

## Loan Meeting Notes

January 16, 2025

*Next planned meeting date: February 20, 2025*

*Attendees: Aaron, Anali, Andee, Brooke, Gary, GinGar, Jamie R, Jamie S, Karissa, Kim V, Laura M, Lindsay, Liz F, Makayla, Maria, Matt, Nick, Rhonda, Rusty, Shannon H, Shannon L, Shantell M, Stephanie, Victoria*

- **Titles Documents:**

- Power of Attorney (POA): The DMV has updated the POA. There are no changes that affect us; it just has a slightly different appearance.
- Application For Certificate of Title (502): This form has also been updated by the DMV, with red-outlined boxes added separately to highlight areas that are often left incomplete.
  - A 502 form should be collected for every loan. The only exception is for in-house refinances with no changes to the title. Even if sales tax is not being collected for a dealership purchase, the word “dealership” should be entered on the line where sales tax is typically listed.
  - If a member has an ITIN rather than an SSN, the ITIN should be recorded on the title documents.

- **Loan Worksheet Updates:** The worksheet has been updated to add/update fields. The worksheet should be a guide to follow while processing the loan.

- Relationship to Borrow: Added to clarify the relationship between the co-borrower and the primary signer, ensuring that co-borrowers and co-signers are accurately listed on the loan.
- Cosigner VOI: Added in the cosigner section.
- Equity Discount: On the Front-End LTV, if you enter 90% or lower, the .25% Equity Discount box will be outlined in red as a reminder to apply the discount the member qualifies for. See example below.

☒ -.25%Discount - Equity ☐ -.25% Discount - High Credit

☐ + 2%Add + 20 Yrs ☐ -1% Discount - I Have Connections

☐ +2% Add Thin File\*\* ☐ +2% Add - Recent BK\*\*

Payment:\$  1st Payment Date:

Payments: ☐ Auto Pay from CCU#

☐ Setup AFT in Forza/Scanned to Digi Docs

☐ ACH from:

☐ Sent ACH to Connie/Scanned to Digi Docs

☐ No Automatic Payments

Collateral:  2015 FORD FOCUS

VIN:  1234FD987TL564195 Mileage:  80,000

Color:  SILVER

LTV Front:  80 % Combined:  NA %

- Bankruptcy 2% Add: In addition, if you check the box in the loan review section indicating Bankruptcy as the reason the loan was sent to loan review, the 2% addition under the rate will also be highlighted in red. See example below.

<p>Loan Review needed for: <input type="checkbox"/> Lending Limits</p> <p><input type="checkbox"/> FICO (average) lower than 625</p> <p><input checked="" type="checkbox"/> Bankruptcy within the last 3 years</p> <p><input type="checkbox"/> Collection(s)/Charge Off(s) in repayment plan (proof in docs)</p> <p><input type="checkbox"/> Rate Bump involving Unsecured</p> <p><input type="checkbox"/> Other: <input type="text"/></p>	<p><input type="checkbox"/> -.25%Discount - Equity <input type="checkbox"/> -.25% Discount - High Credit**</p> <p><input type="checkbox"/> + 2%Add + 20 Yrs <input type="checkbox"/> -1% Discount - I Have Connections</p> <p><input type="checkbox"/> +2% Add Thin File** <input checked="" type="checkbox"/> +2% Add - Recent BK**</p>
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- FDI: For inhouse refinances, there is now a box to ensure the account identifiers are modified in FDI.
- Blended Rate Box: There is now a box to check if the loan is a blended rate.

- Loan Review: There is now a section to verify why the loan was sent to loan review!

**Loan Review needed for:** ☐ Lending Limits

- ☐ FICO (average) lower than 625
- ☐ Bankruptcy within the last 3 years
- ☐ Collection(s)/Charge Off(s) in repayment plan (proof in docs)
- ☐ Rate Bump involving Unsecured
- ☐ Other:

- **Adobe Signature:** Everyone should have their signature and initials uploaded into Adobe. If you need help with this, please reach out to Lindsay and she can help you.
- **Debt To Income (DTI) for Refinances:** On the final page of the credit application, the "before DTI" should include the monthly payment for the loan being refinanced, as this payment was part of their debt ratio prior to entering the refinanced loan.
- **Rate Bump Reminders:**
  - For any loan type, if a member is bumped from a D bucket credit tier to a C bucket credit tier, this must go through loan review, because the FICO(s) is below 625 (a second signature from a lender with full lending authority).
  - Any unsecured loan being bumped to the next credit bucket (regardless of credit score) must go through loan review.
- **Internal Loan Audits:**
  - Collateral Codes: Please ensure that if you adjust the collateral code after the loan has been booked, it is updated in four locations in account adjustment. See example below showing all four fields to be adjusted.

Loan Account	Loan Statistics	Loan Variable Rate	Safe Deposit Box	Account Statistics
<div>Preconfigured Transactions</div> <div>No Selection (clear descriptions and current balance fields)</div>				
<div>Offset GL Branch</div> <div>MERIDIAN BRANCH</div>				
<div>APR</div> <div>Configure payment breakout</div>				
<div> <input type="checkbox"/> Life Insurance           <div>0.00</div> </div>				
<div> <input type="checkbox"/> Disability Insurance           <div>0.00</div> </div>				
<div> <input type="checkbox"/> Open Code           <div>No Selection</div> </div>				
<div> <input checked="" type="checkbox"/> Application Type           <div>             BLENDED RATE U           </div> </div>				
<div> <input checked="" type="checkbox"/> Include account adjustment on statement?           <div>MAPR</div> </div>				
<div> <div>IN LATE FEES</div> <div>INTEREST ON LOA...</div> </div>				
<div>ics, it will not affect the account balance.</div>				
<div>Adjustment Amount</div> <div></div>				
<div>Interest Paid \$0.00</div> <div>Accept</div>				

Loan Account	Loan Statistics	Loan Variable Rate	Safe Deposit Box	Account Statistics
<div>en Date</div> <div>11/14/2024</div>				
<div>ual Date</div> <div>01/21/2025</div>				
<div>turity Date</div> <div>11/16/2031</div>				
<div>ow Period</div> <div></div>				
<div>iew Date</div> <div>11/16/2031</div>				
<div>xt Payment Date</div> <div>02/16/2025</div>				
<div>Monthly</div>				
<div> <input checked="" type="checkbox"/> Loan Purpose           <div>BLENDED RATE USED AUTO</div> </div>				
<div> <input checked="" type="checkbox"/> AIRES Code           <div>Used Vehide</div> </div>				
<div> <input type="checkbox"/> Late Fee Group           <div>LATE FEE</div> </div>				
<div> <input checked="" type="checkbox"/> Collateral Code           <div>BLENDED RATE USED AUTO</div> </div>				
<div> <input type="checkbox"/> Payment Monitoring Method           <div>ADVANCED TO NEXT PAYMENT</div> </div>				
<div> <input type="checkbox"/> Interest Calculation Type           <div>365 Calculation</div> </div>				
<div> <input type="checkbox"/> Payment Matrix           <div></div> </div>				

- Employment Tab in Forza: Ensure the "Primary Income" button is selected if the employment is the applicant's main source of income. Choosing "Secondary Income" will prevent it from appearing on the application as the primary source of income.

The screenshot shows the 'Employment' tab in the Forza system. The form includes the following fields and options:

- Tabs:** Employment (selected), Financial Data, Collateral, Disbursement, Notes, Credit Score, References, Verification.
- Radio Buttons:** ☒ Current, ☐ Previous.
- Left Column:**
  - LT: [Text Field]
  - OF: [Text Field]
  - State: **Idaho** (dropdown)
  - Postal Code: **83709** (text field)
  - Ext.: **0** (text field)
- Right Column (Position Information):**
  - Title/Position: **Shift Lead** (text field)
  - Employee ID: **Gross** (text field)
  - Department: [Text Field]
  - Supervisor Name: **John Smith** (text field)
  - Shift Worked: [Text Field]
  - Hours Worked Per Week: **40** (text field)
  - Hourly Wage: [Text Field]
  - Annual Income: **33,000** (text field)
- Bottom:**
  - Buttons: **Apply** | **Cancel**
  - Income Selection: ☒ **Primary Income**, ☐ Secondary Income

- Driver's Licenses: Updated Driver's Licenses in Forza whenever possible, even if you are not processing a loan.
- Paystubs: At this time of year, please make sure to obtain both the last paystub from the previous year and the most recent paystub. This will confirm the member's current employment and allow us to accurately calculate their income.
- **Lender Report Card:** A report card will soon be implemented for each lender, based on two key factors:
  - Loan Documents Scanned: This factor ensures all loan documents are scanned promptly. Failing to scan documents in a timely manner can delay the workflow for others.
  - Errors/ Corrections: This includes a review of errors identified after loan closing and whether those errors were corrected promptly.
- **Loan Scorecard:** GinGar has prepared a detailed portfolio for the Credit Union and each lender, summarizing the previous month's booked loans and the current number of loans each lender has open, with the following features:

- Breakdown of loans currently on the books, by credit tier bucket.
- Breakdown of loans by loan category and weighted percentage of portfolio based on each loan category.
- Delinquencies correlated to each loan category.
- Amount of open loans currently.