Broker: Instant LE Job Aid

Overview

Instant LE streamlines the loan process and saves the Broker up to 48 hours by allowing the Broker to generate disclosures using Newfi's fees.

Purpose

This document is designed to guide the Broker through the Instant LE process in BLU.

Instant LE Eligibility

The Generate Disclosures with Instant LE page is visible based on loan, product and broker eligibility. If the loan or user is ineligible based on table below for Instant LE, then the Instant LE page is not shown to the user:

Loan or Product Type	Eligibility
• DSCR Loans • Buydown loans • GPM loans • Piggybacks • HELOCs • VA loans • Property state is Tennessee and compensation is borrower-paid • ComplianceEase Status: Moderate, Significant, Critical	Not Allowed
All Other Loans	Allowed - (Disclosures may be generated up to 1 business day after RESPA 6 Date)

Broker Self Disclosure Timeline

To ensure that loans are disclosed within the regulatory deadline, Brokers will be allowed to self-disclose up to one business day before the Disclosure Desk's internal deadline.

For Loans that meet Instant LE eligibility to self-disclose or opt out and request disclosures the following timeline applies:

	Day 0	Day 1 12:00 PM	Day 2 11:59 PM	Day 3
All Loans	Instant LE Allowed		Request Disclosure is required. Broker's fees will be used if Fee Sheet and SSPL has been uploaded. If not, Newfi standard fees will be used.	Loan to be restarted

Process

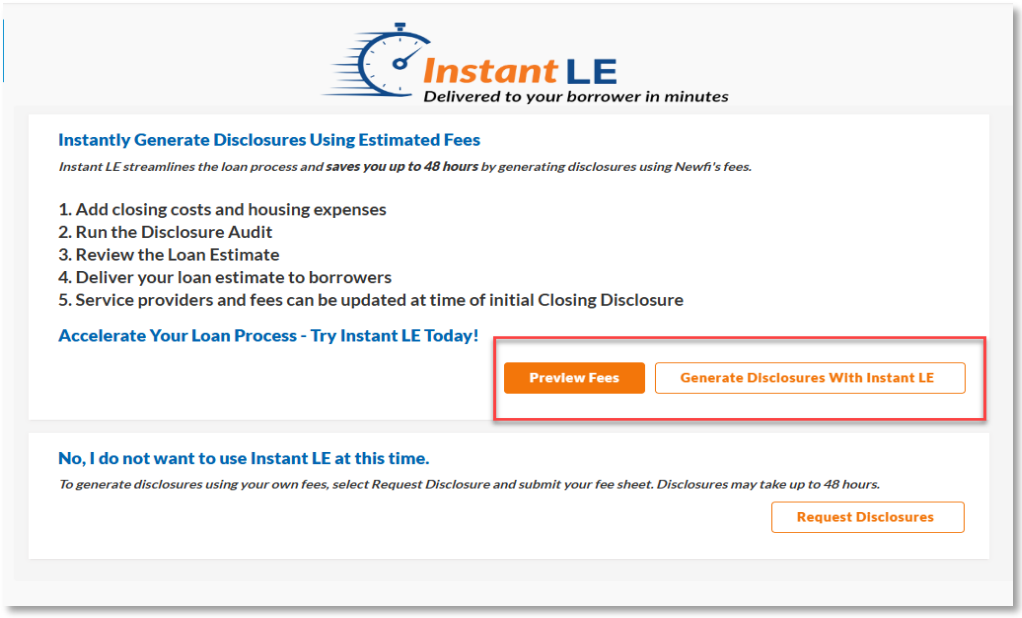
When the loan meets the eligibility criteria then the Broker will complete the following steps to self-disclose.

1. Access the **LE & Initial Disclosures** screen from the left menu of the **BLU** portal.
2. The Instant LE page opens, and the Broker can choose:

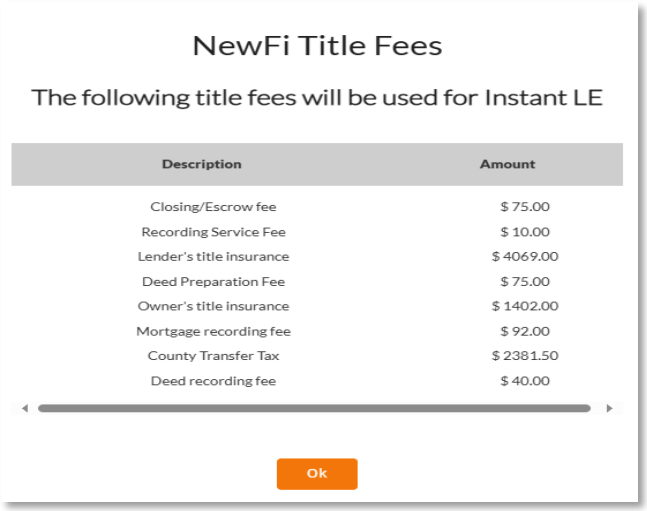
   - ***Generate Disclosures with Instant LE*** – to begin generating disclosures and send them instantly.

     or

   - ***Request Disclosures*** – to generate disclosures using the Brokers' own fees. The Broker will select Request Disclosures and submit the fees, disclosures may take up to 48hrs.

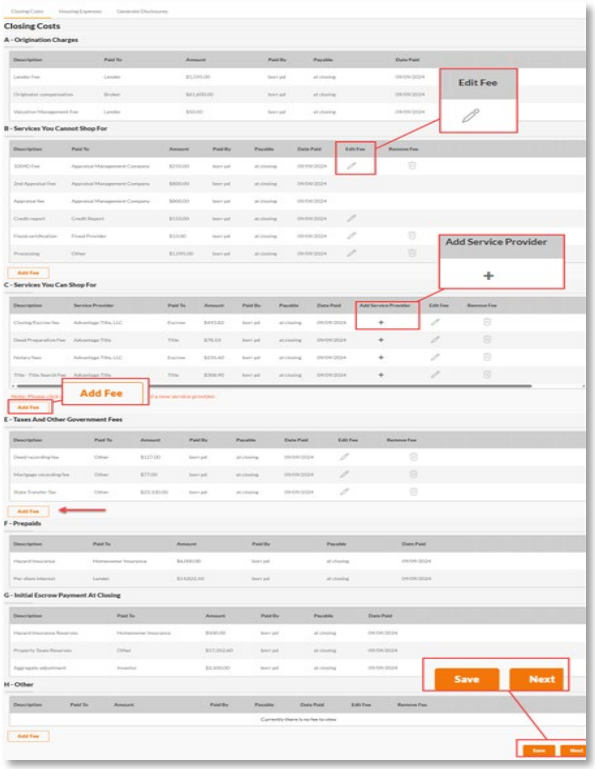


   - ***Preview Fees*** – a preview window opens reflecting the Newfi Title Fees that will be used.

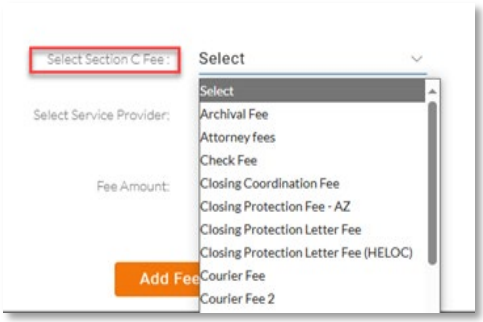


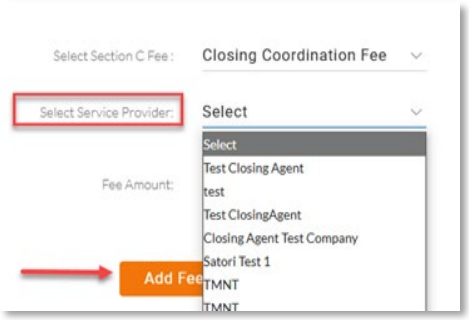
3. Next the Broker will complete the information for the three tabs to self-disclose with Instant LE.

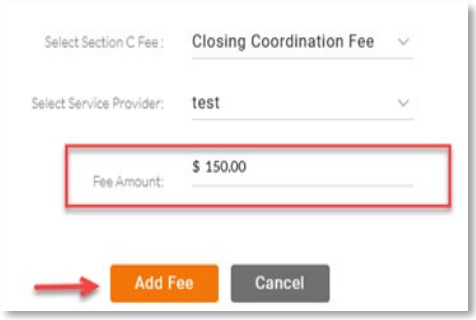
- **<u>Closing Cost tab</u>** – auto populates based on the Newfi Fees. The Broker will verify all fees in all sections are satisfactory. Certain sections allow for adding fees, editing fees and adding service providers. Add Fee, Edit Fee and Add Service Provider icons are only displayed for fields eligible for manual updating.



- Click the **Add Fee** button under the corresponding section to add a fee.
  - Select Section C Fee from drop down menu.
  - Select Service Provider from drop down menu.
  - Enter Fee Amount
  - Select **Add Fee**

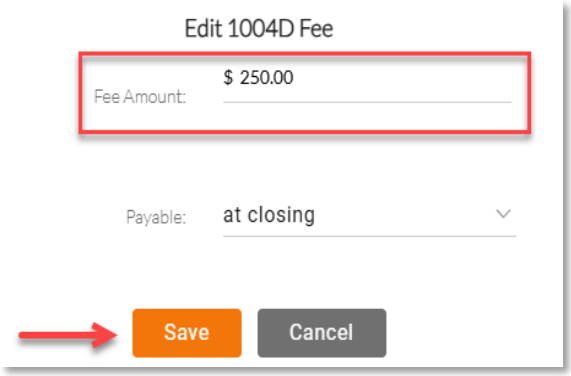




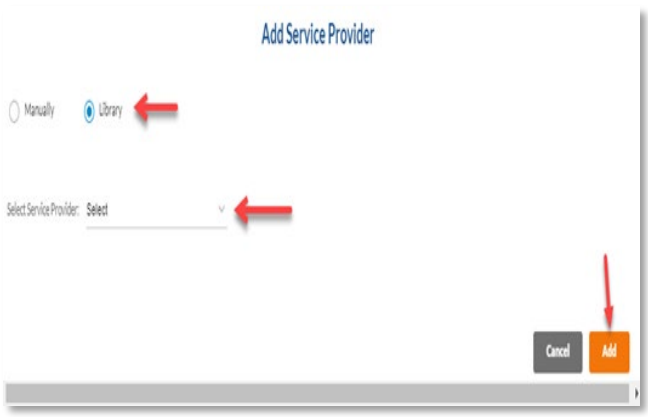


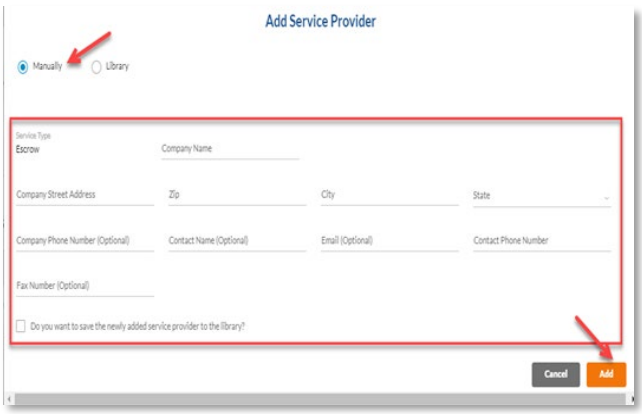
- Click the pencil icon under the **Edit Fee** column to edit a fee
  - Enter updated fee amount

- Select Save



- Click on the plus icon in the **Add Service Provider** column of the Closing Cost tab.
  - Select to add provider either **Manually** or from the **Library**.
  - If adding from the **Library**:
    - **Select Service Provider** from the dropdown menu.
    - Click **Add**.
  - If adding **Manually**:
    - Select **Service Type** from drop-down.
    - Enter **Company Name, Company Address, and Contact Phone Number**.
    - Check box for **Do you want to save the newly added service provider to the library?**
  - Click **Add** – the added service provider will now be available in the Settlement Service Provider dropdown in Section C

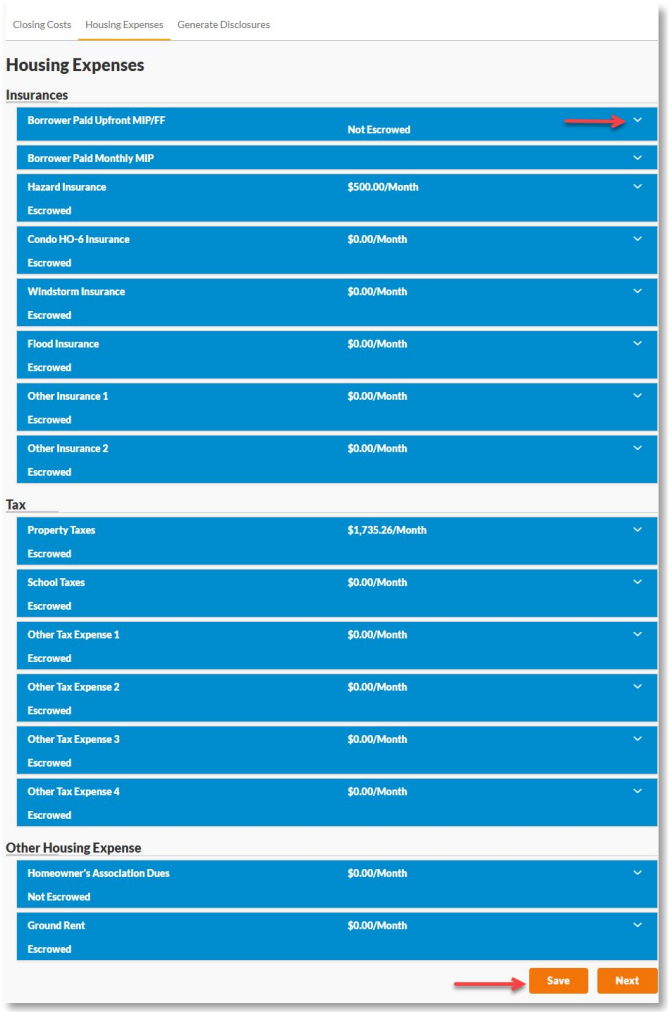


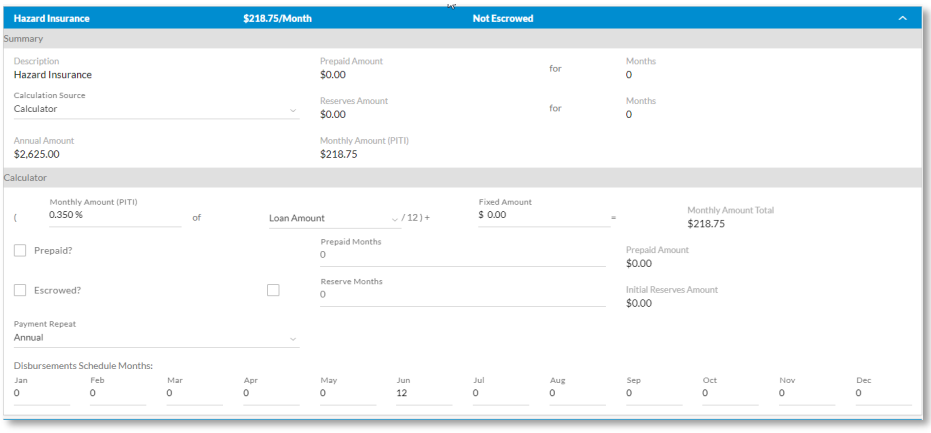


- When all fees have been entered for each applicable section then, select **Save** and then **Next** at the bottom of the tab to move on to the next tab.

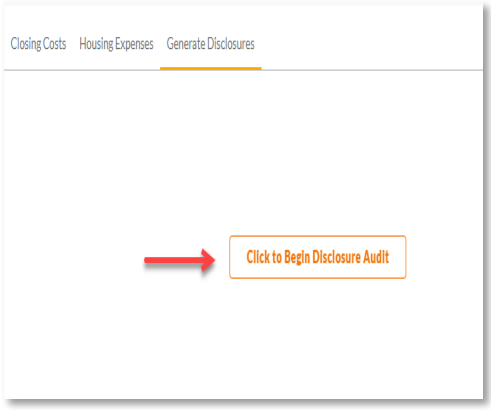
Note: All fees in Section C must reflect a Service Provider for disclosures to be generated.

- **<u>Housing Expenses tab</u>**
  - Enter applicable monthly expense in each section Insurances, Tax and Other Expenses.
    - Click on the arrow to the right of the applicable fee.
      - In the **Calculator** section enter:
        - **Monthly Amount**
        - **Prepaid?** checkbox
        - **Escrowed?** checkbox
    - When all housing expenses have been entered, select **Save** and then **Next** at the bottom of the tab to move to the final tab and generate disclosures.

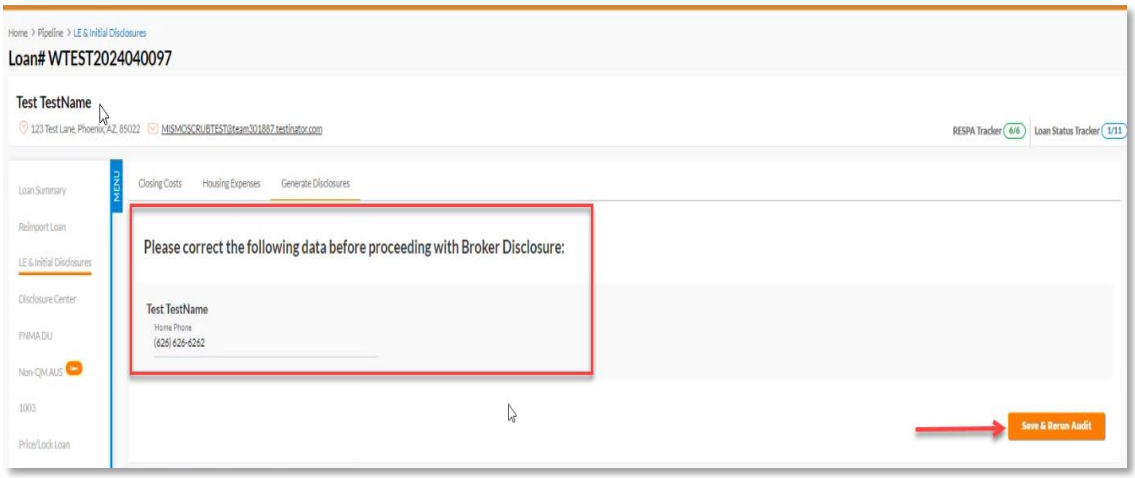




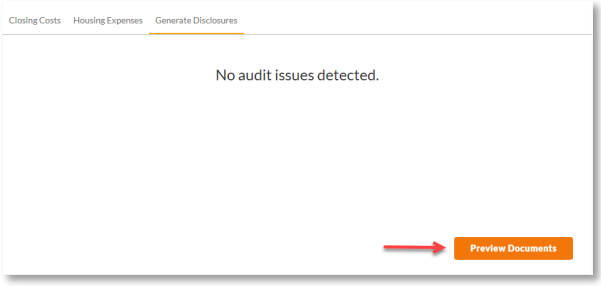
- **Generate Disclosures**
  - Select **Click to Begin Disclosure Audit**. This will initiate two separate disclosure Audits.



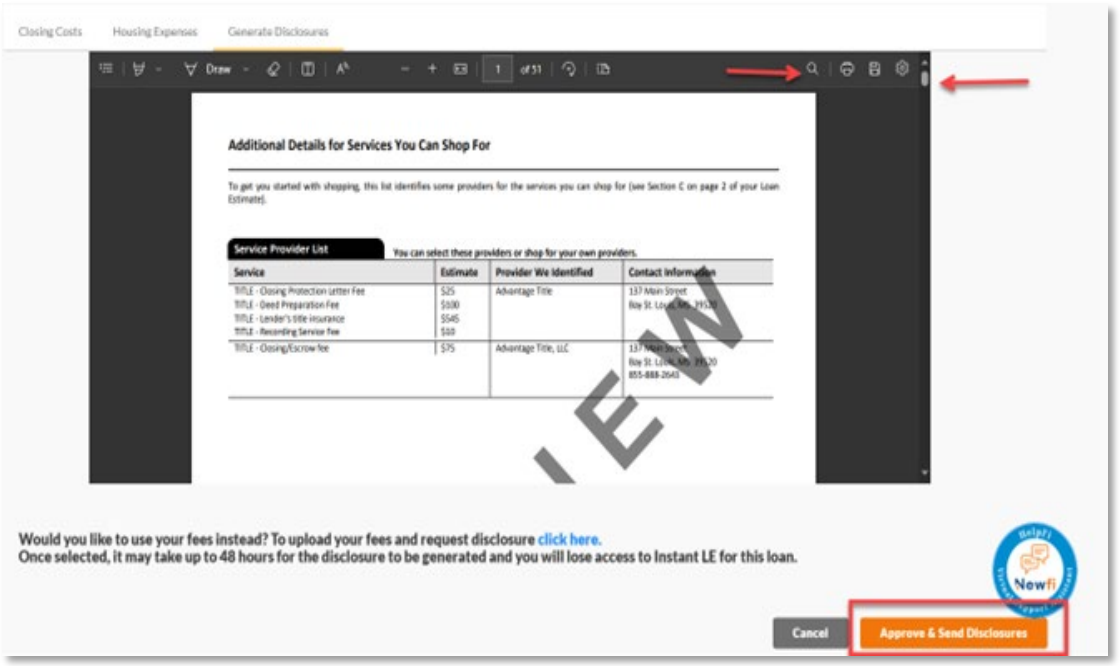
    - Pre-Disclosure Audits
      - Validates the loan parameters.
        - If missing information is identified, the Broker is prompted to enter missing information or directed to screen that needs to be correct. (Go to Troubleshooting section of this document to address any errors or issues).
        - **Save & Rerun Audit** button.



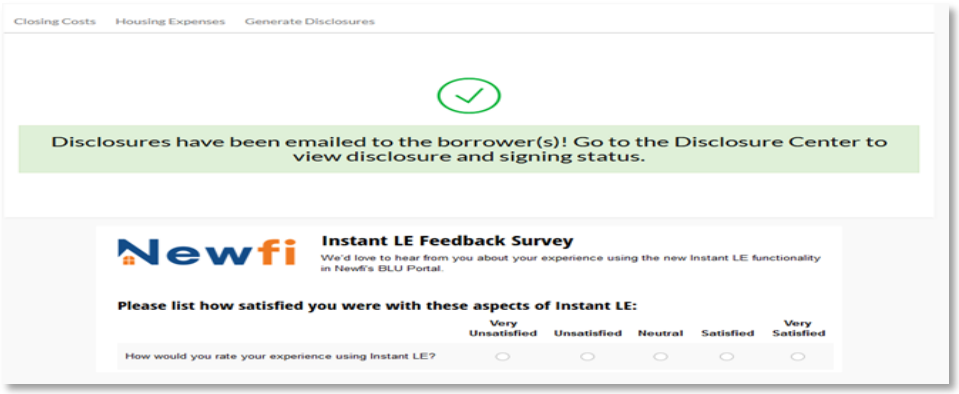
  - When complete and there are no other issues, a message box will appear *"No audit Issues detected".*



- Broker will then select **Preview Documents** button to initiate the data transfer to Document Services for 2nd audit review.
  - Document Services audit initiated in the background. (Go to Troubleshooting section of this document to address any errors or issues).
    - Message box will appear *"Generating preview of disclosures. This usually takes up to a few minutes. Please do not close your browser or use the back button."*
      - A preview box will appear, Broker will have options to print or download the document for review.
      - Select the **Approve & Send Disclosures** button.
      - Pop-up *"Disclosures are being generated. When completed, they will be sent to the borrower(s) for signing."*



When complete Pop-up message will appear *"Disclosures have been emailed to the borrower(s)! Go to the Disclosure Center to view disclosure and signing status".*



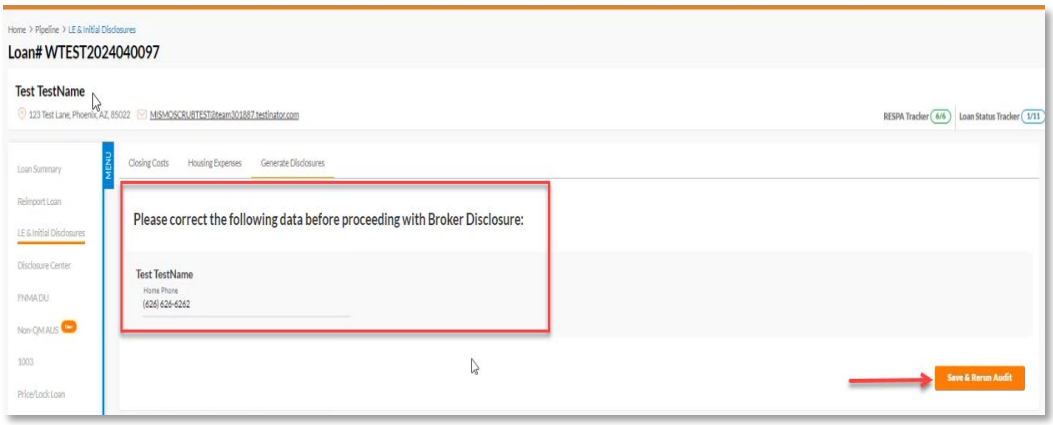
--End of Process --

Troubleshooting

User Fixable

This error is fixable by the broker's input and/or corrections and the broker will be prompted to:

- Enter the missing information.
- Save the input seamlessly and rerun the audit.



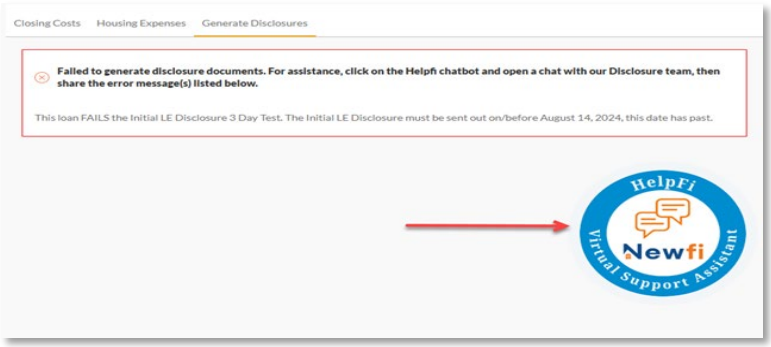
Issues include but are not limited to:

- Missing borrower information (e.g. home phone, date of birth, mailing address zip code).
- Incomplete Declaration.
- Mortgage Liability not linked to REO.
- Missing section of the Act for FHA loans.
- Government loans missing escrow in Housing Expenses.
- Texas Cashout missing a refinance purpose with cashout option or Texas rate/term refi with purpose of refi not set to No cash out other or change in rate term.
- Buydown loans missing buydown fee (BLU will automate buydown fee, Broker will be prompted to enter who the fee is paid by).

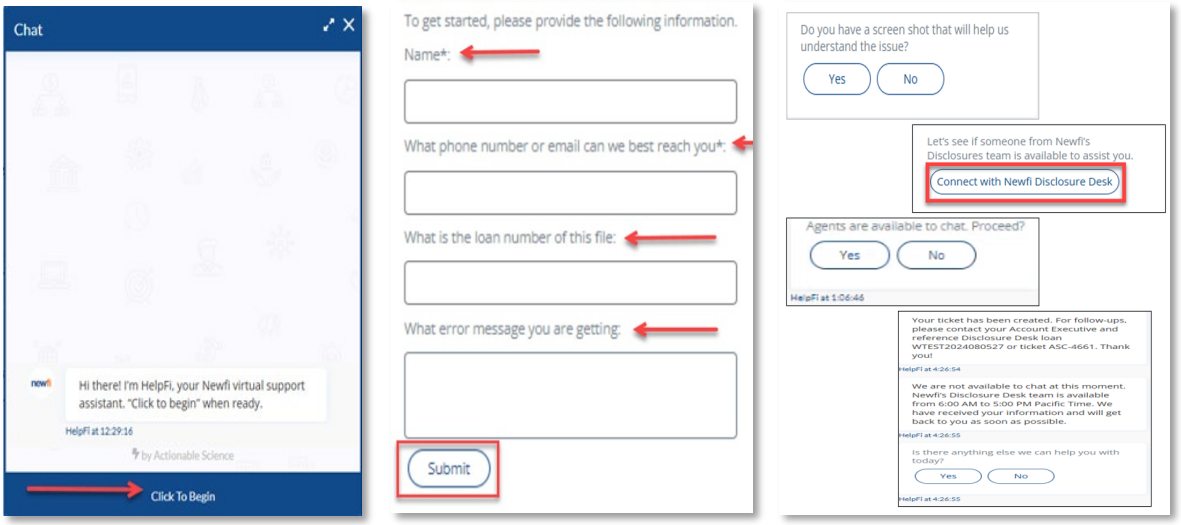
Newfi Fixable

This issue is fixable by the broker with assistance from the Newfi disclosure team.

- Error message pop up appears reflecting:
  - *Failed to generate disclosure documents because of the reasons below. For assistance, the chatbot has been opened with our Disclosure team.*
  - *List errors and what needs corrective action.*



- Chatbot window will pop up.
  - Select **Click to Begin** button to initiate the conversation.
  - To get started, please provide the following information:
    - Name
    - What phone number or email can we best reach you?
    - What is the loan number of this file?
    - What error message you are getting? (copy and paste the error message)
    - Select submit when complete.
  - Chatbot will request screenshot attachment (optional).
  - Select **Connect with Newfi Disclosure Desk** button.
  - Message appears *"Agents are available to chat, Proceed?"*
  - Select **Yes** to connect to agent.
- Chatbot will connect to an agent.
- If no agent is available or it is after hours then,
  - A ticket will be created
  - Message will appear with available hours.



Issues include but are not limited to:

- *The current date is greater than RESPA Start Date + 3 business days.*
- *Compliance Ease Risk level is not minimal or is elevated.*
- *Lender Paid Fee is present.*
- *Total QM Points and Fees exceed 5% for non-QM loans or exceed 3% for other types of eligible loan programs.*
- *Non-DSCR loan shows Higher-Priced QM.*
- *The loan was requested to cancel/withdraw.*
- *Owner occupied 2nd lien indicated as HPML, but property valuation method is not Full Appraisal or Prior Appraisal Used.*
- *If any of the Section C fees are missing settlement service provider.*
- *Income source related employment record is missing the income source.*