



STACKING THE LOAN

ACTIVITY: Loan File #1



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Introduction:

This loan stacking activity is designed to give all participants an understanding of how to collect, organize, and stack a full loan file. As you participate, you will gain first-hand experience on the importance of checking docs and labeling them carefully. You will also become more familiar with all the docs you will be working with in your brokering business. Please note that the sample loan file you will be working with here is a semi-complete loan file as it comes from the UNDERWRITER. This means that some of the docs you will be handling during the exercise, you would not normally be responsible to collect. The docs that you are responsible for, when you submit a typical loan file, are noted in the list below.

Instructions:

You will work in groups of 3 to 5 to complete this activity. While you will be working in a group for support, each member of the group will complete the activity in their own student book. It is important that each student completes this activity correctly so that you have a good understanding of what each of the docs looks like and how to read them. **YOU WILL NEED IT FOR THE TEST!**

Turn to the Sample Loan File #1 section of your student book. Identify each of the documents in the loan file as noted in the list below and write in the corresponding starting and ending page numbers on the list.

Once you have identified each of the documents, review them one at a time. Make sure you understand how to read the document and the information that it provides. Answer the questions related to each doc on the list below. You will be answering similar questions on the test so make sure you understand the process of how to find each of the blanks. Note that this sample file is not necessarily in the order in which you will gather or submit the docs.



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Identify the following documents from Sample Loan File #1. Write down the page numbers that each document is found on. Identify the requested information from selected documents. (* Indicates docs the broker must collect.)

DOCUMENT	PAGE	INFORMATION TO FIND
1. Broker Fee Agreement*	_____	No Circumvent period – Length? _____ % of Broker Fee: _____
2. COGO Capital Loan Application*	_____	Requested Term of Loan: _____
3. Schedule of Real Estate Owned*	_____	# of properties currently owned? _____
4. Zero Fraud Policy*	_____	
5. Secretary of State Verification of Corporation*	_____	Date Entity approved? _____
6. Entity Operating Agreement*	_____	# of Entity Members? _____
7. Federal EIN Number Verification*	_____	List the type of entity: _____
8. Preliminary Title Report (Commitment)	_____	Company Issuing ALTA: _____
9. Guarantor ID*	_____	Form of ID: _____
10. SS Card*	_____	
11. Bank Statements*	_____	# of Accounts Submitted: _____
12. Federal Tax Return*	_____	Adjusted Gross Income: _____
13. State Tax Return*	_____	State Return Submitted in: _____
14. Hazard Insurance Binder	_____	Policy Premium: _____
15. Appraisal Report	_____	Total # sold comps, past 12 mo? _____
16. Purchase & Sales Agreement*	_____	Earnest Money Paid @ signing: _____
17. P & S Agreement Addendum 1*	_____	Type of Addendum? _____
18. P & S Agreement Addendum 2*	_____	Type of Addendum? _____
19. Mortgage Payoff Letter*	_____	Amount of Payoff: _____
20. HUD Settlement Statement	_____	Purchase Price: _____
21. Contractor's Liability Insurance*	_____	Max Amount on Policy: _____
22. Contractor's License Verification*	_____	Name of Contractor: _____
23. Draw Schedule*	_____	# of Draws Scheduled: _____
24. Contractor Scope of Work*	_____	Total Renovation Budget: _____
25. Cost Worksheet developed by Underwriter, LO or Broker	_____	How Much Cash to Close? _____
26. CDNA Report*	XXX	+++Not Included+++
27. Credit Report	XXX	+++Not Included+++
28. Schedule of Real Estate Sold*	XXX	+++Not Included+++

