ECLoanPro
DocMagic Interface Guide
Version 1.0

Revision History

2006-12-07	❑ Initial Revision

Table of Contents

This document provides information regarding clients using Sage Assurity's ECLoanPro platform.

1. Background

1.1. *Interface*

- ❑ Combination of both DocMagic Direct and DocMagic Online.

1.2. *Account*

- ❑ Before utilizing this interface, the client must have an account with DSI.
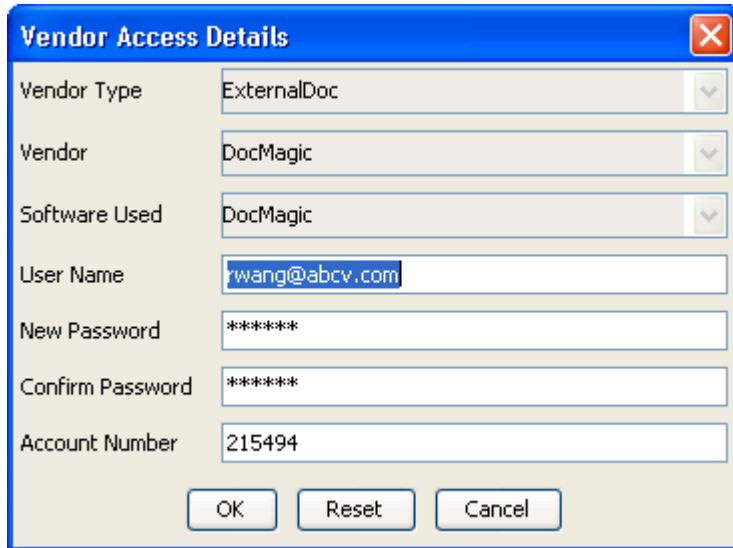
1.3. *Plan Management*

- ❑ Plan management is performed through either DocMagic Online or DSI's Account Administration system

2. ECLoanPro - Accessing DocMagic Services

2.1. Account Management

Once the client obtains a DocMagic Account, contact Sage Assurity to set up a DocMagic service account in ECLP through the Server Side Administration (SSA) application.

Figure 2-1

For each DocMagic request submitted by a user, our ECLP DocMagic Service will do authentication and authorization to make sure the user has a DocMagic account.

2.2. Requesting DocMagic Service

In the ECLP Document module, select **DocMagic** from the External Docs tab.
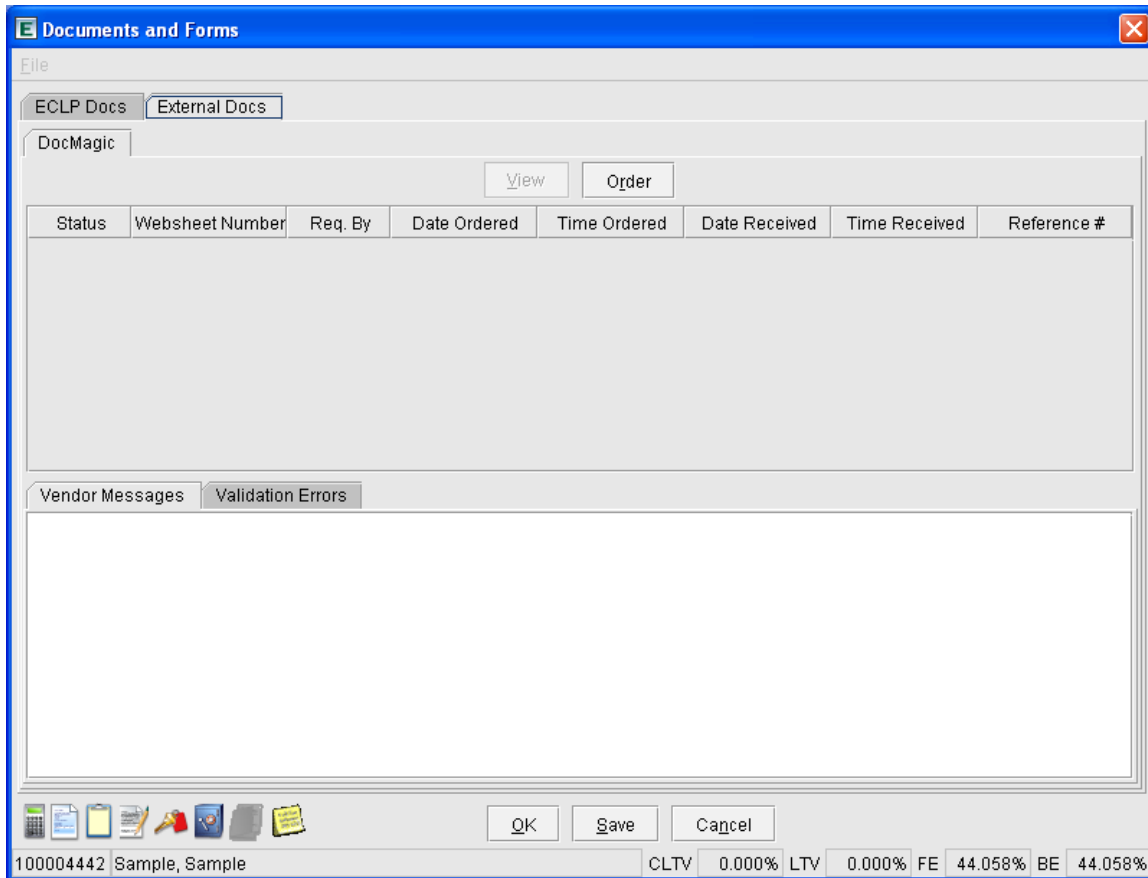
Figure 2-2

Click the Order button to post the loan data to DocMagic. The ECLP client application will do some basic validation on the request. If the validation fails, the errors will be displayed to the user.
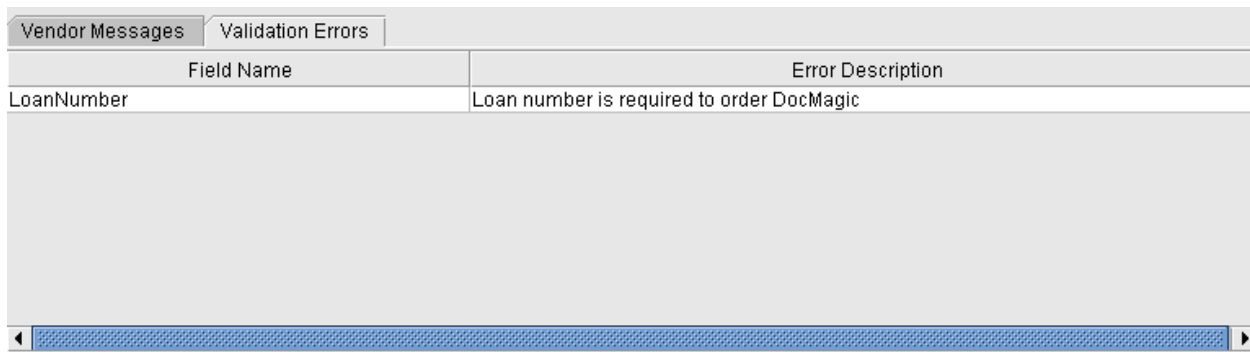
Figure 2-3

The validation errors must be corrected before the request will be posted. When the request passes the ECLP validation, it will be sent to DocMagic.
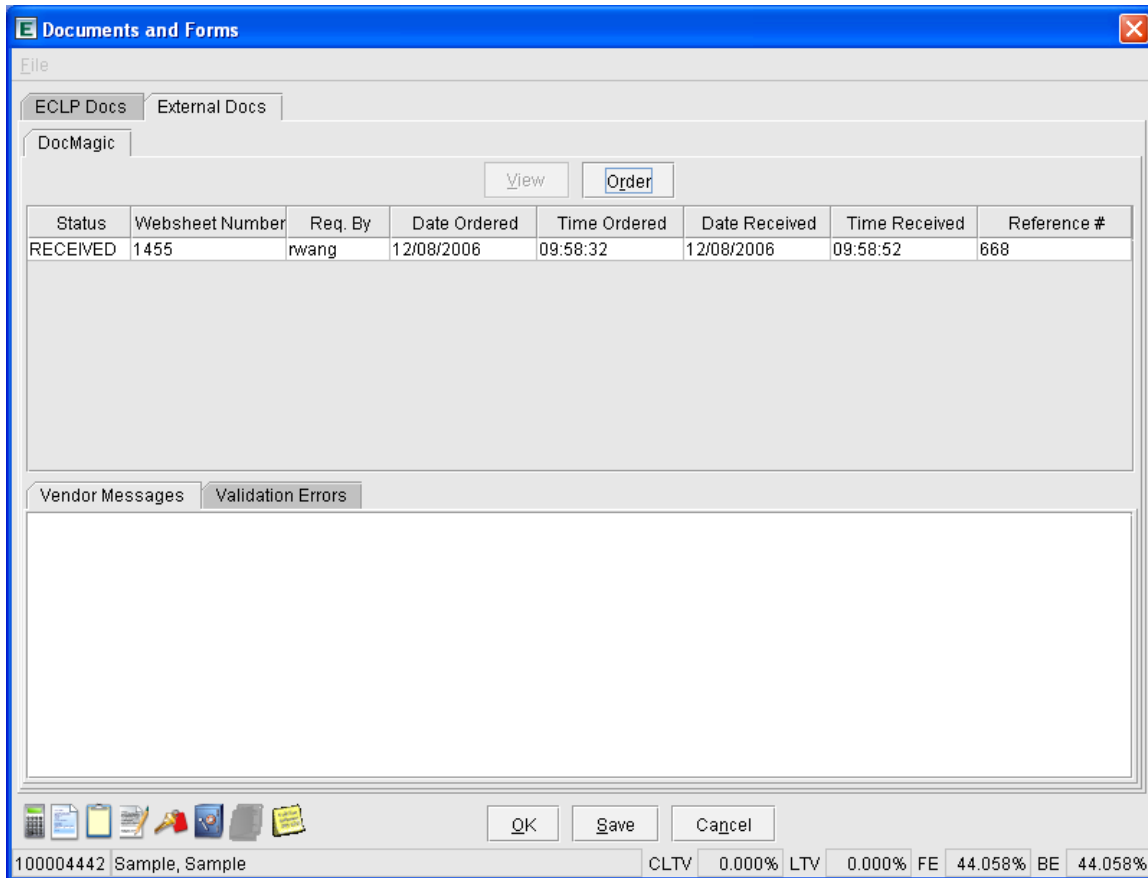
Figure 2-4

To view the saved websheet in the DocMagic online, the user can highlight the DocMagic order diaplayed in the DocMagic Module and click View button; the ECLP client application will bring up the applet page with the associated loan data.
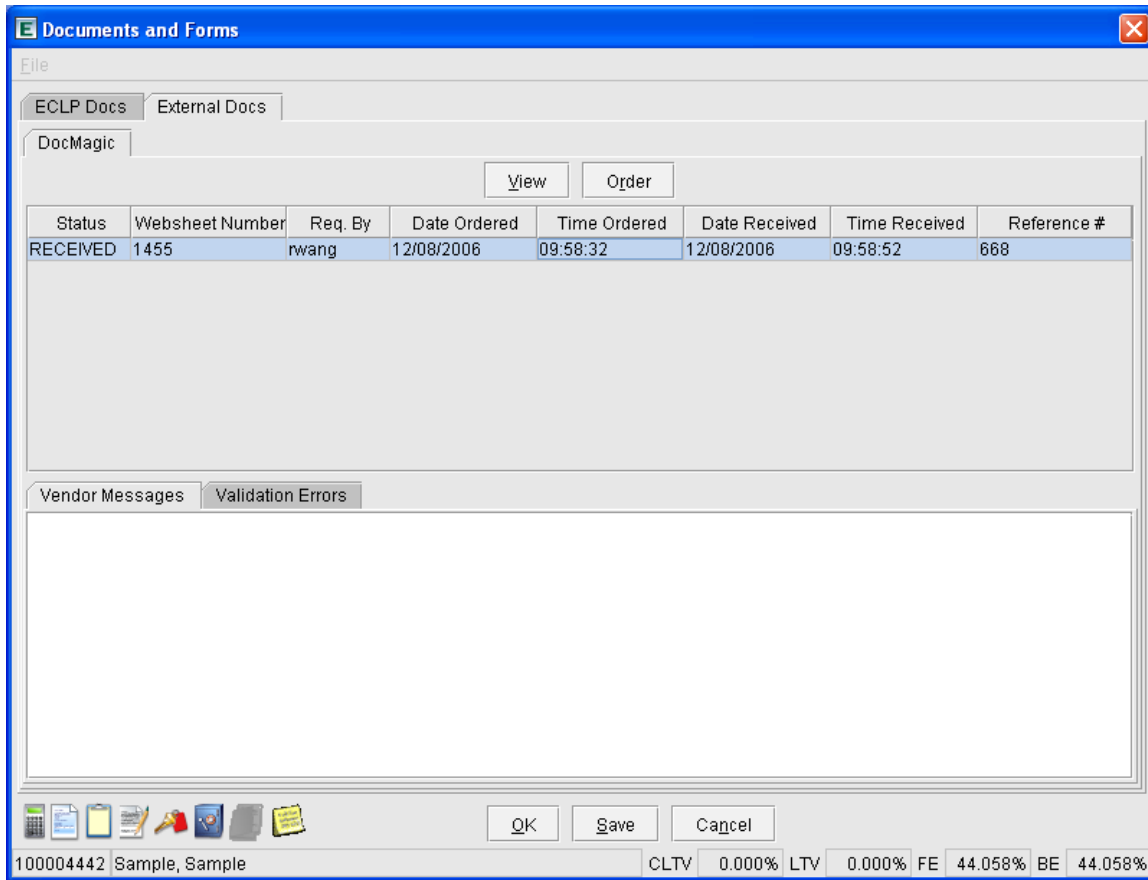
Figure 2-5

The user reviews/modifies the loan data and orders the documents within DocMagic Online.

3. DocMagic Online

DocMagic Online makes it quick and simple to produce a perfect set of mortgage documents. Five simple steps is all it takes:

1. Verify/Edit the loan specific information in the online WebSheet
2. Audit the information for accuracy and compliance
3. Process the WebSheet to produce the mortgage documents
4. Download the package of documents
5. Print/View/Transmit the mortgage documents.

Many of the fields in the WebSheet have programmed options, some of these are set by DSI others are dictated by the type of loan selected.

User Interface Conventions

|	
Red Field labels	Indicate required information
Blue field labels	Indicate a "pop-up" window if clicked
Status Bar	Provides a brief description of the active field/option

3.1. Verify/Edit Loan Information

After the data transfer is complete, the DocMagic Online Applet will be automatically launched with the loan information pre-loaded.

The Websheet is divided into the following ten (10) areas:

- ❑ General
- ❑ Borrowers/Sellers
- ❑ Property
- ❑ Terms/ARM
- ❑ Providers/Liens
- ❑ Charges/Fees
- ❑ Payoffs/Premiums
- ❑ Impounds
- ❑ HUD-1
- ❑ Closing

3.1.1. General Information

Figure 3-1

Loan Program

On the General tab, select the Loan Program for this transaction. The Loan Program field, also known as Plan, contains a list of all Investor plans that have been associated with the client account. It is important to understand the hierarchy involved with respect to how Plan Codes are setup. Each investor has provided DSI with a list of their loan products and the required documents for each. DSI creates a unique plan code so when a plan is chosen the investor involved is automatically associated, and the required documents are identified. The Loan Program element is used for Auditing and Document Selection.

Figure 3-2

When a Plan has been selected, the Loan Type and Rate Type (Terms Tab) fields are set accordingly.

Alternate Lender

The Alternate Lender field allows you to have your closing or pre-disclosure documents drawn reflecting any lender name you may desire.
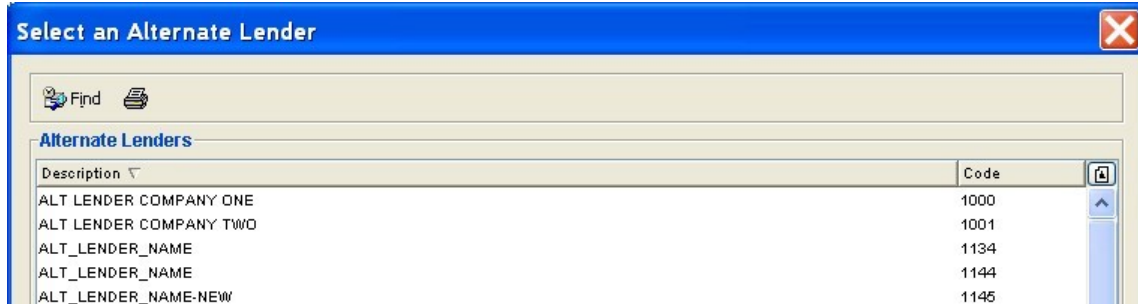
Figure 3-3

Example, if your company name is "XYZ MORTGAGE LENDING CORP." and you wish to draw your documents in your Broker's name, ABC MORTGAGE BROKER, simply enter all alternate lender information for ABC MORTGAGE BROKER in the alternate lender database. Then simply select ABC MORTGAGE BROKER from the list of Alternate Lenders.

3.1.2.Borrowers/Sellers Information
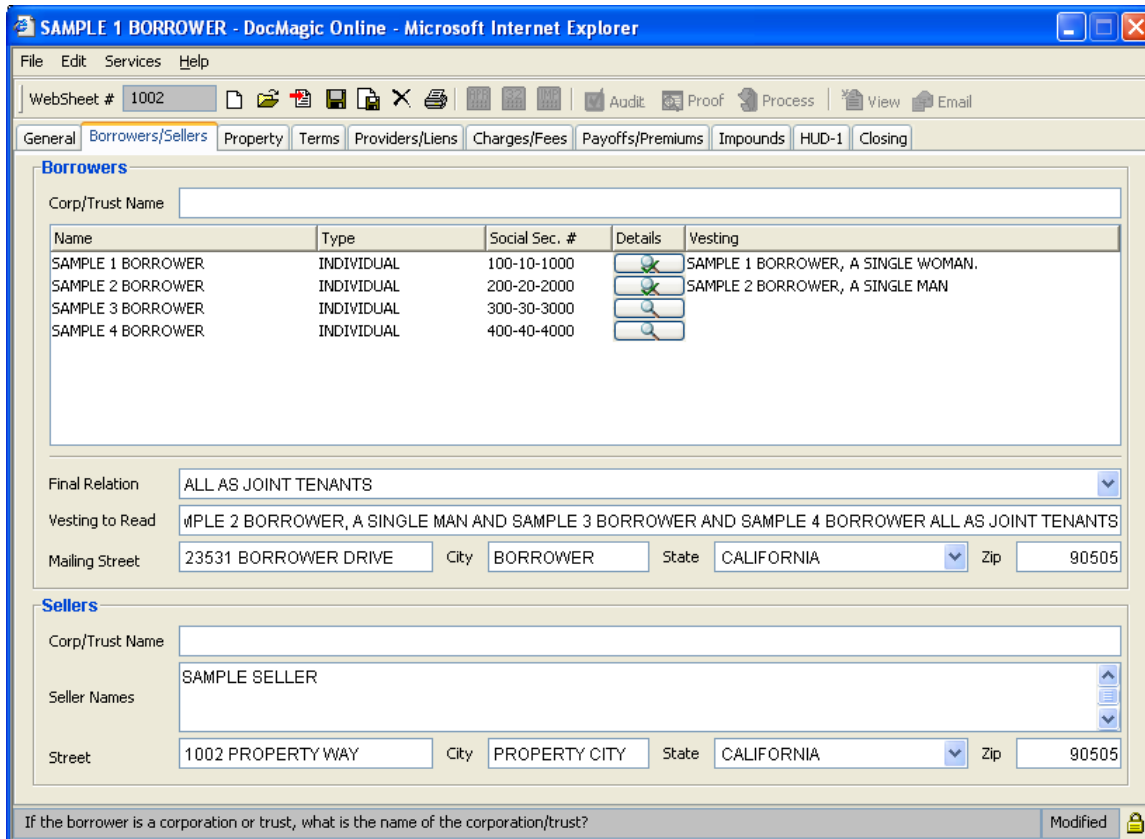
Figure 3-4

Borrower Details

Clicking the icon in the Details column for a particular Borrower allows for additional detail to be provided, such as Credit Scores and "Also Known As".
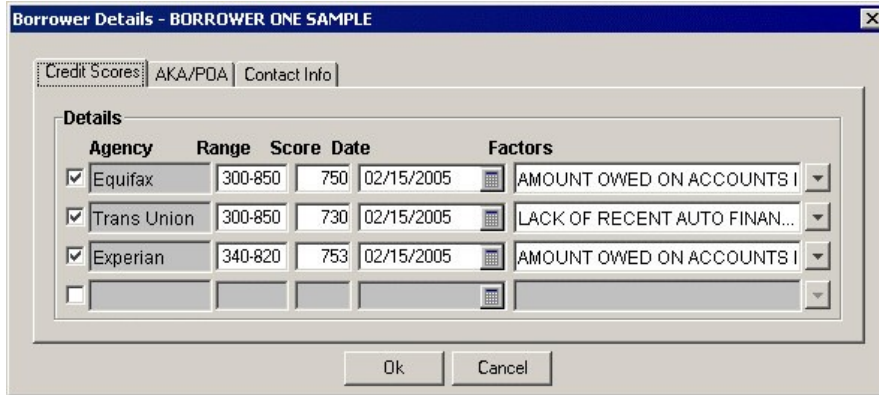
Figure 3-5

3.1.3.Property Information
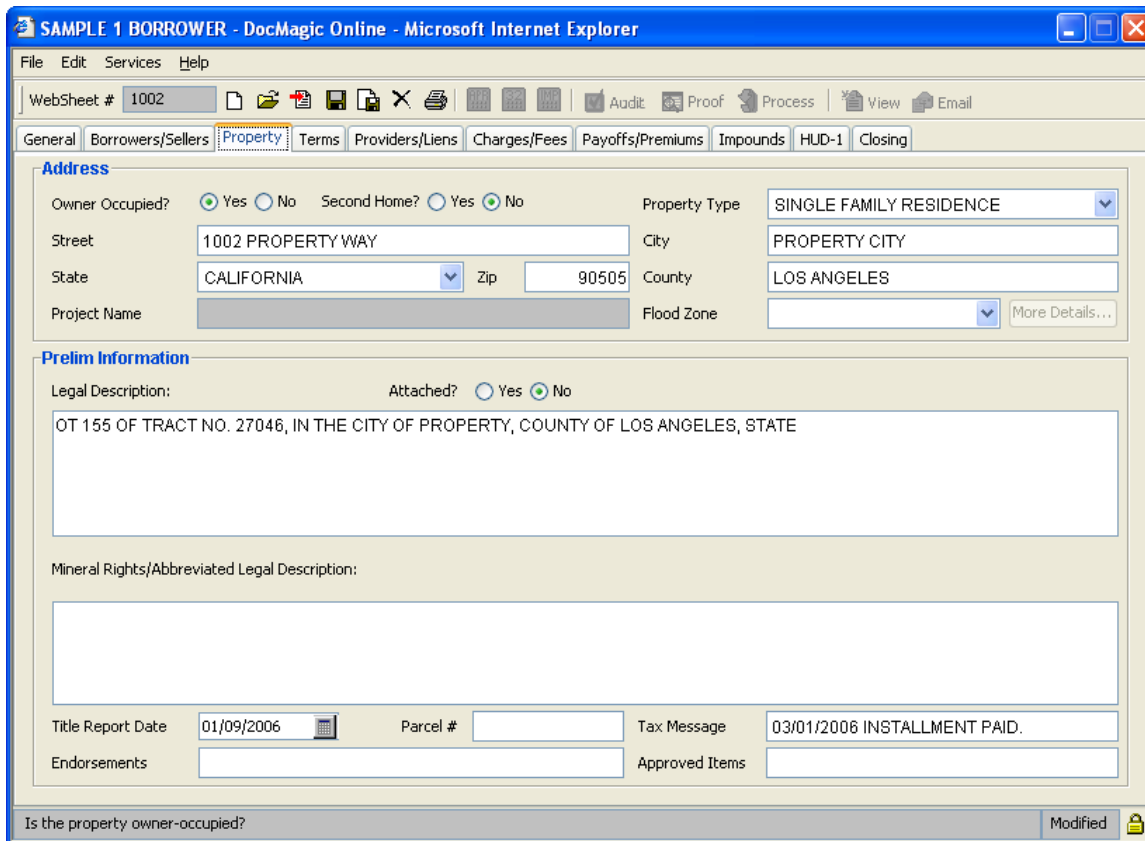
Figure 3-6

3.1.4. Terms/ARM Information

Figure 3-7

Rate Type
Specifies whether the loan is Fixed or Adjustable. When Adjustable is selected, the ARM area is enabled. When specific fields receive focus, initial values are populated from the Plan defaults.

3.1.5. Providers/Liens Information
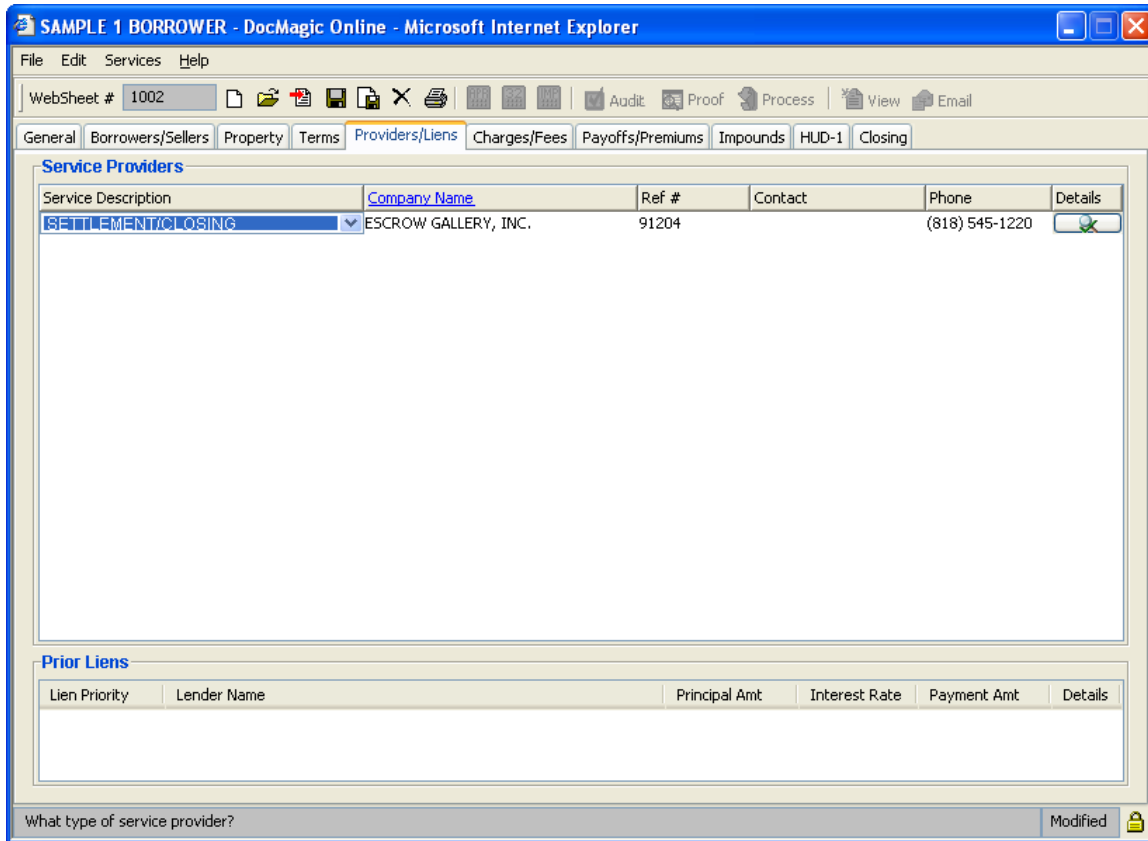
Figure 3-8

Pressing the down arrow displays the list of 28 Service Provider Types.
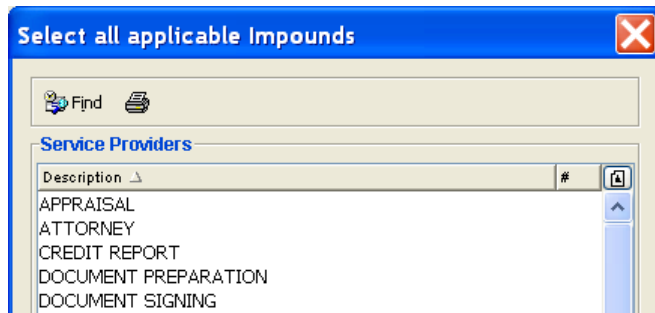
Figure 3-9

When you select a Service type by clicking on it with your left mouse button, it is tagged and will change color. To unselect, click again on the charge you wish to remove. After selecting all services, click [OK], and they will appear in the Service Description column. If you forget a service, simply press the down arrow, after locating the desired choice, press [OK]. The additional entry will be conveniently added at the bottom of the list.

After selecting the services associated with this loan, clicking the down arrow in the Company Name column will display the list of stored Service Providers.

Figure 3-10

3.1.6. Charges/Fees Information
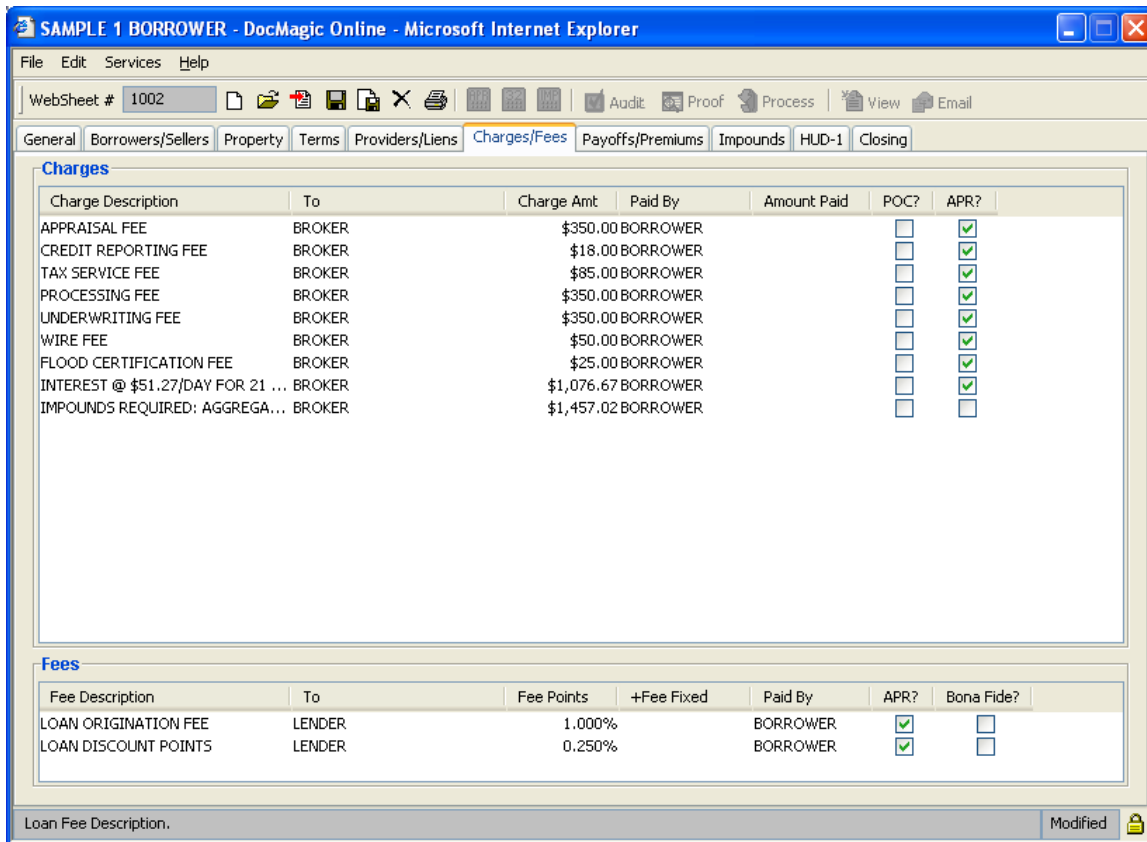
Figure 3-11

Charges
Pressing the down arrow displays a list of current charges. Select the charge from the pop-up list. The charge enables defaulting of the charge description and indicates whether the charge should be included in the prepaid finance charge.

When you select a charge by clicking on it with your left mouse button, the charge is tagged and will change color. To unselect, click again on the charge you wish to remove. After selecting all charges, click [OK] and all charge codes will appear in the charge code column. If you forget a charge, simply press the down arrow, after locating the desired choice, press [OK]. The additional codes will be conveniently added at the bottom of the list.

In many cases, DSI has assumed that charges that may be considered part of the Section 32 analysis should be considered. Sometimes this is not the case. Our assumptions result in a conservative computation in that 100% of the time a transaction is subject to Section 32, we will detect and properly indicate by the use of the required disclosures. However, this conservative approach may also trigger the use of the required disclosures in certain cases where the transaction is not subject to Section 32. It is a wise idea to closely scrutinize all charges in an attempt to more precisely compute the Section 32 analysis. As indicated above, all assumptions can be changed to meet your requirements.
For each charge, the "Paid To" party must chosen. In addition, the "POC?" indicates if the charge is to be paid outside closing. If an Amount Paid has been entered, this will default to "Yes". The APR field indicates if the charge should be included in the Prepaid Finance Charge and Section 32 calculations.

Fee Description
Select the description that corresponds to an entry in the loan fee pop-up list. Press the down arrow to view a list of loan fee types and corresponding fee codes. The fee code distinguishes the loan fee description and whether the fee point percentage amount will apply to the loan amount as entered or the base loan amount (loan amount less MIP premium financed-FHA loans only). Loan fee types consist of borrower/seller points and borrower/seller discount points. Generally discount points are utilized in FHA/VA transactions only. Most conventional loan fees will consist of point (origination) fees only, while FHA/VA loans will often have origination and discount point fees. In the case of a FHA/VA transaction, point fee computations will be computed based upon the base loan amount. The base loan amount is computed by subtracting any mortgage insurance premiums financed from the loan amount as entered. All discount point fee computations will be computed based on the loan amount as entered.

The origination fee would be computed by multiplying the point figure (1.000) by the base loan amount ($10,000) that would result in a $1,000 origination fee. The borrower discount fee, however, would be computed by multiplying the point figure (1.000) by the loan amount as entered ($10,380) that would result in a $1,038 discount fee. Remember that loan fees that are paid by the borrower are included in the prepaid finance charge and subsequently effect the APR while loan fees that are not paid by the borrower do not affect the prepaid finance charge.

3.1.7. Payoffs/Premiums Information
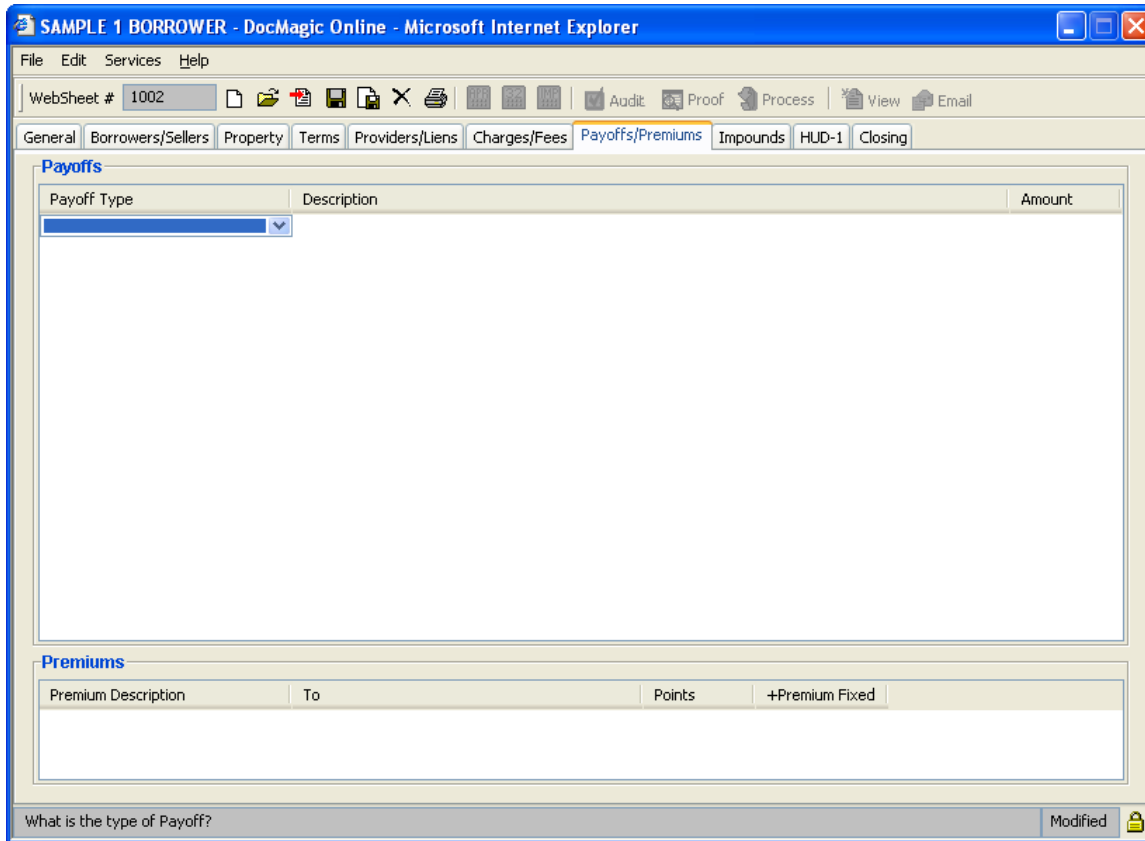
Figure 3-12

Premiums
Enter any broker rebate or service release premiums, paid outside of closing, by entering the appropriate premium code corresponding to an entry in the premium code pop-up list. Press the down arrow to view a list of available premium types. We have attempted to accommodate the wide range of accepted rebate language. This is why there is some repetition in the Premium Pop-up list.

Example: Enter 'SRP' for Service Release Premium or 'YAC' for Yield Adjustment Credit (Broker Rebate).

Note: Premium entries are always assumed to be paid outside of closing. In addition, premium entries do not affect the prepaid finance charge and resulting APR or section 32 computations.

Payoffs
Enter any Payoff information that may apply to this transaction. Example:

Master Card = $10,000
First Lien = $65,000

3.1.8. Impounds Information

Figure 3-13

Impound Payments
Enter the number of disbursements in a year. For example, property taxes paid twice a year would require entry of a "2" in this field. Disbursement dates are automatically computed by dividing the number of disbursements indicated in this field into 12 months. For example, in the property tax example above 12 months / 2 months = 6 months. Therefore DocMagic would compute a second disbursement 6 months after the first date entered in the Due Date field. If multiple disbursement dates are not as easily computed as described above, simply press "Due dates" header in the Impound Due Date field and enter the disbursement dates, as they should be.

Once this data is added, simply hit the tab key and DocMagic will auto-calculate the Payment Amount, Monthly Inflow and number of months based off of your due dates.

Aggregate Adjustment
If an aggregate adjustment is necessary, accept the default figure shown below. To view the result of the aggregate adjustment or simply to see a monthly accounting of the impound account; simply click the calculator icon next to the Aggregate Adjustment field.

Note: The aggregate adjustment is simply a direct adjustment to the starting balance of the impound account. Notice that when a figure is defaulted into this field, the Impound Account Cushion and Impound Account Low Balance figures below match. The same result can occur by manipulating the number of months to impound for any one or all of the impound items indicated above. Although the use

of the aggregate adjustment is convenient, it is NOT required. As long as the Impound Account Low Balance is greater than zero and less than the Impound Account Cushion, the impound account is fine. DocMagic's Goof-Proof Audit System will ensure proper compliance at all times.

The impound account low balance cannot be greater than the impound account cushion. If the low balance is greater than the cushion, there are two possibilities:

1. Decrease the number of months to collect at closing for any of the impound account types.
2. Allow DocMagic to apply an aggregate credit adjustment; the result will instantly bring the low balance within limits.

Aggregate Impound Cushion
The impound account cushion amount is located in the lower portion of the of the impound screen. This figure is computed by adding all monthly impound inflow amounts and multiplying by "2" months (cushion amounts can also be computed using "1" of "0" months).

3.1.9.HUD-1
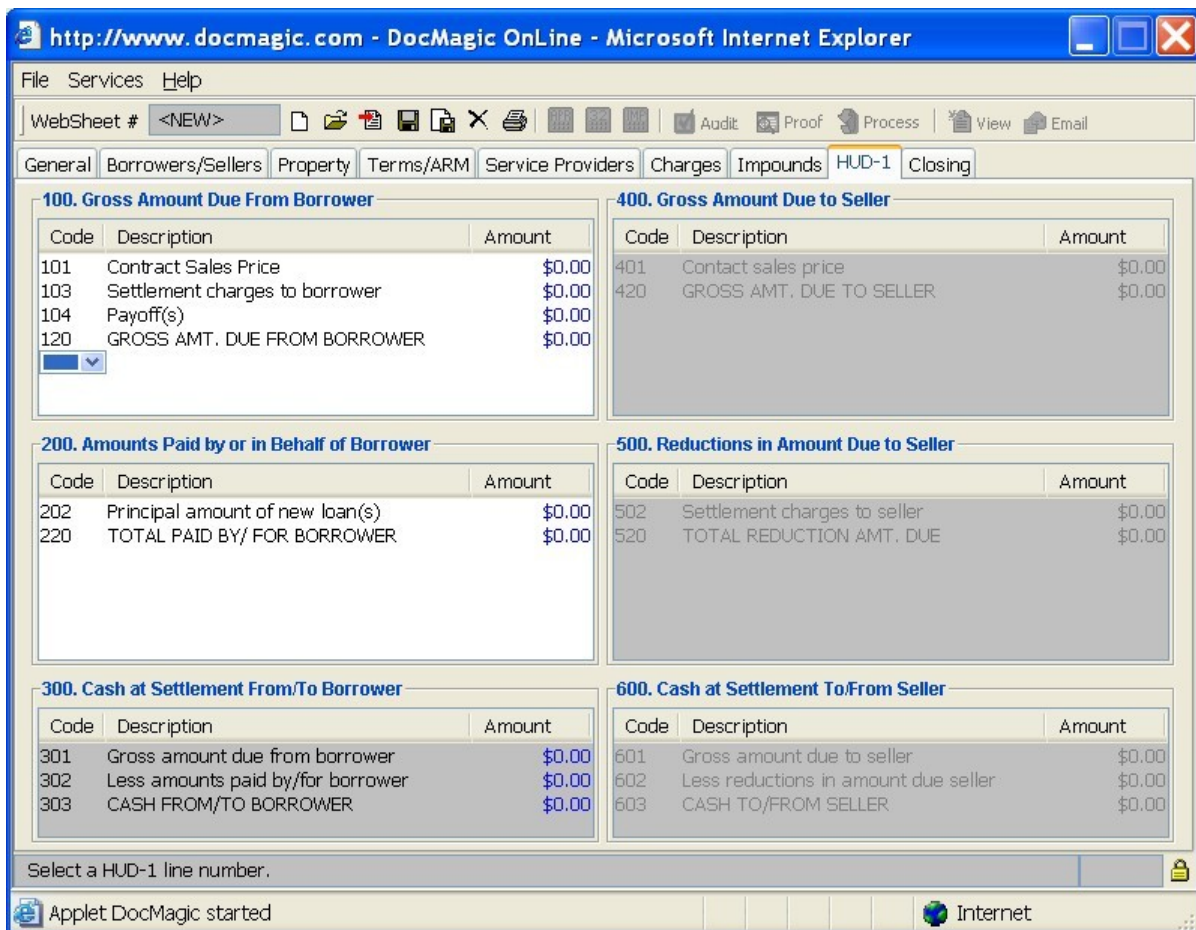
Figure 3-14

Hud-1Worksheet code fields: By clicking on the "code" fields, this will enable you to input other HUD1 line items. Choose either series 100, 200,400 or 500, to add additional line items. Series 300 and 600 are

not editable fields and cannot be accessed. These series fields sole purpose is to tabulate all information from new HUD1 line items that are added to the 100,200,400 and 500 series boxes.

3.1.10.   Closing Information

Figure 3-15

To generate a Closing Document Package, the Closing County must be populated.

Closing Conditions
Frequently utilized conditions can be entered into your instruction/condition file to facilitate data entry.

Figure 3-16

3.2. Audit Websheet Information

DocMagic's Goof-Proof Audit system instantly analyzes all loan-specific data for accuracy. With over 500 standard data validation and loan type-specific audits and unlimited potential for custom user-defined audits, DocMagic's Goof-Proof Audit system will insure that documents have all of the necessary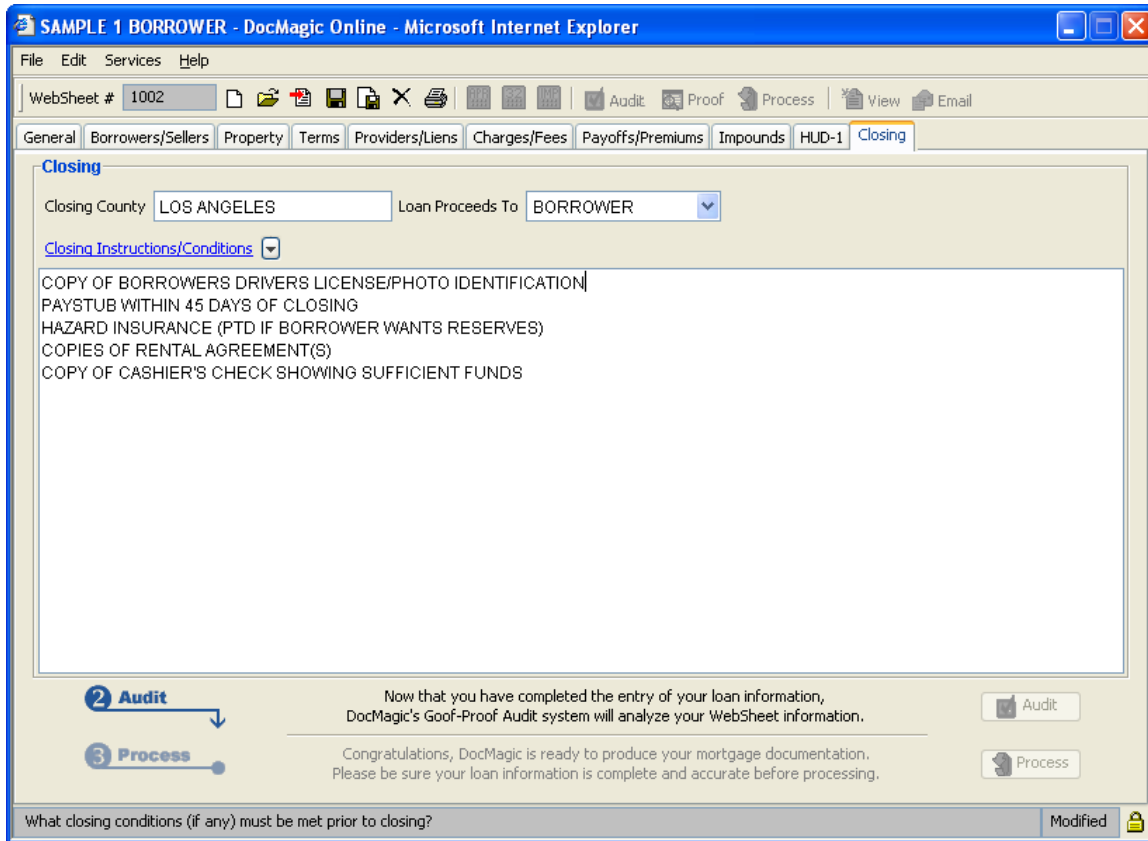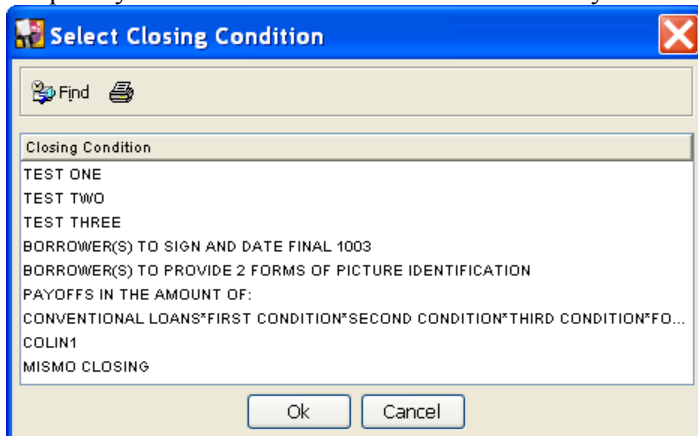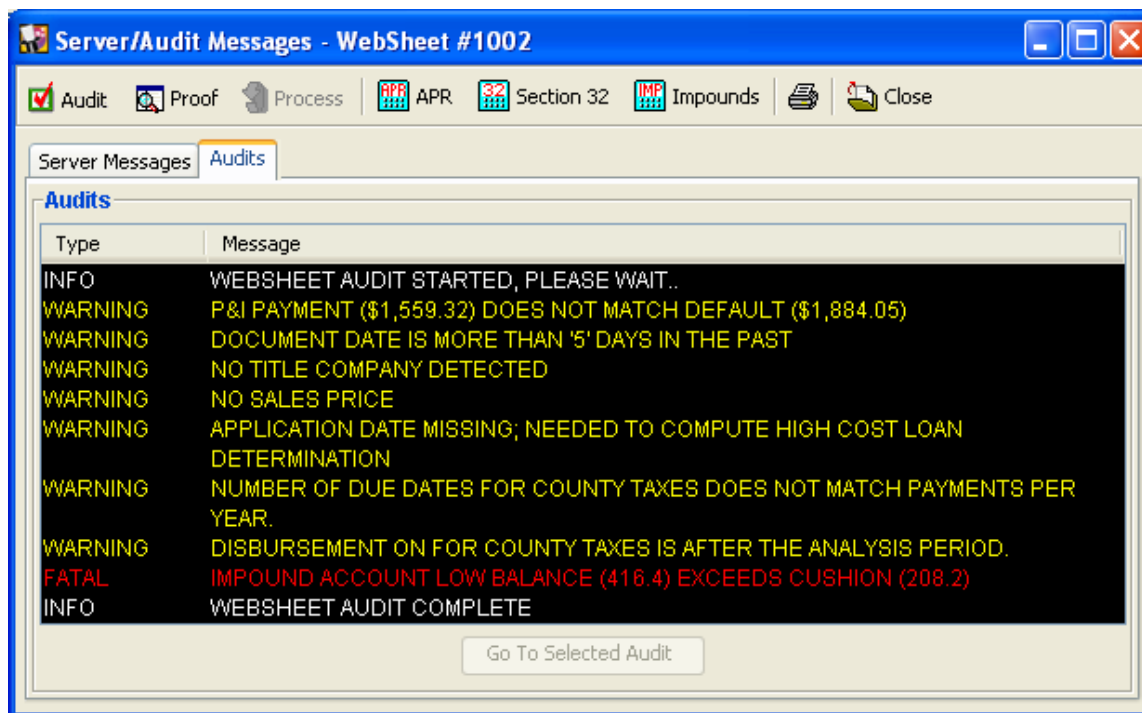 information. DocMagic's Goof-Proof Audit system is completely customizable. Audits can be implemented on many different levels of the process. Audits on a document level can halt the processing of an individual document and report the problem to the user while audits implemented on a package level can halt the production of the entire loan document package.

Audits should be performed until it is time to actually draw the documents. No DSI charges are incurred when audits are done, so to avoid charges for loans that don't close, a process request should only be used when the documents are needed.

3.2.1. Executing an Audit

The Audit system can be activated in any of the following ways:

- ❑ Clicking the ☑ Audit button on the **Closing** tab
- ❑ Selecting ☑ Audit from the Services menu
- ❑ Clicking the ☑ Audit button on the DocMagic Online toolbar

3.2.2. Audit Severity

DocMagic's Goof-Proof Audit system instantly detects problems with incoming data and organizes any issues into warning and fatal error messages.

Warning

These errors indicate that the information entered in the reported field differs from the information DocMagic expects to see. This audit is only to tell you that DocMagic has found something in your worksheet that is not normal and will not prevent you from processing.
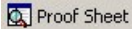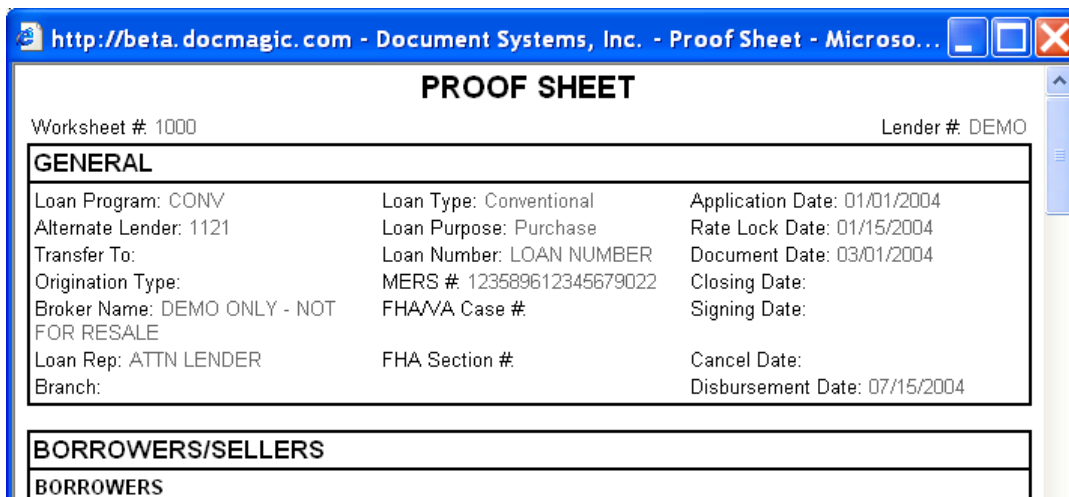
Fatal
Fatal errors stop processing until the problem is remedied. These errors MUST be corrected before DocMagic will allow you to continue to the document processing stage of the program. These errors indicate an item in the worksheet that is critical to successful loan document production.

3.2.3. Additional Audit Results
When the WebSheet is audited, the following items are generated:

- APR/Payment Schedule
- Amortization Schedule
- Section 32 Computation
- State High Cost Analysis
- Fannie Mae Test
- Impound Account Analysis

In addition to the list of items above, a "Proof Sheet" is also generated based on the data provided in the WebSheet. This can be viewed by clicking the 🔍 Proof on the toolbar or selecting 🔍 Proof Sheet from the **Services** menu.

Figure 3-17

3.3. Document Processing

Once all of the necessary data has been entered into the WebSheet and the Audit process has been successful, it is time to process the Document Package. When a request is made (based on the package type), a set of documents are created and delivered in the requested file format.
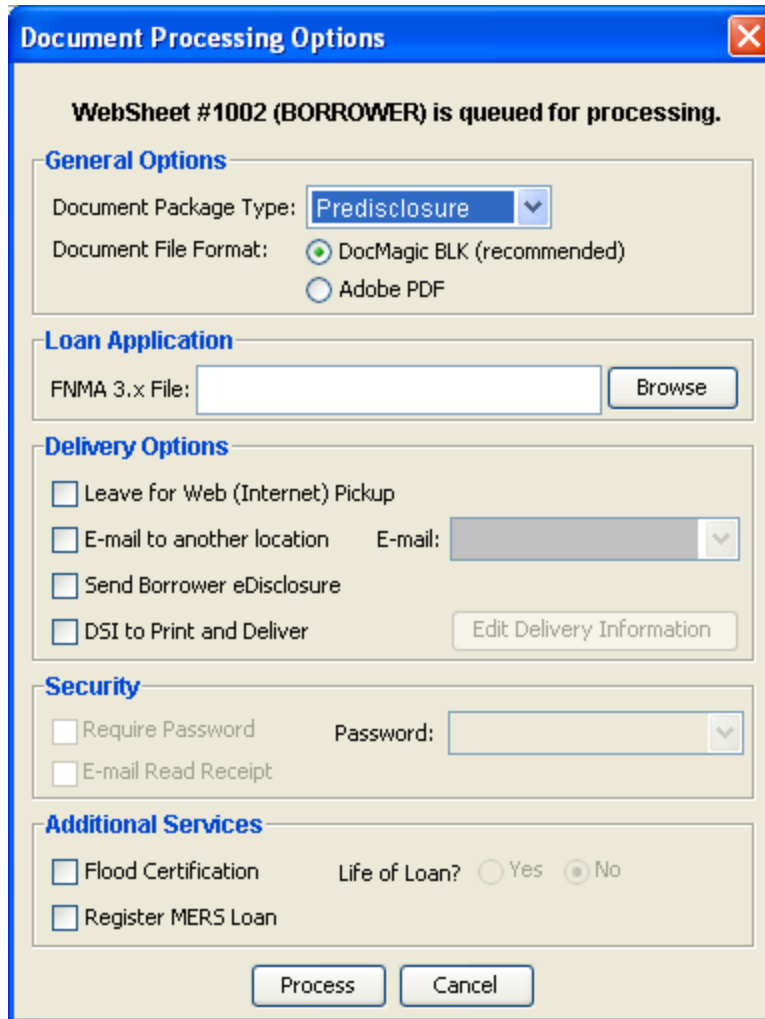
Figure 3-18

3.3.1.<u>Document Package Type</u>
DocMagic Online provides for the processing of 4 distinct Document Packages:

1. Closing
2. Predisclosure
3. Servicing Transfer
4. Flood Certification

However, Package Types can be added to accommodate any combination of documents.

3.3.2.<u>Document File Format</u>
Two formats are available for these package types:

1. DocMagic Blockument (BLK) – Recommended
2. Adobe Portable Document Format (PDF)

3.3.3.<u>Delivery Options</u>
Email Service

Notifies a 3rd party via email at the time the documents are prepared. For a nominal fee, the set of documents can also be emailed to a specified email address.

DSI to Print and Deliver
Our In-house Production Department boasts the fastest turnaround time available anywhere. Documents can be produced in-house and delivered directly using the information provided. For a nominal fee, DSI can print the documents and deliver them to a person and address provided.

3.3.4. Additional Services
In addition to generating the document set, DSI offers the following services that can be added at time of process.

Confirmation Email (sendConfirmationEmail)
An email will be sent to the user provided in the User Authentication Header and contain a link to retrieve the documents from the DocMagic servers.

Edisclosure
For the "Predisclosure" package type, if one or more borrower emails are defined, the **Send Borrower eDisclosure** option becomes enabled. If checked, an email invitation will be sent to all borrower emails. This email will provide the borrower a link to DSI's eDisclosure system to view their Predisclosure documents online.

Register MERS Number
When checked, DSI will submit a registration request to MERS with using the MERS Number provided. In conjunction with the MERS number, DSI will register Borrower, Beneficiary, Property, and Loan information. Status of the registration will be returned in the response messages.

Web Pickup
When the **Leave for Web (Internet) Pickup** option is selected, this enables a set of documents for remote retrieval and notifies a third party via email. In addition, the WebPickup provides for applying a password to the set for additional security through the Security section.

Flood Certification
When your worksheet is processed, a flood determination request containing certain required information is automatically and simultaneously forwarded via the Internet to the flood provider. At this point, one of two things can happen:

(1) Automatic determination: the information will be located in the provider records and automatically determine that the property is either in or not in a flood zone. If an automatic determination is made, the loan document package will automatically include:

- "Standard Flood Hazard Determination" form; and
- If the property is determined to be in a flood zone, a "Notice of Special Flood Hazards and Availability of Federal Disaster Relief Assistance" form.

Or (2) Manual determination: a determination cannot be made until a researcher from the provider conducts a manual search of the flood zone database. If additional research is required, the loan document package will automatically include:

- A "Flood Hazard Determination Request" form

- A "Flood Zone Notification" form.

We currently anticipate that the majority of flood determination requests (over 80%) will result in automatic determinations, which are complete as soon as the customer receives the loan document package. In the remaining cases, a manual determination must be made and it will be the responsibility of the flood provider to follow up with the Doc Magic customer directly.

3.4. *Download the Document Package*

Once the Document Process request has been completed, the following screen will be displayed.
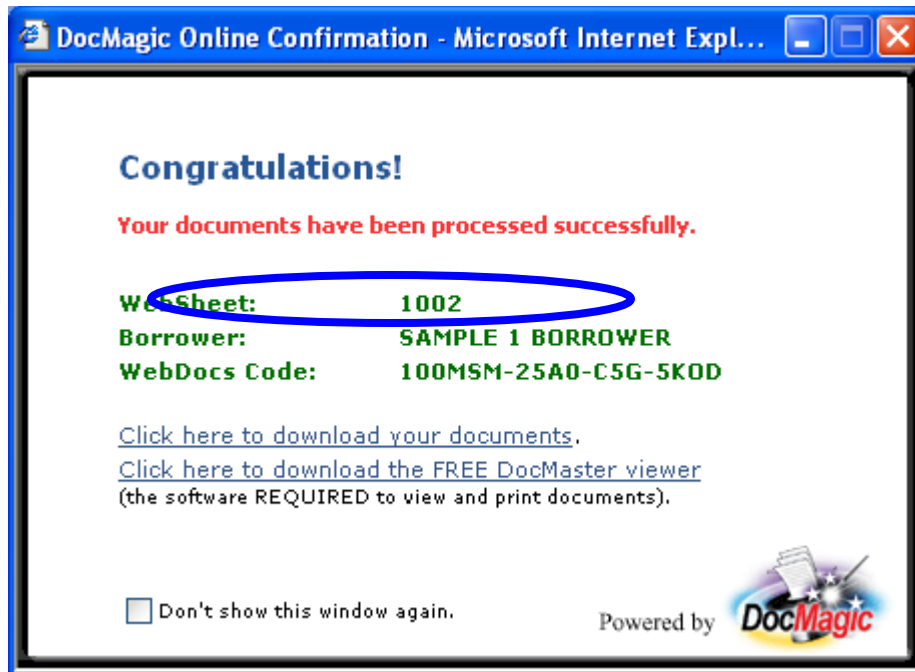
Upon processing completion, you are provided with a combination code for the document set that has been posted for Internet delivery. You simply give this code to whomever you desire to download documents, they then visit the DocMagic website http://www.docmagic.com and access the **Get WebDocs** option. After entry of the combination code, the user is prompted for immediate document download.

The View Documents option will allow you to view any previously processed documents for the current WebSheet.

3.5. *DocMaster - Print/View/Transmit Documents*

DocMaster is a proprietary program that facilitates printing, viewing, re-transmission and imaging of loan documents.
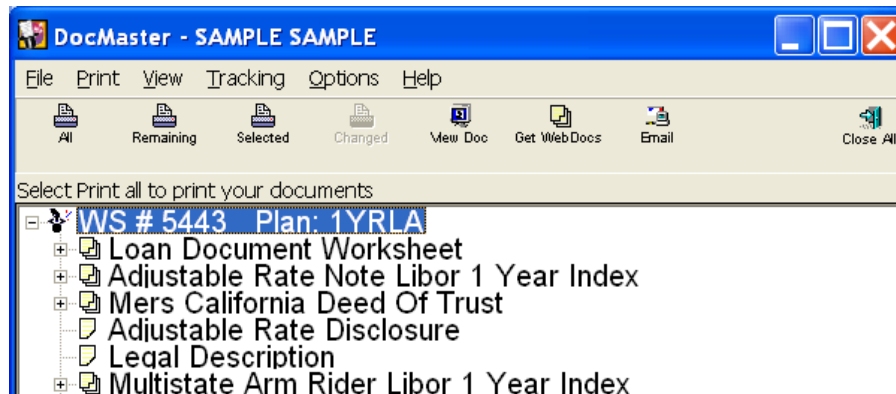
DocMaster possesses complete imaging capabilities and increased functionality such as determining which documents were affected by the most recent change to the underlying data. DocMaster can also be downloaded separately and apart from DocMagic and is utilized extensively by closing agents and others nationwide as a standalone product for the purpose of viewing, printing and re-transmitting loan documents. Documents contained in DSI's proprietary Blockument (.blk) format can be viewed and printed; documents can also be saved and retransmitted in the original format, or can be converted to PDF. The DocMaster program can be configured to allow a document file to be opened on a local file system, or instead to allow access only to a remote (secure) server. In the latter configuration, a pass phrase system generates a random five-word phrase that is then delivered to the intended recipient via an alternative delivery channel (i.e., fax, phone) for complete data security.

3.5.1.Document Stacking Order
The DocMagic default print order is based on the relative importance of the actual document types contained in the package. For example, it begins with the Note and any addendums to the Note followed by the Security Instrument and any Riders to the Security Instrument. Then generally the Closing Instructions, Truth-In-Lending, Itemization and Hud-1 closing documents are selected. Finally, the miscellaneous documents are selected and appear in alphabetical order.

4. Company Information

Sage Assurity Financial
10625 Justin Drive
Urbandale, IA 50322

Customer Support
Phone: 888-340-3497
Email: eclp-support@saiconnect.com

4.1. Product Information

"Sage Assurity Financial offers a comprehensive suite of mortgage loan origination and processing software. We offer this software as a licensed package, or as a hosted service. Additionally we work with business partners to offer mortgage processing as a business service to organizations that have members or employees needing mortgages.

Sage Assurity Lending Solution suite

- *Complementary, state of the art, proven mortgage sales origination and processing platform for retail, wholesale, and correspondent channels*
- *Access to proven building blocks to rapidly deliver enterprise mortgage SaaS services with necessary customization and configuration*
- *Successful deployment of the Sage Assurity Lending solution to both small and large lenders, in both hosted ASP as well as licensed integration offerings*
- *Cross-sell product customizations to other channels and affinity partners of existing large lender clients leveraging knowledge of prior integration*
- *Potential to reposition the product and market additional niche mortgage services to various channels to cross sell.*
- *Proven configurability of technology assets with deployments in multiple service industries, including Mortgage, Insurance, and Financial Services"*