



Protocol for Loan Officers and Processors at American Freedom Group, Inc.

What Processors Should Do:

- 1. When the loan officer hands off the full file to the processor, she should put it in order and do all order-outs that are necessary, and mail RESPA documents ASAP. If anything is missing, she should tell the loan officer.**
- 2. Within a reasonable amount of time, the processor should submit the loan to the lender (assuming it is ready for submission) unless the loan officer has already pre-qualified/ submitted it online: then she need only submit the original paper file if necessary.**
- 3. If the loan officer requests it, the processor will request status from the lender on a submission if the time period is reasonable for such.**
- 4. If there is a change in rate, program, or fees, processor will immediately mail re-disclosures to borrower.**
- 5. Once the approval arrives from the lender, the processor is responsible for faxing the approval to the loan officer, and is responsible for any conditions that can be obtained without the borrowers' help.**
- 6. The processor should contact the underwriter with any questions regarding conditions (unless see #9 below).**
- 7. Once all conditions are sent in to the lender, the processor should order docs. The processor may contact the loan officer to discuss cash to close and confirm that the loan parameters are acceptable, but the loan officer should be pro-active on this as well.**
- 8. Once the docs are ordered, the processor is responsible for sending Broker Instructions to escrow, including the final application, Good Faith, TIL, and any other forms to be signed at closing.**
- 9. Both processor and loan officer should be aware of any outstanding Prior to Fund conditions, and obtain them in a timely manner.**
- 10. If a change or a re-draw becomes necessary, the processor will do so once she has complete information on it from the loan officer.**
- 11. Both loan officer and processor should look over the estimated HUD-1 and communicate with each other about any necessary changes. The processor will communicate the changes to escrow.**



What Loan Officers Should Do:

- 1. The loan officer is responsible for taking the application, filling in as many blanks as possible and trying to anticipate any items that the processor will need in order to close the loan. If the loan is an 80/20 or 75/25, get an application signed for each. If it is a VA loan, get all VA forms and documentation.**
- 2. The loan officer should be aware of the borrowers' situation and goals for the loan, and apprise the processor so she can speak intelligently to the underwriter.**
- 3. The loan officer is solely responsible for shopping the loan and supplying the processor with all program and rate information.**
- 4. The loan officer is solely responsible for communicating with the borrowers. The borrowers should not contact the processor except to fax over conditions. The same is true of real estate agents.**
- 5. The loan officer should submit the file in a timely manner (as soon as the loan application has been taken) to the processor so she has as much time as possible to work on the file, especially if there is a Purchase & Sale. Submit all documentation and all necessary forms. Be sure to include the New File Information Sheet, fully filled out, so the processor can see what the loan is attempting to accomplish.**
- 6. Please do not submit documentation or forms to the processor that you do not want to go to the lender. For instance, on stated loans, do not send bank statements, pay stubs, tax returns, or W-2s, and make sure that your application reflects the correct income that you are stating.**
- 7. The loan officer is solely responsible for locking the loan.**
- 8. Once the approval arrives from the lender, the loan officer is responsible for looking it over, being aware of all loan information on it, requesting changes if necessary, and obtaining conditions from the borrowers.**
- 9. If the loan officer has program or rate questions, or debates about the fairness of a condition for the underwriter or lender, he/she should call them immediately.**
- 10. If significant changes are made to the loan after the loan has been given to the processor, the loan officer should alert the processor immediately and get a new application signed reflecting these changes, for re-submission purposes. Do not assume that the processor knows about all of the changes that need to be made or how your borrowers' goals have changed.**
- 11. Once documents are ordered, the loan officer should contact escrow with any questions about setting the signing appointment or to address any special needs of the borrowers.**
- 12. If any last-minute changes or a re-draw becomes necessary, the loan officer should contact the processor immediately and she will make the necessary changes and/or order the redraw.**