

Edit 1003 Form

The OpenClose 1003 is organized into multiple tabs that coincide with the sections of the 1003 plus three extra tabs to store additional information on the loan file.

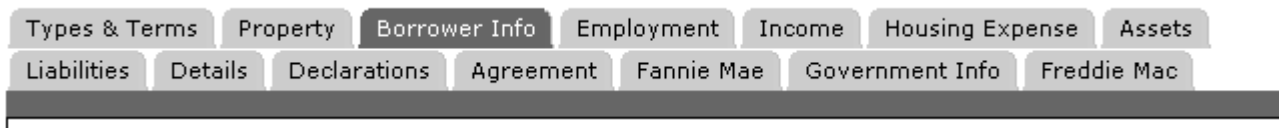


Figure 1 - Tabs of the 1003

NOTE: Changes to any area of the 1003 will not be saved unless you click the Save button. If you attempt to change screens using the loan's action menu while working on the 1003, all items will be grayed out to remind you to save your changes.

*Types & Terms

The **Types & Terms** tab of the OpenClose 1003 coincides with the Types & Terms section of the 1003.

- ❓ The Top, Bottom, LTV, and CLTV ratios are auto-calculated based on values provided in various areas of the 1003. Auto-calculated values are not editable manually.
- ❓ If you select a value for Loan Position of Secondary or Other, you will be provided with the Other Mortgages field.
- ❓ The Interest Only field affects calculations on the 1003 as appropriate.
 - If the Interest Only field is checked "Yes", then the PI (principal & interest) calculations will calculate as interest only. The monthly payments will reflect interest only.
 - If **Edit TIL** is used to create an interest only loan, then the Interest Only field will no longer appear on the **Types & Terms** tab.


*Property

The **Property** tab of the 1003 in OpenClose provides fields for information about the property and the purpose of the loan.

- ❓ If you wish to copy the property address to the real estate section of the 1003, click the **Copy Property Address to Assets REO** link near the top of the screen.
- ❓ When you provide a zip code for the property address and move on to the next field, the city, county, and state will auto-populate. Note that there are many locations in the US where one zip code represents several cities. Should the field not populate with the intended city, you can overwrite the values manually.
- ❓ If you choose Refinance as your loan purpose, your screen will change to show you fields

associated with a refinance. The Purpose of Refinance field provides a list of refinance types. If you will be running automated underwriting on the file, you may need to adjust your Purpose of Refinance selection to work with the AU vendor.

- ❓ If you choose Construction or Construction Other as your loan purpose, your screen will change to show you fields associated with a construction loan.
- ❓ If you choose Other as your legal description value, you will be presented with a free-form text box to enter the full legal description of the property.

By default, OpenClose provides you with one title holder field for each borrower on the file. To add additional title holder fields, click the plus sign  icon next to Add New Title Holder Section(s) near the top of the screen.

*Borrower Info

OpenClose supports multiple borrowers on a loan file. Borrowers are stored in borrower and co-borrower pairs. You may have up to eight pairs for a loan.

Borrower Section

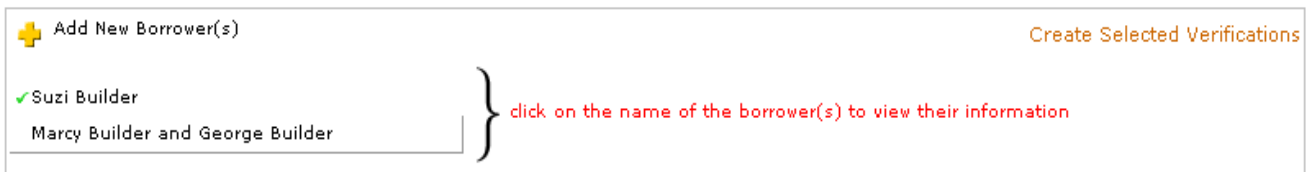





Figure 2 - Borrower Section of the 1003

- ❓ To add a new borrower/co-borrower pair, click the plus sign icon next  to **Add New Borrower(s)**.
- ❓ You can edit only one borrower/co-borrower pair on the screen at a time. The pair that you are editing is flagged with a green checkmark  icon near the top of the screen. To change the borrower/co-borrower pair that you wish to edit, click the name of the other borrower or borrower/co-borrower pair.
- ❓ To delete a borrower, check the **Delete** check box and save the 1003.

NOTE: You cannot delete the primary borrower. If the primary borrower has changed, you will need to edit that borrower's information to reflect the new primary borrower.

- When you provide a **zip code** for a borrower's address and move the cursor to another field, the city and state will auto-populate. You can change the auto-populated values if you wish.
- ❓ By default, fields for one address for a borrower are provided. To add one or more addresses for a borrower, click the plus sign  icon next to **Add New** to add another set of address fields.
- To copy the borrower's address and phone to his or her co-borrower click the **Copy Address and Phone to Co-Borrower** link.

- This link will only appear after a social security number has been entered for the co-borrower. If the social security number is removed, the link will also be removed.
- To copy the borrower's address as the subject property click the **Copy Address to Property** link.
- To delete a borrower's address check the **Delete this Address** box and save the 1003.
- Go to a borrower's **Details** tab to access non-address information about the borrower.

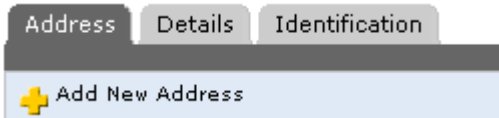


Figure 3 - Accessing Address, Details, and Identification for a Borrower

- To auto-calculate a borrower's age, provide his or her birth date in the Date of Birth box and move your mouse cursor to another field.
- To provide a borrower's dependents' ages, provide a value other than 0 in the Number of Dependents box and move your mouse cursor to another field.

*Employment

The Employment section of the 1003 provides you with the fields you need to track employment information about any of the loan's borrowers.

- ② To add an employment record, click the plus sign **+** icon next to **Add New Employment Section(s)**. Choose the number of employment records to add in the first drop-down box, and then choose the borrower for the employment records in the second drop-down box. Click the GO **GO** icon to add the employment record fields.



Figure 4 - Adding Employment Records

- After providing the zip code for an employer’s address, move your mouse cursor to another field to auto-populate the city and state. You can change the values of the city and state if you wish.
- ❓ If the borrower is self-employed, you will be asked to provide the percentage of the business owned.
- If the employment record is the borrower’s present employer, you will provide the income information in the Income section of the 1003. For past positions, you will provide the income information along with the employment record.
- ❓ To delete an employment record, check the Delete box and save the 1003. If the Delete box does not appear, then you have added a record that has not yet been saved.
- Origination Plus Customers Only: To create an employment verification for an employment record, check the **Create Verification** check box then click the **Create Selected Verifications** link. The verification document will appear in the **e-Doc Manager** in the loan’s **Loan Snapshot** screen under Processing → Verifications → Request for Verification of Employment.

Note: If you do not see the **Create Verification check box** next to an employment record, save the 1003 first.

*Income

The **Income** section of the 1003 provides you with the fields you need to track income information for any of the loan’s borrowers.

- ❓ To add an income record, click the plus sign **+** icon next to **Add New Income Section(s)**. Choose the number of income records to add in the first drop-down box, and then choose the borrower for the income records in the second drop-down box. Click the GO **GO** icon to add the income record fields.

Figure 5 - Adding Income Records

- ❓ All income amounts should be provided as monthly income.

NOTE: For DTI ratio calculations and for the printed 1003 Loan Application, Net Rental Income items in the Assets section will be summed instead of the amounts for Net Rental Income and Subject Property Net Cash Flow in the Income section.

- To provide a borrower’s monthly income from his or her present, full-time position, select **Base Employment Income**.
- ❓ To delete an income record, check the **Delete** check box and save the 1003.

- To create an income verification for an income record, check the **Create Verification** check box then click the **Create Selected Verifications** link. The verification document will appear in the **e-Doc Manager** in the loan's **Loan Snapshot** screen under Processing
→ Verifications → Request for Verification of Benefits. If you do not see the Create Verification check box next to an income record, save the 1003.

NOTE: Verifications are available on income types for military income, pension/retirement income, social security/disability income, trust income, unemployment/welfare income, and VA benefits (non-education) only.

- ☒ A running total of all monthly income is auto-calculated for each borrower and for all borrowers.

*Housing Expense

The **Housing Expense** section of the 1003 provides you with the fields you need to track housing expense information on a loan for both proposed and present expenses.

- Fields for tracking present housing expenses are available for each borrower in the loan's borrower/co-borrower pair.
- ☒ Totals at the bottom of each column are auto-calculated for you.

*Assets

The Assets section of the 1003 provides you with the fields you need to track general assets, automobiles, life insurance, and real estate information on a loan for each borrower.

- Asset
- Automobile
- Life Insurance
- Real Estate

To add an asset record, click the plus sign **+** icon next to **Add New Section(s)**. Choose the number of asset records to add in the first drop-down box, choose an asset type in the second drop-down box, then choose the borrower for the asset record(s) in the second drop-down box. Click the GO **GO** icon to add the asset record fields.

Figure 6 - Adding Assets

- After providing the zip code for an asset address, move your mouse cursor to another field to auto-populate the city and state. You can change the values of the city and state if you wish.
- To delete an asset, check the Delete check box then save the 1003.
- Running totals are tracked throughout the Assets screen. If you add an asset or change an asset's value save the 1003 to re-calculate your totals.

Note: Remember to click on **Save** to automatically recalculate the asset totals.

- Use the **REO Asset ID** field for a real estate asset to link it to a real estate liability. Failure to do so may result in incorrect calculations and problems when ordering automated underwriting.

There is no significance to this ID. You may choose whatever values you like if the numbers match in the Assets and the Liabilities sections.

- In the example below notice that the real estate asset is arbitrarily assigned an **REO Asset ID** of “1” in the Schedule of Real Estate Owned.
- In the Liabilities screen the mortgage for that REO is also assigned the **REO Asset ID “1”** in the Liabilities section.

Schedule Of Real Estate Owned For Suzi Builder

Delete This Real Estate

REO Asset ID:

Address:

Type Of Property:

Zip:

Status:

City:

Current Residence:

State:

Subject Property:

Occupancy Rate:

Present Market Value	Amount Of Mtg. & Liens	Gross Rental Income	Mtg. Payments	Insurance, Maint., Misc.	Net Rental Income
<input type="text" value="100,000.00"/>	<input type="text" value="68,100.00"/>	<input type="text" value="1,150.00"/>	<input type="text" value="1,000.00"/>	<input type="text" value="285.00"/>	<input type="text" value="-422.50"/>

Figure 7 – REO Asset ID Under Assets

Liability For Suzi Builder

Delete Omit Omit Monthly Payment Create Verification

Liability Type:

Monthly Payment \$:

Creditor Name:

No. Of Months:

Address:

Unpaid Balance \$:

Zip:

REO Asset ID:

City:

Paid At Closing:

State:

Resubordinated:

Account No.:

Figure 8 – REO Asset ID Under Liabilities

***Liabilities**

The Liabilities section of the 1003 provides you with the fields you need to track liabilities and other expenses on a loan for each borrower.

- If you have “pulled” a credit report from the **Order Credit** action you can merge the liabilities automatically by clicking on the **Merge Liabilities** action from the loan’s action menu.

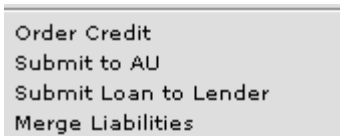




Figure 9 – Merge Liabilities

- To add a liability record, click the plus sign icon  next to **Add New Section(s)**. Choose the number of liability records to add in the first drop-down box, choose liability type in the second drop-down box, then choose the borrower for the liability record(s) in the second drop-down box. Click the GO  icon to add the liability record fields.
- Be sure to provide the **REO Asset ID** for mortgage liabilities to match with the real estate entry under the **Asset** section of the 1003. Failure to do so may result in incorrect calculations and problems when ordering automated underwriting.
- To delete a liability, check the **Delete** box and save the 1003. If the **Delete** check box does not appear then the liability has not yet been added.
- To delete all liabilities, click the **Select all for Delete** link in the top right corner and save the 1003.
- To flag all liabilities to be omitted click the **Select all for Omit** link in the top right corner and save the 1003.
- To remove liabilities with zero balances (common when merging liabilities from a credit report), click the **Select Zero Balance for Delete** link in the top right corner and save the 1003.
- A running balance of liabilities is presented for each borrower at the end of the borrower's liabilities section.
- Use the **Summary of Total Liabilities** section to see various liability calculations. You must save the 1003 to see the results of the selected summary amount type.

***Details**

The **Details** section of the 1003 enables you to break down the various details of the loan transaction.

- Fields D, I, M, O, and Pare auto-calculated and cannot be adjusted manually.
- To calculate field G, PMI, MIP, Funding Fee, click the MIP button to the right of the field's text box and complete the requested information.
- To calculate field J, Subordinate Financing, click the **Calc** button to the right of the field's text box and complete the requested information.

*Declarations

The **Declarations** section of the 1003 tracks declarations for each borrower on the file

- All Yes/No fields auto-default to “No” except for Field L (Do You Intend To Occupy The Property As Your Primary Residence?), M (Have You Had An Ownership Interest In A Property In The Last 3 Years?).
- In OpenClose, fields J and K are merged into a single drop-down box selection.

*Agreement

The **Agreement** section of the 1003 collects government-requested information for each borrower, information about the interviewer, and acknowledgement/agreement information on the loan.

- To select multiple values for the Race/Origin field hold the Control key on your keyboard and make multiple selections by clicking on an option in the box.
- The information in the Interviewer Information section comes from the profile of the broker user who originated the loan and his or her Broker/Branch Company.
- To provide a date in either of the date text boxes you can either type in the date manually or click the Date button to choose a date from the calendar tool.

*Fannie Mae

The **Fannie Mae** section of the OpenClose 1003 collects information that Fannie Mae may request for a DO or DU transaction.

- The **Institution ID** is used to break up DU transactions for billing purposes by branch. It is not required as not all lenders use it.
- The values for Lien Type auto-populates from the Loan Position field on the Types & Terms tab.
- To provide a date in a date text box you can either type in the date manually or click the Date button to choose a date from the calendar tool.



*Government Info

The **Government Info** section of the OpenClose 1003 collects information relevant to government loans.

- The Community Lending section is used when requesting a Community Lending program in a DU transaction.
- The MSA code will auto-populate based on the zip code of the property address.

*Freddie Mac

The **Freddie Mac** section of the OpenClose 1003 collects information that Freddie Mac may request for an LP transaction.

- The LP Key Identifier, LP Transaction Identifier, Credit Report Identifier, and LP Loan Identifier fields will auto-populate when you run an LP transaction.
- The value of the Building Status field auto-Defaults to Existing.
- The value of the Property Type field auto-Defaults to Detached.
- The value of the Planned Unit Development field auto-Defaults to No.
- The values in the Asset Totals section will auto-calculate if the necessary values are provided. To manually adjust one of these fields, click on the calculator  icon so that it shows a crossed-out calculator  icon. This action will enable the associated field to be edited.