

LOAN FILE SUBMISSION PROCESS OVERVIEW AND CHECKLIST

Thank you for your decision to allow Kinecta Federal Credit Union to provide mortgage financing to your valued clients. We appreciate your business and want the process to be seamless from start to finish.

A completely documented package submitted upfront is the key in getting your loan underwritten quickly and to closing. Our loan file stacking checklist is attached here for your review. Loans that are suspended because of missing or inadequate documentation will be returned on the 4th day. This can seriously impact our service levels and approval turnaround times to you, so quality submissions are crucial.

If you have a loan that does not meet standard guidelines and would like to request an exception, please submit the exception request form found on our website to your Account Executive. If you have a unique scenario that you would like to pre-screen with us, please complete the email exception request. Please know that exception and unique scenario approvals are only good for 30 days and any material deviation can void the exception.

We ask that all loans be submitted via LoanKinecton (online), FedEx or UPS as complete packages at least 20 days before closing and rate expiration. Send to:

West Coast Operations Center:
AZ, CA ID, NV, OR, UT, WA

Correspondent Lending
Kinecta Federal Credit Union
2100 Park Place, El Segundo, CA 90245

Email:
submissions@kinecta.org
correspondent@kinecta.org
ratelocks@kinecta.org
correspondentappraisals@kinecta.org

Midwest Operations Center:
CO, CT, DC, DE, FL, GA, IA, IL, IN, KS, MA, MD, ME,
MI, MN, MO, NC, ND, NE, NH, NJ, NY, OH, OK, PA, RI,
SC, SD, TN, VT, WI, WV, VA

Correspondent Lending
Kinecta Federal Credit Union
8600 Bryn Mawr, Suite #500S, Chicago, IL 60631

Email:
wholesalemidwest@kinecta.org
ratelockmidwest@kinecta.org

After receipt of your loan, it will be reviewed for minimum packaging requirements, compliance with RESPA and then be transferred into our internal loan origination system and assigned to an underwriter for approval. We adhere to all government regulations which may impact your closing date, so accurate disclosures are very important upfront and at closing.

Our current underwriting turn times are posted on our daily rate sheets. Once your loan is approved, the underwriter will email the approval to the contact processor on your transmittal.

In order for Kinecta Federal Credit Union to prepare a Clear To Close, all Prior-To-Doc (PTD) conditions (or clear to close for wet states) must be satisfied. We ask that all conditions be sent in at the same time via LoanKinecton. Any files with incomplete conditions will not be reviewed until all conditions are received. Please know that if conditions are not received within 10 business days the file will be forwarded to underwriting for disposition as incomplete and recommended for denial. Turn time for underwriters to review conditions is posted on our daily rate sheets.

For Clear To Close

- Kinecta File Transmittal and Submission order form – all fields must be complete and form signed verifying fees and any broker credit. (Include email address for settlement agent)
- Estimated HUD-1 or fee form to reflect all fees, rebate and credits correctly
- Wire instructions

Upon receipt and satisfaction of all conditions, a Clear To Close will be issued.

Credit Union Membership

We are a credit union so we are membership based. We require all borrowers to become members of the credit union prior to funding any credit union loan. Most applicants can join the Co-op Society of Santa Monica in order to join Kinecta Federal Credit Union (see the two, separate applications at www.kinecta.org and click "Become a member").

In order to do this we need the following:

- Original, signed and completed membership and co-op applications (sign both forms)
- Legible copy of all borrowers' state driver's licenses or other U.S. government photo ID (U.S. Passport, military or alien resident card) with a 2nd form of ID (see website for detail)
- The home address provided by your client on the membership application must be validated by one of the following: Driver's License, utility bill, car registration, insurance bill, voter registration card, etc.
- \$15.00 check payable to Kinecta (\$10.00 non-refundable co-op fee, \$5.00 savings deposit) Additional \$50 if choosing to open free checking account.
- Primary borrower must be the primary member (spouses can be joint on account for community property states)
- All unmarried borrowers must have their own membership

Note: We do not open memberships, and thus do not fund loans, for any person reported to Chex Systems. To override Chex Systems requires Sr. Management approval.

If you have any questions, please contact your Account Executive directly or at 800-854-4600. Our website at www.LoanKinexion.com is an excellent resource for our forms, contact numbers and information.

Thank you.

Kinecta Loan File Submission Checklist

The First Mortgage file must include the following items. For paper file submissions, stack in this order, ACCO-fastened on right side of file along with this checklist with applicable items checked off:

- Completed Transmittal (submission) sheet with fees listed
- Exception approval (if applicable) and/or processor memo for unique situations
- Copy of rate lock form and confirmation if not locked online. Rate lock forms available online at www.LoanKinection.com, under Loan Forms & Resources.
- RESPA compliant GFE and other required disclosures as applicable
- Copy of Broker's final, Approved/Eligible DU submission (should be FINAL in DO online, released to Kinecta; Approved/Ineligible is okay for portfolio loan submissions)
- Completed, typed 1008 and 1003
- Original 1003 signed by borrower(s) and loan agent (signatures required on all pages). Faxed signatures acceptable
- Copy of credit report (3 bureaus, 3 ficos). We will also pull our own, internal report if you do not have an approved credit vendor (a second, soft credit pull is completed by Kinecta prior to funding for certain loan files to confirm any undisclosed debts). Consumer credit freeze on any bureau may suspend the loan submission
- Divorce Decree, and any supportive credit items such as explanations, VOM's, etc.
- Complete income documentation (see DU findings, Kinecta/MI/FHA overlays in addition to standard FNMA guidelines)
- Asset documentation (all pages of 2 months' bank statements, 401k, etc.)
- Accurate vesting* (Certification of Trust form to be completed upfront for review)
- Certified escrow instructions (if applicable)*
- Purchase agreement (if applicable) +
- Copy of Payoff Demand
- Subordination approval and agreement
- Preliminary title report cleared of any title issues* +
- Evidence of homeowner's insurance
- Copy of Property Appraisal request and the Kinecta e-mail receipt of request and confirmation of order for purchases; completed appraisal and review for refinances
- Signed, accurate disclosures including 4506T. Inaccurate GFEs will delay submission to underwriting

ACCO-fastened to the left side of file:

- CC&R's (if applicable) and HOA Certification for established condo projects.
- Membership Application, clear copies of ID and fee**

The Second Mortgage file must include:

- Transmittal (submission) sheet for the 2nd mortgage terms
- Exception approval (if applicable)
- Typed 1003/1008 with 2nd mortgage terms
- Original 2nd mortgage 1003 signed by borrower(s) and loan agent (as noted above)
- Copy of the first mortgage file except for items specific to the first loan (e.g. 1003, 1008, 1st submission sheet.)

*These items can be provided after initial submission For purchase loans only, if necessary. However in order to maintain an efficient, expedited process, we strongly suggest that they are submitted along with the completed package.

+ To expedite appraisal reviews, email a copy of the prelim, escrow instructions and purchase contract to wholesaleappraisals@kinecta.org along with submission of the appraisal request. Indicate borrower in subject line.

**Opening a membership must be completed as a prior to doc condition for all loans. However, we strongly suggest that it be opened earlier in the loan process to ensure that there are no issues. Your applicant can open an account at any of our offices—just inform us if they are already a member.