

Governance, Risk & Compliance

# What's New with the Documents

ComplianceOne<sup>®</sup> mortgage

2020.2

## Governance, Risk & Compliance

This publication was written for ComplianceOne® mortgage

### Publication Information / Version

Document Title: What's New with the Documents

Release Date: April 2020

### Distributed Subject to Terms of a License or other Agreement

The contents of this publication, including its appendices, exhibits, and other attachments, as updated or revised, are highly confidential and proprietary to Wolters Kluwer Financial Services, Inc. or its subsidiaries or affiliates ("Wolters Kluwer Financial Services"). This publication is distributed pursuant to a Non-Disclosure Agreement, Evaluation Agreement, License Agreement and/or other similar agreement(s) with Wolters Kluwer Financial Services, Inc. or its subsidiary or affiliate. Unless otherwise specifically provided in such agreement(s), the reproduction of this publication is strictly prohibited. Use and distribution of this publication are also subject to the responsibilities and obligations of such agreement(s), which require confidential treatment of this publication and its contents.

Information in this guide is subject to change without notice and does not represent a commitment on the part of Wolters Kluwer Financial Services.

### Do Not Reproduce or Transmit

Unless otherwise specifically authorized in the agreement or license under which this publication has been provided, no part of this publication may be posted, played, transmitted, distributed, copied or reproduced in any form or by any means, electronic or mechanical, including photocopying, recording, or retaining on any information storage and retrieval system, without prior written permission from Wolters Kluwer Financial Services.

Requests for permission to reproduce content should be directed to Wolters Kluwer Financial Services, Inc., Corporate Legal Department, by telephone at 1-800-397-2341.

### Not a Substitute for Legal Advice

This publication is intended to provide accurate and authoritative information about the subject matter covered based upon information available at the time of publication. Examples given in this publication are for illustrative purposes only.

Development of this publication and the software (including forms, disclosures, reports, and other documents generated by the software) or other products that it describes was based on Wolters Kluwer Financial Services' understanding of various laws, regulations and commentaries.

Wolters Kluwer Financial Services cannot and does not guarantee that its understanding is correct.

This publication is not intended, and should not be used, as a substitute for legal, accounting, or other professional advice. Wolters Kluwer Financial Services is not engaged in providing legal, accounting or other professional services. If legal or other professional assistance is required, you should seek the services of a competent professional. We encourage you to seek the advice of your own attorney concerning all legal issues involving the use of this publication and any products described in this publication. If your interpretations or your counsel's interpretations are contrary to those expressed in this publication, you should of course, follow your/your counsel's interpretations.

The following notice is required by law:

**Wolters Kluwer Financial Services' PRODUCTS AND SERVICES ARE NOT A SUBSTITUTE FOR THE ADVICE OF AN ATTORNEY.**

### Warranty Disclaimer

**Except only for the warranties (if any) expressly set forth in the agreement(s) under which this publication is provided (i.e., your agreement or license for the described product), this publication is provided "as is", and Wolters Kluwer Financial Services makes no warranty, express, implied, by description, by sample or otherwise, and in particular and without limitation, makes no implied warranties of merchantability or fitness for purpose. No modifications to this Warranty Disclaimer are authorized unless in writing and signed by the President or a Vice President of the Wolters Kluwer Financial Services entity licensing the product described in this publication.**

### Attributions and Acknowledgements

All trademarks are the property of their respective owners.

### Copyright Information

©2020 Wolters Kluwer Financial Services, St. Cloud, Minnesota

This publication is the confidential information of Wolters Kluwer Financial Services. Distribution of this publication is subject to restrictions in the license or agreement under which this publication is provided to authorized Wolters Kluwer Financial Institution customers.

All rights reserved.

# Content

<b>What's New .....</b>	<b>1</b>
MULTI-STATE .....	1
Date and Parties Sections .....	1
Signature Sections.....	1
Demographic Information Addendum.....	1
Fannie Mae 1003 Freddie Mac 65 Universal Residential Loan Application .....	1
Fannie Mae 3522 and 3528 Adjustable Rate Note One Year Treasury and LIBOR Index with Rate Caps.....	1
Fannie Mae Freddie Mac 3502 and 3526 Adjustable Rate Note One Year Treasury and LIBOR Index .....	1
Fannie Mae Freddie Mac 3111 and 3189 Adjustable Rate Rider One Year LIBOR and One Year Treasury Index ....	1
Fannie Mae 3182 and 3187 Adjustable Rate Rider One Year Treasury and LIBOR Index with Rate Caps Exhibit D.1	1
Freddie Mac Forms 5510 5530 And 5531 ARM Note with Rate Caps.....	1
Freddie Mac Forms 5110 5130 and 5131 ARM Rider with Rate Caps .....	1
HUD 92900 LT Loan Underwriting and Transmittal Summary .....	2
Security Agreement Consumer .....	2
Uniform Underwriting and Transmittal Summary .....	2
CALIFORNIA .....	2
Fannie Mae 1003 Freddie Mac 65 Universal Residential Loan Application-CA .....	2
DISTRICT OF COLUMBIA .....	2
Fannie Mae 1003 Freddie Mac 65 Universal Residential Loan Application-DC .....	2
Motor Vehicle Title Notification-DC.....	2
GEORGIA.....	3
Temporary Authority to Operate Disclosure-GA .....	3
MISSOURI .....	3
Security Agreement Consumer .....	3
OHIO.....	3
Acknowledgment Section .....	3
Fannie Mae 1003 Freddie Mac 65 Universal Residential Loan Application-OH.....	3
TEXAS.....	3
Fannie Mae Freddie Mac 3522.44 Note Fixed 1 Yr Treas HE 1st Lien-TX .....	3
Fannie Mae_Freddie Mac 3182_44 Rider Fixed 1 Yr Treas HE 1st Lien-TX.....	3
WASHINGTON .....	4
FHA Deed of Trust.....	4
Mortgage Closed End.....	4
Recording Requirements Margin .....	4
Recording Requirements Prolog .....	4

Security Agreement Consumer ..... 4

## What's New

### **MULTI-STATE**

#### **Date and Parties Sections**

#### **Signature Sections**

Date and Parties and Signature Sections of the documents have been updated for entities so that the description of the entity prints when the type of entity selected is "Other" instead of one of the predefined entity types.

#### **Demographic Information Addendum**

The Demographic Information Addendum has been updated to print the principal tribe information only if the **American Indian or Alaska Native** is selected.

#### **Fannie Mae 1003 Freddie Mac 65 Universal Residential Loan Application**

The Fannie Mae 1003 Freddie Mac 65 Universal Residential Loan Application has been updated not to print the 'To be Completed by Loan Originator' section as this information is already captured in the Demographic Information Addendum and Government Monitoring Information documents. That is why, the 'To be Completed by Loan Originator' section is not available within the application form when either HMDA Applies is selected within the Loan Definition page or Demographic Information Collected Separately/Government Monitoring Information Collected Separately is selected within the Document Data page.

#### **Fannie Mae 3522 and 3528 Adjustable Rate Note One Year Treasury and LIBOR Index with Rate Caps Fannie Mae Freddie Mac 3502 and 3526 Adjustable Rate Note One Year Treasury and LIBOR Index Fannie Mae Freddie Mac 3111 and 3189 Adjustable Rate Rider One Year LIBOR and One Year Treasury Index Fannie Mae 3182 and 3187 Adjustable Rate Rider One Year Treasury and LIBOR Index with Rate Caps Exhibit D Freddie Mac Forms 5510 5530 And 5531 ARM Note with Rate Caps Freddie Mac Forms 5110 5130 and 5131 ARM Rider with Rate Caps**

On February 5, 2020, in Lender Letter LL-2020-01 and Bulletin 2020-1, Fannie Mae and Freddie Mac announced revisions to their uniform ARM Notes and Riders to incorporate the Alternative Reference Rates Committee (ARRC) fallback language. Fannie Mae and Freddie Mac also made minor edits to the content. Sellers must use the updated Uniform Instruments for ARMs with Note Dates on or after June 1, 2020 but may begin using immediately.

The Fannie Mae 3522 and 3528 Adjustable Rate Note One Year Treasury and LIBOR Index with Rate Caps, the Fannie Mae Freddie Mac 3502 and 3526 Adjustable Rate Note One Year Treasury and LIBOR Index, the Fannie Mae Freddie Mac 3111 and 3189 Adjustable Rate Rider One Year LIBOR and One Year Treasury Index, the Fannie Mae 3182 and 3187 Adjustable Rate Rider One Year Treasury and LIBOR Index with Rate Caps Exhibit D, the Freddie Mac Forms 5510 5530 And 5531 ARM Note with Rate Caps and the Freddie Mac Forms 5110 5130 and 5131 ARM Rider with Rate Caps documents have been updated to follow the model form. In the Section 4. Adjustable Interest Rate And Monthly Payment Changes the fallback language has been updated in the Section - (B) The Index, Section - (C) Calculation of Changes, Section - (D) Limits on Interest Rate Changes and Section - (G) Replacement Index and Replacement Margin has been added. In addition, the Floor Rate

entered within the Calculations page will be printed to Section – (D) Limits on Interest Rate Changes.

### **HUD 92900 LT Loan Underwriting and Transmittal Summary**

The HUD 92900 LT Loan Underwriting and Transmittal Summary document has been updated to better align with the agency model forms.

#### *Page 1*

- The expiration date was added beneath the OMB Approval Number at the top of the page.
- The Loan Purpose section:
  - Checkboxes have been added for Simple Refinance, 203(k) Standard and 203(k) Limited.
  - Streamline Refinance checkboxes "w/ appraisal" and "w/o appraisal" have been removed.
- Under the Gifts section "Y/N" has been added to the Seller Funded DAP checkbox.
- The "no" checkboxes for the LDP/GSA have been removed.

#### *Page 2*

- "Lenders" text has been replaced with "Mortgagees".
- New content for LDP/SAM has been added at the bottom of the page.

### **Security Agreement Consumer**

The 'Time is of the essence' sentence has been removed from the Generally section of the Security Agreement Consumer document. This language already and appropriately appears in the Notice and Additional Documents section within the form.

### **Uniform Underwriting and Transmittal Summary**

The Uniform Underwriting and Transmittal Summary has been updated to be selected for inhouse transactions when **Use Fannie Mae 1008 Freddie Mac 1077 Underwriting Transmittal** is selected within the Document Data page. Previously the document would only be selected for Fannie Mae, Freddie Mac or loans insured by the USDA.

## **CALIFORNIA**

### **Fannie Mae 1003 Freddie Mac 65 Universal Residential Loan Application-CA**

The Fannie Mae 1003 Freddie Mac 65 Universal Residential Loan Application-CA has been updated not to print the 'To be Completed by Loan Originator' section as this information is already captured in the Demographic Information Addendum and Government Monitoring Information documents. That is why, the 'To be Completed by Loan Originator' section is not available within the application form when either HMDA Applies is selected within the Loan Definition page or Demographic Information Collected Separately/Government Monitoring Information Collected Separately is selected within the Document Data page.

## **DISTRICT OF COLUMBIA**

### **Fannie Mae 1003 Freddie Mac 65 Universal Residential Loan Application-DC**

The Fannie Mae 1003 Freddie Mac 65 Universal Residential Loan Application-DC has been updated not to print the 'To be Completed by Loan Originator' section as this information is already captured in the Demographic Information Addendum and Government Monitoring Information documents. That is why, the 'To be Completed by Loan Originator' section is not available within the application form when either HMDA Applies is selected within the Loan Definition page or Demographic Information Collected Separately/Government Monitoring Information Collected Separately is selected within the Document Data page.

### **Motor Vehicle Title Notification-DC**

The Motor Vehicle Title Notification-DC has been discontinued because it is no longer on the DC DMV (Department of Motor Vehicles) website.

## GEORGIA

### Temporary Authority to Operate Disclosure-GA

The Temporary Authority to Operate Disclosure-GA document has been added after the Georgia Department of Banking and Finance adopted a final rule on December 20, 2019. Per section 80-11-1-.01(11), a mortgage lender or mortgage broker sponsoring a mortgage loan originator who is unlicensed but operating as a mortgage loan originator pursuant to 12 U.S.C. § 5117 shall disclose in writing to each applicant that such mortgage loan originator has temporary authority to operate. The disclosure shall be made no later than the date the consumer signs an application or any disclosure, whichever event occurs first. The applicant shall be required to sign the disclosure and the lender or broker, as applicable, shall keep a copy of the signed disclosure. This disclosure provision is effective April 1, 2020.

The Temporary Authority to Operate Disclosure-GA document can be selected for loans with property located in the state of Georgia and when **Mortgage Loan Originator Sponsored** and **Mortgage Loan Originator Exempt** are selected within the Document Data page.

## MISSOURI

### Security Agreement Consumer

The following text has been removed from the Security Interest section of the Security Agreement Consumer document as it is legally unnecessary: **'This paragraph only applies if this Agreement secures a Manufactured Home.** With respect to only this loan, you give up any security interest in real estate, non-processed farm products, livestock, farm machinery, or crops within the meaning of Section 408.100 R.S.Mo. I agree that my security interest(s) previously given to me to secure any other debt remain unaffected by this waiver as to those debts.'

## OHIO

### Acknowledgment Section

The Acknowledgment Section on documents that use a Jurat has been updated to include the new "An oath or affirmation was administered to the signer with regard to this jurat." language after the State and County and before the certificate.

### Fannie Mae 1003 Freddie Mac 65 Universal Residential Loan Application-OH

The Fannie Mae 1003 Freddie Mac 65 Universal Residential Loan Application-OH has been updated not to print the 'To be Completed by Loan Originator' section as this information is already captured in the Demographic Information Addendum and Government Monitoring Information documents. That is why, the 'To be Completed by Loan Originator' section is not available within the application form when either HMDA Applies is selected within the Loan Definition page or Demographic Information Collected Separately/Government Monitoring Information Collected Separately is selected within the Document Data page.

## TEXAS

### Fannie Mae Freddie Mac 3522.44 Note Fixed 1 Yr Treas HE 1st Lien-TX

### Fannie Mae\_Freddie Mac 3182\_44 Rider Fixed 1 Yr Treas HE 1st Lien-TX

On February 5, 2020, in Lender Letter LL-2020-01 and Bulletin 2020-1, Fannie Mae and Freddie Mac announced revisions to their uniform ARM Notes and Riders to incorporate the Alternative Reference Rates

Committee (ARRC) fallback language. Fannie Mae and Freddie Mac also made minor edits to the content. Sellers must use the updated Uniform Instruments for ARMs with Note Dates on or after June 1, 2020 but may begin using immediately.

The Fannie Mae Freddie Mac 3522.44 Note Fixed 1 Yr Treas HE 1st Lien-TX and the Fannie Mae\_Freddie Mac 3182\_44 Rider Fixed 1 Yr Treas HE 1st Lien-TX documents have been updated to follow the model form. In the Section 4. Adjustable Interest Rate And Monthly Payment Changes the fallback language has been updated in the Section - (B) The Index, Section - (C) Calculation of Changes, Section - (D) Limits on Interest Rate Changes and Section - (G) Replacement Index and Replacement Margin has been added. In addition, the Floor Rate entered within the Calculations page will be printed to Section – (D) Limits on Interest Rate Changes.

## **WASHINGTON**

### **FHA Deed of Trust**

The FHA Deed of Trust has been updated not to print the following text under the Waiver of Homestead section if the property is located in Washington: ‘Borrower waives all right of homestead exemption in the Property’. The language is redundant on the document.

### **Mortgage Closed End**

The Mortgage Closed End has been updated not to print the following text under the Waivers section if the property is located in Washington: ‘Except to the extent prohibited by law, Mortgagor waives all appraisal and homestead exemption rights relating to the Property’. The language is redundant on the document.

### **Recording Requirements Margin**

The Washington section of the Recording Requirements Margin file has been updated to increase the space available for text particularly on page 1. The first page top margin was updated from 3.167 inches to 2 inches. Washington has a first page 3-inch top margin requirement, however, the Return To information may be placed within the 3-inch top margin. The margins on all pages were updated to match the Washington requirements and remove the extra 1/10 and 1/6 inch that had previously been included to account for printer shift.

### **Recording Requirements Prolog**

The Washington section of the Recording Requirements Prolog file has been updated to increase the space available for text on page 1 while keeping the right side 3x5 blank space for county recorders.

### **Security Agreement Consumer**

The language within the Waivers section has been updated to remove 'homestead or' from the line ‘All rights I have now or in the future as a homestead or personal property exemption in the Property’. The language is redundant on the document.

**About Wolters Kluwer Financial Services** - Whether complying with regulatory requirements or managing financial transactions, addressing a single key risk, or working toward a holistic enterprise risk management strategy, Wolters Kluwer Financial Services works with more than 15,000 customers worldwide to help them successfully navigate regulatory complexity, optimize risk and financial performance, and manage data to support critical decisions. Wolters Kluwer Financial Services provides risk management, compliance, finance and audit solutions that help financial organizations improve efficiency and effectiveness across their enterprise. With more than 30 offices in 20 countries, the company's prominent brands include: FRSGlobal, FinArch, ARC Logics®, TeamMate®, Bankers Systems, VMP® Mortgage Solutions, AppOne®, GainsKeeper®, Capital Changes, NILS®, AuthenticWeb™ and Uniform Forms™. Wolters Kluwer Financial Services is part of Wolters Kluwer, a leading global information services and solutions provider with annual revenues of (2012) €3.6 billion (\$4.6 billion) and approximately 19,000 employees worldwide. Please visit our website for more information.

**Wolters Kluwer Financial Services**

6815 Saukview Drive  
St Cloud, MN, 56303  
Toll-free: 800.274.2711

To learn more visit **[WoltersKluwerFS.com](http://WoltersKluwerFS.com)**.

©2020 Wolters Kluwer Financial Services, Inc. All Rights Reserved.