



TO: Correspondent Lenders
FROM: Angela Breidenbach, Operations Manager
DATE: June 5, 2012
RE: **LQI DOCUMENT REQUIREMENTS – REMINDER**
REQUIRED BENEFIT TO BORROWER FORM - REMINDER
SECURE FILE/CONDITIONS UPLOAD
COPIES OF NOTE ENDORSEMENTS

LQI DOCUMENT REQUIREMENTS-REMINDER

A friendly reminder that regardless of loan type (Conv, FHA, VA), **all loans submitted for purchase, on or after June 18th, 2012, must include the following documentation:**

- A validation of each borrower's social security number with the Social Security Administration.
- A refreshed credit report for all applicants pulled prior to closing. If additional liabilities are discovered, they must be listed on the final 1003 and DU/LP must be updated to reflect.
- A verbal VOE for each borrower, whose income is being considered in qualifying for the mortgage loan, dated within 5 business days prior to closing.
- Most recent 2 years W-2 transcripts, OR W-2 transcripts for number of year(s) used in underwriting; whichever is **less**. If self employed, most recent 2 years tax transcripts, OR transcripts for number of years used in underwriting; whichever is **less**.

Also, as a reminder: **remember to include Excluded and Related Parties Searches (LDP/EPLS) reports in every file.**

Please take steps now to insure that this documentation will be in submission files by the deadline. Files without the required documentation will be pended, and may result in extension fees.

REQUIRED BENEFIT TO BORROWER FORM - REMINDER

Effective with all owner occupied rate term refinances submitted for purchase, **on or after June 18, 2012, Cornerstone will require a completed Benefit to Borrower form.** You may use the version located in the Forms section of the correspondent web-site: www.chlcorrespondent.com, OR you may use your own version.

Please note, if you are in a state that already requires this form, then please use the version already approved by your company or document fulfillment service.

SECURE FILE/CONDITION UPLOAD

Our secure file/condition upload portal has received positive reviews. Look forward, in the coming month or so, to some exciting enhancements. Some reminders:

- Please check your scanner settings. Occasionally, we receive documents that are unreadable. If this occurs, your file will be pended and could result in extension fees.
- Please be sure that you are uploading CLD conditions under the CLD selection and Underwriter conditions under the UNDERWRITING selection. We have started to receive conditions under the wrong heading. This creates delays in underwriting and/or purchase approval.
- Although we don't have a particular stacking order, a good rule of thumb is:
 - **Closing file**
 - **Final disclosures**
 - **Credit file**
 - **Initial disclosures**
- Please scrub your file of all unsigned closing documents. Failure to do so may result in imaging and/or purchase delays.
- Please make sure we DO have all closing documents and all credit documentation used to make the underwriting decision. Failure to do so may result in imaging and/or purchase delays.
- Please use the Closed Loan Delivery Checklist and Guidelines located in the Forms section of our web-site: www.chlcorrespondent.com. We are still seeing the older version; which does not contain pertinent information and may result in missed required documentation.

COPIES OF NOTE ENDORSEMENTS

We have noticed a recent increase in the number of loans submitted for purchase review with a copy of an unendorsed Note. Please make sure that the copy you are shipping to us for purchase review is the endorsed copy. Failure to do so will result in a purchase pending condition, and may result in extension fees.

Please don't hesitate to contact us if you have questions regarding these, or any other issues. We can be reached as follows: abreidenbach@houseloan.com or (505)814-7784, jposen@houseloan.com or (505)814-7788, ncorlett@houseloan.com or (214)780-0770.