



MEMORANDUM

TO: NeighborWorks® Lender Partners
FROM: Maureen Rude, Operations Director
DATE: June 11, 2009
RE: Reminders, Updates, and Current Loan Volume

To begin, I would like to thank all of our lender partners for working with NeighborWorks® to help provide homeownership opportunities for Montanan's. We couldn't do it without you and we appreciate all you do.

We have been exceptionally busy these past few months, with no "slow" time over the winter like we expected. As a result, I wanted to take the time to provide some reminders and updates to lender partners to help us make our process go as quickly as possible.

1. Please do not send in files without Verification of Employment (VOE), Good Faith Estimate, and Underwriting Transmittal. We cannot even begin a file review without this information, as determining whether the borrower qualifies for our programs is our first step, and it is critical in our assessment of ratios. **Please review the VOEs to ensure they are complete.**
2. Minimal documentation for us to review includes those items noted above, as well as VOD(s), Credit report, Uniform Residential Loan Application, and Buy-Sell Agreement.
3. It is important that asset values be included in the application. We have an asset limit, both for liquid assets and for total assets, and we need the value of assets to determine whether the borrower meets those limits. These reviews take extra time on our side.
4. As Rosemary notified lenders previously, we will not put our second mortgages behind first mortgages with ARMS or balloons. Our loan committee was unanimous about this issue, so please do not send loans with ARMS or balloons.
5. If back end ratios are above 41%, our staff must go to a management team member to have the file reviewed. PLEASE send compensating factors in with the loan package so that our staff has that to determine whether to recommend a high ratio loan approval.
6. If any of the borrowers have a mid credit score below 640, please send a credit explanation along with the loan package. Again, our staff must have a manager review these files so they need the explanation to make a recommendation.
7. **PLEASE ALLOW SUFFICIENT TIME FOR US TO PROCESS THE LOAN BEFORE SCHEDULING A CLOSING DATE.** We are swamped with applications right now. Our program guidelines say to allow 1 ½ to 2 weeks for processing, but we are increasingly getting requests to process in 2 or 3 days and we will not be able to accommodate those requests with our current volume.
8. **PLEASE KEEP US UPDATED IF ANY TERMS OF THE FIRST MORTGAGE CHANGE, AS WELL AS LOAN AMOUNTS AND CLOSING DATES CHANGE.** We are getting calls from title companies that a closing is the next day (or within the hour!) and we had not been informed of the change by the lender.

Again, thank you for your partnership, and please contact me if you have any questions.

