

## Process for APT – Deephaven Non-QM Non-Prime

(Minimum 60 Day Contracts Accepted – No Exceptions) – Mentor Jamie Jacobsma

### Steps for the Referring Loan Officer - APT LO Mentor and Support Staff

\*Note that this product allows for multiple options, but primarily is used to finance a loan for borrowers that meet one of the following criteria:

- Has ONE 120 Day Mortgage Late within the last 12 months with no Foreclosure or BK within the last 24 months!
- May allow a Profit and Loss statement for qualification for borrowers with at least two years S/E history.  
(\*Please see Prime Asset Loan for other further options)

### **REFERRING LO / APT CORR MENTOR:**

- 1) Make sure to review the DH Non-Prime guidelines for Maximum LTV / CLTV and other pertinent qualification information. The link for the basic matrix is below.  
Link: [CORR Flow Product Matrices.pdf](#)
- 2) This product allows for higher than 80% Loan to Values on Purchase and Refinance transactions, but due to the price adjustments, Loan to Values greater than 80% are not obtainable or feasible unless you have significant seller contributions. In those cases, the contract will have to be a “Specific” closing cost contribution and NOT a “general” contribution.
- 3) This program requires the use of an AVM and CDA (Drive by Appraisal) that will be ordered through Clear Capital by our APT Unit in addition to a normal full appraisal.
- 4) Loans with properties that are deemed in rural or remote areas will not be able to be locked until both the CDA and Full Appraisal have been approved by Deephaven.
- 5) Three months of liquid reserves is required and will not be waived. Please see additional possible reserve requirements for larger loan amounts.
- 6) Please review the entirety of all the product guidelines prior to proceeding with the APT unit for any other guideline you may have a question on.  
Link: [DH Correspondent Guidelines \(myfsbretail.com\)](#)
- 7) Rates for the DH Non QM Non Prime Product can be found on pages 13-14 of the APT Daily Rate Sheet.  
Link: [APT Rate Sheet.xlsx \(myfsbretail.com\)](#)

Note that investment property loan rates are separate on the APT Rate Sheet due to FSB NOT allowing loans with any prepayment penalty! Those are on pages 15 and 16 of the rate sheet.

Please pay special attention to the “Add Ons” or “Deductions” on this product.

- 8) LE Should be set-up like a normal loan in the LO’s area. However, please remember:
  - A) An Appraisal fee of at least \$900 should be disclosed.
  - B) In addition to normal fee setup make sure the \$1800 commitment fee is disclosed on all APT Correspondent loans unless an exception has been granted by doing a lender credit from JH on the URLA prior to disclosure. This fee will be used to “replace” any regular underwriting or processing charges (please remove I/A).
- 9) Please remember “Out of Area” loan policy on possible “Transfer Taxes”.
- 10) Please remember that you are to NOT disclose these loans. The APT unit will do so after you have turned in your submission.
- 11) Please remember to mark your loan as NOT HMDA reportable under Forms and Docs, Denial / Withdraw page. Contact APT for further questions on this process.
- 12) There are NO other product disclosures required for this loan product other than normal FSB Disclosures.
- 13) Review to make sure that the services have been run within MBOT, but please DO NOT run an AUS on this product!

**APT CORR MENTOR:**

14) Please make sure the Purchase Agreement is uploaded to the file.

15) Please make sure that a BIP is uploaded to Image Flow or Notes have been added to MBOT for processing to do appropriate ordering.

16) Do NOT transfer the loan into (NOT copy a new) APT Institution. See screen shot below:

The screenshot shows a web-based interface for loan management. On the left is a sidebar with an 'Actions' menu containing options: Archive Loan, Change Origination Type, Copy Loan, Edit Fannie Mae Casefile ID, Edit LPA Key, Export Loan, Final, Release from Processor, Flag Employee, and Transfer Loan. A red arrow points from 'Transfer Loan' to the main form area. The main form contains fields for Home Phone (573-397-1186), Work Phone (573-886-7810), Cell/Alt Phone (573-397-1186), and Fax. Below these are sections for Present Address and Mailing Address, each with fields for Address Street, City, State (dropdown), Zip, and Zip Ext. The Present Address is filled with '10750 South Ste N', 'Columbia', 'MO', and '65203'. Below the address sections are expandable sections for 'Co-Borrower Information' and 'Intent To Proceed'. The 'Intent To Proceed' section has a dropdown menu for 'Intent To Proceed' and a 'Method Provided' dropdown.

17) Please make sure to make this new loan “Non-HMDA Reportable”.

\*This is NOT a delegated product, therefore FSB will not make a credit decision.

18) Please make sure to have the three-digit prefix of the loan number sequence changed to a “382” on all loan requests within the MBOT loan that was created.

19) Corr Mentor will request FSB lockdesk to either register or lock each loan.

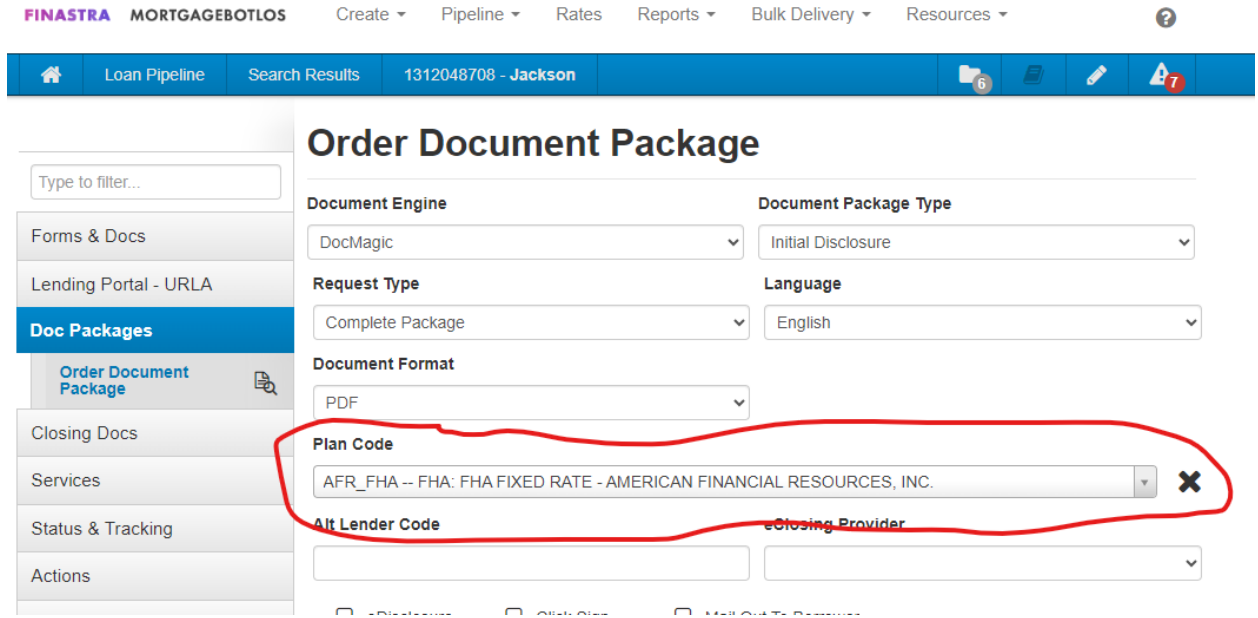
- Please email [lockdesk@flanagansstatebank.com](mailto:lockdesk@flanagansstatebank.com) the loan number. On this product we CAN send an FNMA format file to secondary for registering or locking each loan.
- \*See Addendum procedures on “How to Register/ Lock a Loan with Deephaven”.

20) APT Corr Mentor confirms the lock or registration is done with the FSB lockdesk, will then send an email to [apt@flanagansstatebank.com](mailto:apt@flanagansstatebank.com) and processing will setup each loan for disclosing out of MBOT. Josh Heinrich and Chris Langel will “backup” this function.

**APT PROCESSING:**

- 21) Processing team will locate each loan in the DH pipeline after registration / lock from FSB lock desk.
- 22) Processor will request lock from the FSB lockdesk at a later time when applicable.
- 23) APT Team will disclose the loan in normal process.

\*Processor will select the below code before sending out disclosure set:



- 24) After Disclosures are sent, APT Team will send the following email to our [mtgsupportcenter@flanaganstatebank.com](mailto:mtgsupportcenter@flanaganstatebank.com)  
“Please note, we have disclosed this \_\_\_\_\_ APT Corr Loan. Please make sure to assign this loan to Tracy Davis after you are done with your normal process.
- 25) The loan will be processed in normal “Non Consumer Direct Manner” through our APT Unit. The APT Processor will assign conditions gathering to the referring LO as the main contact for ALL conditions.
- 26) APT Processor will move each loan to “UW Approved W Conditions” after the investor has approved each loan.
- 27) APT Processor will issue all ICD requests through FSB’s normal process.

- 28) APT Processor will upload all final Cleared to Close Statuses on this loan product to MBOT and move the loan to a "U/W DECISION - FINAL APPROVAL/READY FOR DOCS" but will **NOT** final the loan for closing.
- 29) APT Processor will upload the APT Closing Request form and then FINAL the loan in MBOT.
- 30) FSB Closing and Post Closing Team will now take over and Close and Deliver each loan in normal business process.

**Addendum Procedure – How to Register and Lock Loans with DH**

Please see the attached Non Delegated Register / Lock Procedures from Deephaven.