

Governance, Risk & Compliance

# What's New with the Documents

ComplianceOne® mortgage

2017.1



## Governance, Risk & Compliance

This publication was written for ComplianceOne® mortgage

### Publication Information / Version

Document Title: What's New with the Documents

Release Date: 2017 March

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## What's New

### **MULTI-STATE**

#### **Affiliated Business Arrangement Disclosure**

The Affiliated Business Arrangement Disclosure has been changed so the descriptions refer to an Affiliated Business Arrangement rather than a Controlled Business (Servicer). In addition, references will now be to a 'service provider' rather than simply to 'servicer'.

#### **Borrowers Certification and Authorization**

The Borrowers Certification and Authorization has been changed to resolve the discrepancy of labeling between the Dates and Parties section, which uses "Mortgage Loan Originator" to identify the lender, and the body of the document, which uses "Lender". All occurrences of "Lender" in the body of the document have been changed to "Mortgage Loan Originator".

#### **Borrower's Certification of Water Purification System**

The Borrower's Certification of Water Purification System document has been added and can be selected on the Document Data page under the Collateral section for FHA transactions where the property contains a water purification system.

#### **Fannie Mae 1084 Cash Flow Analysis**

The Fannie Mae Cash Flow Analysis document has been changed to update the self-employment income policy to eliminate the requirement for you to confirm the borrower can document access to income, such as a partnership agreement or corporate resolution.

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

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

The FHA Loan Underwriting and Transmittal Summary and Continuation Page have been changed in the 'Underwriter Comments' section of the documents to remove references to additional borrower and nonobligated borrowers names printing because, unless you enter that information in the description, they will not print in this section. Also, the main document has a limit of 324 characters and spaces. If this limit is exceeded, the entire text will print on the continuation page.

#### **Note-Consumer**

The Consumer Notes have been changed for a fixed/variable rate construction/permanent transaction to indicate that the initial interest rate at the beginning of the permanent financing stage is based off the then current index rate value rather than listing a specific rate. The option of 'Specific Value' is not currently supported as an option for the Initial Rate Definition on the Calculations page. This change is the result of a recent Compliance Alert surrounding the issue.

#### **Request for Verification of Rent or Mortgage Account**

The Request for Verification of Rent or Mortgage Account has been changed to produce separate document instances for each debt that is being verified when multiple debts are owed to the same party.

#### **Request for Verification of Stock/Securities**

##### **Request for Verification of Stock/Securities Supplement**

The Request for Verification of Stock/Securities (and Supplement) has been changed to produce separate document instances for each stock/security that is being verified when multiple stocks/securities are issued by the same party.

#### **Rider – MERS**

The MERS Rider has been changed to allow "corporation" to print for the lender, mortgage broker or investor when the transaction documents are drawn in the name of a lender.

#### **Title Insurance Disclosures**

The Title Insurance Disclosures document has been changed so the descriptions refer to an Affiliated Business Arrangement rather than a Controlled Business (Servicer). In addition, references will now be to a 'service provider' rather than simply to 'servicer'.

#### **UCC Financing Statement IACA 0713**

##### **UCC Financing Statement IACA-11 Point-0713**

The IACA version of the UCC Financing Statements have been changed to remove the colon from Section 3 following Secured Party's Name and to add a space in the instance display name immediately after the document name.

#### **Universal Credit Application Real Estate**

##### **Universal Credit Application Real Estate WOG**

The Universal Credit Application-Real Estate & Universal Credit Application-Real Estate Without Government Monitoring have been changed so the 'Subject Property Address' field on page 1 prints the addresses of all the real property collateral that secures the transaction. Up to two addresses will print on the main document, otherwise "See Continuation Sheet" will print and all addresses will print on the Continuation Sheet. Previously, only the address of the first real estate collateral printed. The 'Legal Description of Subject Property' field on page 1 has also been similarly updated to print the legal description of all the real property collateral that secures the transaction. In addition, the prompt for the 'Other Liabilities (from continuation page, if any)' field on page 3 has been changed to now read, "\$0.00 will always print in this field because the amount of "other liabilities" is already accounted for on Page 3."

#### **CONNECTICUT**

##### **Application Disclosures-CT**

The Connecticut Application Disclosures document has been changed to remove the property address from the top of the document because it is not required (and to remove any ambiguity caused in transactions that are secured by more than one piece of real estate collateral).

#### **FLORIDA**

##### **Mortgage Loan Commitment**

The Mortgage Loan Commitment has been changed so that all Florida transactions with exempt lenders print additional terms and conditions. The additions include adding statements regarding evidence of title, conditions regarding content, and also changing the acknowledgement sentence directly above the signatures.

## **ILLINOIS**

### **Assignment of Real Estate Security Instrument**

The Illinois Assignment of Real Estate Security Instrument has been changed to reflect that witnesses are not required by Illinois statute on mortgage assignments by replacing the text "IN WITNESS WHEREOF, the undersigned Assignor" with "THE UNDERSIGNED ASSIGNOR".

### **Title Insurance Disclosure-IL**

The Illinois Title Insurance Disclosure has been changed to remove the 'according to best practices' language and to add an optional second address line for the title insurance address.

### **UCC Financing Statement IACA-IL-0713**

The IACA version of the UCC Financing Statement for Illinois has been changed to remove the colon from Section 3 following Secured Party's Name.

## **MASSACHUSETTS**

### **Assignment of Leases and Rents**

The Massachusetts Assignment of Leases and Rents has been changed to remove the homestead waiver language.

### **Assignment of Contract Rights**

The Massachusetts Assignment of Contract Rights has been changed to remove the homestead waiver language.

### **FHA Mortgage**

The Massachusetts FHA Mortgage has been revised to follow Fannie Mae and Freddie Mac model forms with a revision date of 10/16 per Selling Guide Announcement SEL-2016-08, dated October 24, 2016, for the purpose of conforming to state law regarding homestead estates in Section 24. Fannie Mae and Freddie Mac require lenders to use the revised forms no later than April 1, 2017.

### **Security Agreement – Consumer**

The Massachusetts Security Agreement - Consumer has been changed to remove the homestead waiver language.

## **MISSISSIPPI**

### **Deeds of Trust**

The Mississippi Deeds of Trust have been changed to prevent the first owner's address from printing twice in the following sections of the documents: 'Collateral Owner - Real Estate Deed of Trust (Multiple Owners)', 'Collateral Owner - Real Estate Deed of Trust (Multiple Owners) Lender long name' and 'Collateral Owner - Real Estate Deed of Trust Modification (Multiple Owners)'.

## **NEW JERSEY**

### **Settlement Service Fees Estimate-NJ**

The New Jersey Settlement Service Fees Estimate has been changed to properly exclude fees with a \$0 or blank amount in the following sections: Origination Charges, Services You Cannot Shop For, Services You Can Shop For and Other Costs. Other sections were already properly excluding \$0 and blank fees and did not need revisions.

## **NEW YORK**

### **Title Insurance Disclosure – NY**

The New York Title Insurance Disclosure has been changed so the descriptions refer to an Affiliated Business Arrangement rather than a Controlled Business (Servicer). In addition, references will now be to a 'service provider' rather than simply to 'servicer'.

## **PENNSYLVANIA**

### **FHA Mortgage**

The Pennsylvania FHA Mortgage has been changed to include a reference to Section 27 (Effect of Survival Events) in the Definitions section on Page 1. This was done to follow the revised Fannie Mae/Freddie Mac mortgage model form 3039, as a result of a recent judicial decision out of Pennsylvania.

### **Mortgage – Fannie Mae/Freddie Mac**

The Pennsylvania Fannie Mae/Freddie Mac Mortgage has been changed to include a reference to Section 27 (Effect of Survival Events) in the Definitions section on Page 1. This was done to follow the revised Fannie Mae/Freddie Mac mortgage model form 3039, as a result of a recent judicial decision out of Pennsylvania.

## **RHODE ISLAND**

### **FHA Mortgage**

The Rhode Island FHA Mortgage has been revised to follow Fannie Mae and Freddie Mac model forms with a revision date of 10/16 per Selling Guide Announcement SEL-2016-08, dated October 24, 2016, for the purpose of conforming to state law regarding homestead estates in Section 25. Fannie Mae and Freddie Mac require lenders to use the revised forms no later than April 1, 2017.

### **Security Agreement – Consumer**

The Rhode Island Security Agreement - Consumer has been changed to remove the homestead waiver language.

## **SOUTH DAKOTA**

### **Mortgage - Closed End**

The South Dakota Closed End Mortgage has been changed to remove the checkbox before the "One Hundred Eighty Day Redemption" language in the Title and in the Redemption Period section and only print the required language if the transaction is indicated to be subject to the provisions of the One Hundred Eighty Day Redemption Act. In addition, the "Collateral Real Estate Mortgage" language in the Title and the Collateral Real Estate Mortgage section are now optional and will only be included if you indicate that the transaction is a South Dakota Real Estate Mortgage pursuant to SDCL 44-8-26.



**UCC Financing Statement IACA 0713 DBA-SD**

The IACA version of the UCC Financing Statement for South Dakota has been changed to remove the colon from Section 3 following Secured Party's Name.

**TEXAS****Manufactured Housing Title Application-TX**

The Texas Manufactured Housing Title Application has been changed to match the Texas Department of Housing and Community Affairs Manufactured Housing Division form MHD 1023 with a revision date of 9/12/2016. Text in the Handling box in Block 1 on page 1 has been changed, and two occurrences of "husband and wife" have been replaced with "married couple" in Block 5 on page 2.

**Multiple Documents**

Multiple Texas documents have been changed so 'N/A' consistently prints (rather than a blank line) for transactions secured by real estate that is located in Texas that are subject to the General Interest Law - Home Equity loan act.

**Notice Regarding Texas Legal Counsel Review**

The Notice Regarding Texas Legal Counsel Review has been added and is designed for your file. It informs you of a limitation on fees that are linked to document preparation charges for loans secured by real property. It also informs you to work with your Texas legal counsel to determine the role that legal counsel will play in the review of transaction documents for loans secured by real property. Finally, it also documents the name of the Texas counsel who reviewed the transaction, including the counsel's bar identification number. The document is used for loan transactions, modification agreements, and assumptions, and used when either the real property is located in Texas or the transaction is being conducted under Texas law.

**VIRGINIA****Mortgage Loan Application Disclosure-VA**

The Virginia Mortgage Loan Application Disclosure has been removed because the content is covered by the Notification to Virginia Mortgage Loan Applicants.

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