



TRACKING THE LOAN ORIGINATION PROCESS

Addendum

Prepared by: Agent _____
Broker _____

Phone _____
Email _____

NOTE: This form is prepared and used by a Seller, Buyer or Owner of real estate to assist in policing the events and activities which typically occur during the process of originating a real estate loan. On a review of the form's content with a loan representative, enter the date each itemized event or activity is anticipated to occur. With this information, performance deadlines can be scheduled.

DATE: _____, 20____. Prepared by _____.

1. SELECTION OF LENDER AND TYPE OF LOAN:

- 1.1 Identify Lender _____ (bank, mortgage banker, loan broker, credit union)
 - a. Back up Lender under second application
- 1.2 Type of loan chosen _____ (conventional/conforming; FHA/VA/CalVet; jumbo; Alt-A or subprime)
 - a. Fixed rate, or adjustable rate.
- 1.3 Pre-approval Letter of Commitment, or pre-qualified.

2. LOAN APPLICATION:

- 2.1 Good-faith costs estimate received from loan representative _____, 20____. [See **ft** Form 204 (DRE 883)]
 - a. Does it conform with Federal Regulation Z Truth-in-Lending Disclosure? Yes, No. [See **ft** Form 221]
- 2.2 Application to Lender for loans: [See **ft** Form 203 (FNMA 1003)]
 - a. Prepaid, signed and submitted _____, 20____.
 - b. Payment of fees and charges for credit investigation and appraisal costs _____, 20____.
- 2.3 Receipt of Lender's Federal Reg Z/RESPA Truth-in-Lending Disclosure Statement _____, 20____.
 - a. Does it conform with good-faith costs estimate? Yes, No. [See **ft** Forms 204 (DRE 883) and 221]
- 2.4 Receipt of Lender disclosures, (list): _____

_____;
signed by Buyer and returned to Lender _____, 20____.
- 2.5 Escrow and title company given Lender identification and contact information _____, 20____.
- 2.6 Statement of information from Borrower prepared and submitted to escrow _____, 20____.
[See **ft** Form 401-4]
 - a. Escrow orders preliminary title report _____, 20____.
 - b. Copies of driver's license and social security cards (and any military ID or alien registration card) _____, 20____.

3. LOAN PROCESSING ACTIVITIES:

- 3.1 Copies of purchase agreement, escrow instructions, TDS and NHD handed to Lender _____, 20____.
- 3.2 Request for Verification of Employment prepared and signed by Buyer and handed to Lender _____, 20____. [See **ft** Form 208]
- 3.3 Request for Verification of Rent or Mortgages prepared and signed by Buyer and handed to Lender _____, 20____. [See **ft** Form 210-1]
 - a. Documents for last 12 months of mortgage or rent payments made by Buyer.
 - b. Some Lenders also request cancelled checks for payments of recent mortgage statements or rental agreements.
- 3.4 Copies of statements for the recent three months of all checking and savings accounts handed to Lender _____, 20____.
- 3.5 Request for Verification of Deposit (down payment) prepared and signed by the Buyer and handed to Lender _____, 20____. [See **ft** Form 209]
- 3.6 Credit Application prepared and signed by Buyer and handed to Lender _____, 20____. [See **ft** Form 302]

- 3.7 Copies, if applicable, of bankruptcy discharge (with list of creditors) and divorce papers handed to Lender _____, 20_____.
- 3.8 Buyer to coordinate inspection of property by Appraiser.
 - a. Lender orders appraisal _____, 20_____. [See **ft** Form 228]
 - b. Appraiser to inspect property _____, 20_____.
 - c. Buyer must request a copy of appraisal to receive one. [See **ft** Form 329]
 - d. Copy of appraisal report received from Lender _____, 20_____. [See **ft** Form 200 (HUD 1004)]
- 3.9 Preliminary title report received and reviewed by Buyer and returned to Escrow _____, 20_____
- 3.10 Lender approves the property as qualified to be security for Buyer's loan _____, 20_____

4. FINALIZING THE LOAN:

- 4.1 Loan approved on Buyer's receipt of RESPA three-day right to cancel [See **ft** Form 222] _____, 20_____
- 4.2 Buyer makes arrangement for homeowner's insurance on the property _____, 20_____
 - a. Coverage will be required by Lender on closing.
- 4.3 Loan documents from Lender are received by Escrow or title company _____, 20_____
 - a. Buyer signs loan documents _____, 20_____
- 4.4 Escrow prepares closing (settlement) statement for Buyer's approval [See **ft** Form 402 (HUD-1)] _____, 20_____

5. FUNDING AND CLOSING ESCROW:

- 5.1 Escrow makes a demand on Lender and Buyer for funds needed to close _____, 20_____
- 5.2 Escrow forwards deeds to title company for recording when Escrow can close _____, 20_____
- 5.3 Lender wires funds to Escrow or title company _____, 20_____
- 5.4 Buyer deposits funds in Escrow as needed to close _____, 20_____
- 5.5 Deeds are recorded by title company on telephonic instruction from Escrow _____, 20_____
- 5.6 Escrow issues check to Seller for net proceeds from the sale _____, 20_____