB Lending Portal URLA" which is to go through each screen of the Lending Portal URLA before you Register or Lock the loan in OB.

### **Lending Portal URLA**

**Borrower Screen:** Go to each Borrower and/or Co-Borrower screen to ensure the data imported correctly. Each borrower and/or Co-Borrowers will have their own screen; this is where the data can be updated.

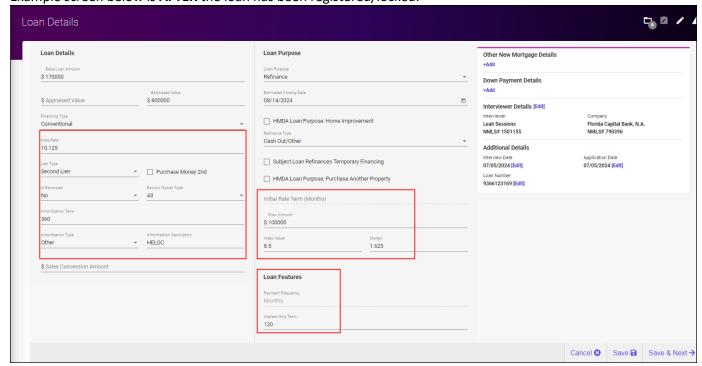
- The **Declarations** and **Demographics** are color coded; you know when all the data has been collected at a glance. Green when all fields have been collected and red if not.
- Make sure you update each Borrower and Co-Borrower(s) email address. Note: Applicable for FLCBank to release the initial disclosures via e-sign method for applicable channels.

**Loan Details Screen** for the URLA/1003 to ensure the data is correct. Ensure the following fields are verified/updated if incorrect on the Loan Details screen for the URLA/1003.

- Note Rate Enter the rate listed on HELOC Rate Sheet
- Lien Type Second Lien
- Purchase Money Second box should be checked, only if a purchase transaction.
- Is Escrowed No
- Amortization Term 360
- Amortization Type Other
- Amortization Description HELOC
- Draw Amount Enter amount of the draw
- Index Value and Margin will be blank; will auto populate once registered/locked.
- Loan Features
  - o Payment Frequency Monthly will auto populate (not an editable field)
  - Interest Only Term enter 120 (10-year term)
- **Important:** Once you Register/Lock the loan you will <u>revisit</u> the Lending Portal-URLA <u>Loan Details screen</u> to ensure the "Index and Margin" populated.

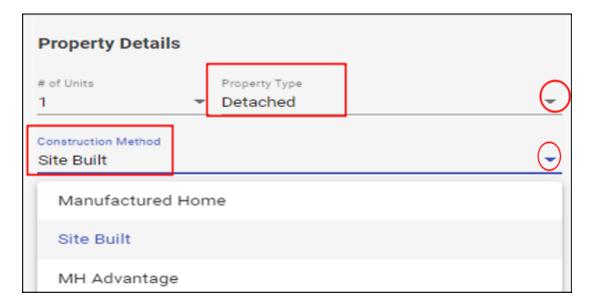


Example screen below is AFTER the loan has been registered/locked.



**Property Details Screen:** Ensure the Property Details screen populated all the data over correctly; <u>update if needed</u>. **Review each section:** Property Address, Title Details, Rental Details, Transacction Details and Additional details if applicable.

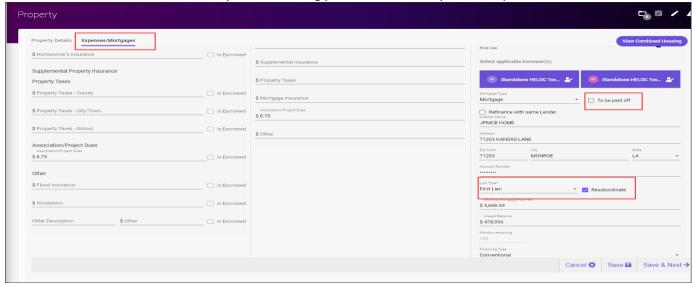
• **Property Details Section:** Ensure the Property Type and Construction Method are correct as **each have multiple selections in the drop down** and could populate incorrectly. **Update if incorrect**.





Property Screen: Click on the "Expenses/Mortgages" tab should have the existing mortgage.

- Ensure the first lien data populated correctly, if not update.
- Review the lien type; **must be first lien**. If not, choose from the dropdown menu.
- Check the "Resubordinate" option or if being paid off the "To be paid off" option.



- **1. Go through** <u>each screen</u> in the Lending Portal URLA to ensure the data populated correctly when imported to the LOS.
- 2. For the standalone HELOC (second lien) loan a manual underwrite is performed. Do not run AUS.
- 3. When Registering/Locking your loan the tips below will guide you through the differences of registering/locking a a standalone HELOC (second lien) loan. Refer to the Resource Center How To Submit a Loan Section, OB Register-Update Registration and Lock procedures to assist with entire process.

#### **Optimal Blue (OB) Registering/Locking:**

The Standalone HELOC loan **must be locked** before submission to underwriting. Ensure the following are fields selected when locking the loan.

## **Lien Information section:**

On the OB Registration/Lock screen in the "Lien Information" section the "Search for HELOC Second Lien" radio button should be selected and grayed out, ensure the following fields are correct.

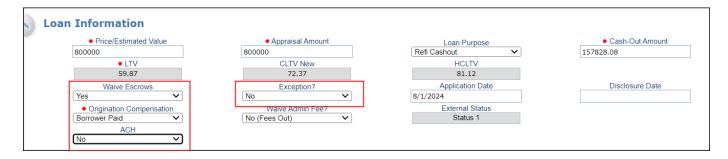
- First Lien Amt ensure the correct 1 Mtg Loan Amt populated correctly.
- 2<sup>nd</sup> Mtg Loan Amt –this amount should populate as "0".
- **HELOC Line Amt** ensure the HELOC line amount populated correctly.
- HELOC Drawn Amt enter the HELOC drawn amount





# Loan Information section: The following fields should be as follows:

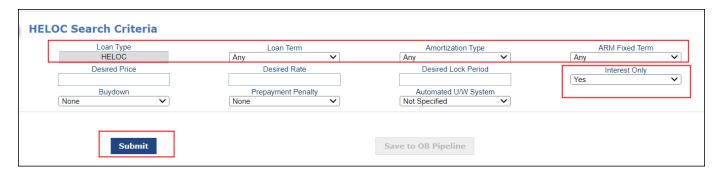
- Waive Escrows should be "Yes"
- Exception? Should be "No"
- Origination Compensation should always select "Borrower Paid"
- ACH No



"HELOC Search Criteria" section: The following fields should be as follows:

- Loan Type should automatically populate as HELOC
- Loan Term Any
- Amortization Type Any
- ARM Fixed Term Any
- Interest Only Yes
- **Buydown** None
- Prepayment Penalty None

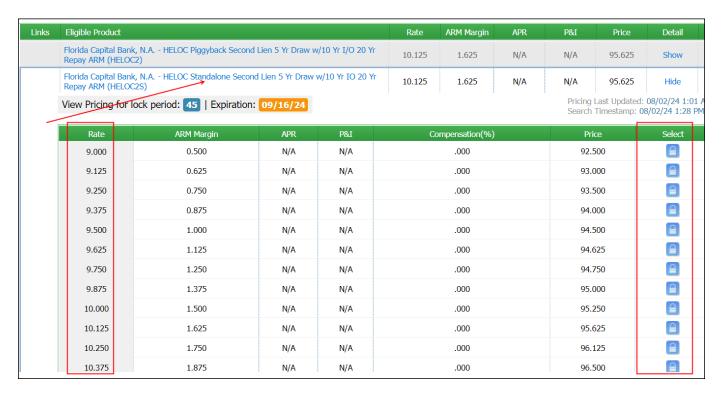
Click the "Submit" button to Register/Lock your loan in OB.





The Eligible Products will appear for selection. Ensure the "Standalone" product with the correct I/O and repay features are chosen; do not select the "Piggyback" selection for the Standalone HELOC (second lien) product.

- Click on the product hyperlink to show the rates.
- Select the applicable rate by clicking on the "Lock" icon for the correct selection.
- The OB Screen will return; the following selections will appear on the top of the screen.



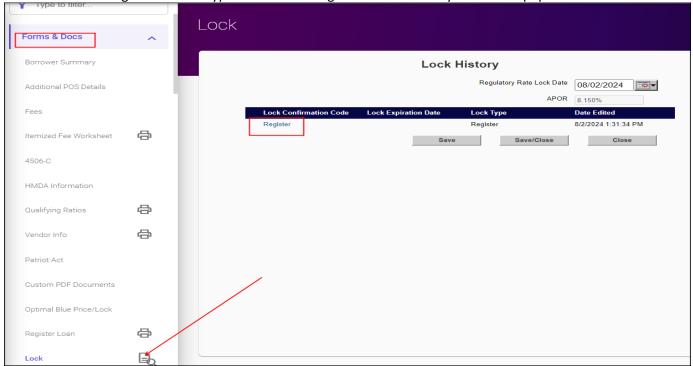
- Choose to Lock or Register to the LOS.
- Once you Lock or Register; you will be **returned to the loan** in the pipeline.



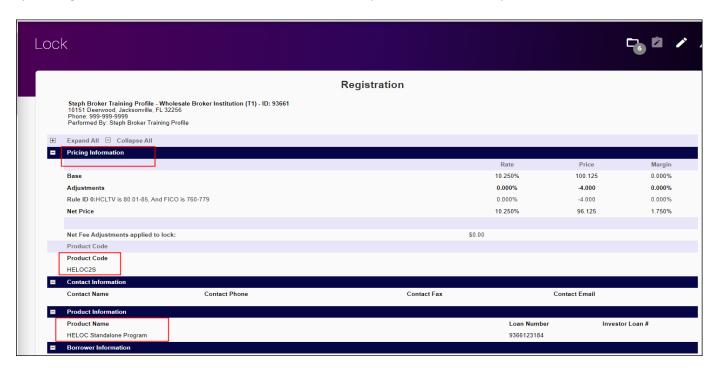


Go to Forms & Docs on the left navigation pane; click the Lock paper icon to view the Locked/Registered loan.

Click the Register or Lock hyperlink and the Register or Lock History screen will populate.



Verify the Registered or Locked loan data to ensure the correct product, rate, and/or price was chosen.





- **4.** Wholesale/Broker customers: Refer to Set up & Fee Entry Process located on the FLCBank Resource Center. FLCBank will key your fees and release the initial disclosures to the consumer/applicant. HELOC Loan Fees are listed on the next page.
  - The Standalone HELOC must go through the Broker channel.
- **5. OB Change Requests** <u>are not</u> permitted for the HELOC product. Once you have locked your loan any changes to the loan must be done as follows:
  - Lock Extensions or Relocks contact <a href="mailto:secondary@flcb.com">secondary@flcb.com</a>
  - Profile Changes -
    - Upload the updated URLA/Application to the UW Conditions ImageFlow Doc Type folder.
    - Complete the COC screen with the changes in LOS.
    - OB Profile Changes are subject to UW Approval.
    - Once the underwriter reviews/approves the changes; they will contact secondary to make the OB Profile changes.
    - The LO will receive an automated email notification once the OB Change Request has been completed by Secondary.

#### **HELOC Loan fees**

- FLCBank Administration Fee \$545
- Flood Determination \$9.50
- Wire Fee \$10

State Restrictions: Properties located in the following states are ineligible for financing of the HELOC:

- Alaska
- Hawaii
- Tennessee
- Texas
- New York

**Properties located in North Carolina:** The total amount of lender fees cannot exceed 1% of the credit limits.