



Combined One Time Closing

How to order a Combined One-Time Closing within the PPDocs System.

12/12/2018

12/12/2018

What is a “Combined Disclosure”?

When completing a One Time Closing, the original method is a **Separate Disclosure**. This being a separate LE/CD for the Draw Period and a separate LE/CD for the Permanent Period.

A **Combined Disclosure** would be to “Combine” both the Draw Period and Perm Period into *one* LE/CD for closing.

Below are the differences between **Separate** and **Combined Disclosures**:

Separate Disclosure

Closing Disclosure		This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.	
Closing Information		Transaction Information	
Date Issued	9/26/2018	Borrower	Borrower One 1617 W 23rd St Houston, TX 77008
Closing Date	10/2/2018		
Disbursement Date	10/2/2018	Seller	Seller One Seller Street Richmond, TX 77406
Settlement Agent	PPDocs	Lender	PPDocs
File #	18006114		
Property	1029 Fisher St. Houston, TX 77018		
Sale Price	\$200,000		
		Loan Information	
		Loan Term	1 year
		Purpose	Purchase
		Product	11 mo. Interest Only, Fixed Rate
		Loan Type	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/>
		Loan ID #	75012715
		MIC #	

Closing Disclosure		This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.	
Closing Information		Transaction Information	
Date Issued	9/26/2018	Borrower	Borrower One 1617 W 23rd St Houston, TX 77008
Closing Date	10/2/2018		
Disbursement Date	10/2/2018	Seller	
Settlement Agent	PPDocs	Lender	PPDocs
File #	18006114		
Property	1029 Fisher St. Houston, TX 77018		
Appraised Prop. Value	\$1,100,000		
		Loan Information	
		Loan Term	30 years
		Purpose	Refinance
		Product	Fixed Rate
		Loan Type	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/>
		Loan ID #	75012715
		MIC #	

Combined Disclosure

Closing Disclosure		This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.	
Closing Information		Transaction Information	
Date Issued	9/26/2018	Borrower	Borrower One 1617 W 23rd St Houston, TX 77008
Closing Date	10/2/2018		
Disbursement Date	10/2/2018	Seller	Seller One Seller Street Richmond, TX 77406
Settlement Agent	PPDocs	Lender	PPDocs
File #	18006114		
Property	1029 Fisher St. Houston, TX 77018		
Sale Price	\$200,000		
		Loan Information	
		Loan Term	31 years
		Purpose	Purchase
		Product	1 Year Interest Only, Fixed Rate
		Loan Type	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/>
		Loan ID #	75012715
		MIC #	
Loan Terms		Can this amount increase after closing?	

Rules and What to Expect

- **IF** your Loan Estimate is disclosed using Separate Disclosures, then your Closing Disclosure *MUST* also be Separate Disclosures.
IF your Loan Estimate is disclosed using Combined Disclosures, then your Closing Disclosure *MUST* also be Combined Disclosures.
- To make the above rule even more clear, you **cannot** go from Separate Disclosures to Combined - LE to CD (or vice versa)
- Conventional and FHA allow the combined disclosure, but VA does not currently support the Combined disclosure.
- Testing for the points and fees portion of the QM/section 32/section 43 analysis does become a little more complicated. With a split disclosure, we were able to designate some fees as draw period fees, thus excluding them from the analysis. In a combined disclosure, however, there are no more draw period screens. There is just a fee screen. So, lenders who are currently excluding fees in this manner, may find themselves in trouble with their fees being over the limits on combined disclosures.
- Combined documents will assume the draw portion of the payments as the initial obligation, so the monthly principal and interest payment will reflect the initial interest only payment paid during the draw portion of the loan.
- QM also looks at the loan term. There is a toxic feature test for a 30-year loan. On a combined disclosure, we do not consider the entire loan amount, only the permanent. However, we also check to make sure that the draw period is one year or less. Failure to meet this requirement will cause section 43 to fail. However, a loan with a 1 year draw phase and a 30-year permanent phase will pass the loan term test just fine.

PPDocs Updated Order Forms

With the changes to the One-Time Close program, our developers have updated our OTC Order Forms for separate and combined disclosures. This Guide will show you the changes within our system.

Please select the description/page to jump through pages

Description	Page
LE: Loan Setup	5
CD: Loan Information	6
LE/CD: Loan Information /Other Details	7-8
LE/CD: TRID 2.0 (Loan Detail)	9
LE/CD: Escrow Account Setup	10
LE/CD: Closing Cost Details	11
LE/CD: Credit Breakdowns	12
LE/CD: Summaries of Transactions/Payoffs	13
LE/CD: Document Selection / Changes	14
Additional Document Changes	15-19
Auditor	20
Contact Us	21

Changes to the Order Form: Loan Estimate: Loan Setup

Separate One Time Closing

Answer the question “Do you want to disclose this Transaction on combined disclosures?” questions as “NO” on the Loan Setup screen.

The screenshot shows the 'Loan Setup' section of the order form. The 'Doc Package Type (Loan Purpose)' is set to 'One-Time Closing'. The question 'Do you want to disclose this transaction on combined disclosures?' has 'No' selected, with a link to a 'Guide to Combined One Time' document. The 'The Property is' dropdown is set to 'Primary Residence'.

Combined One Time Closing

Answer the question “Do you want to disclose this Transaction on combined disclosures?” questions as “YES” on the Loan Setup screen.

The screenshot shows the 'Loan Setup' section of the order form. The 'Doc Package Type (Loan Purpose)' is set to 'One-Time Closing'. The question 'Do you want to disclose this transaction on combined disclosures?' has 'Yes' selected, with a link to a 'Guide to Combined One Time' document. The 'The Property is' dropdown is set to 'Primary Residence'.

When you have **separate disclosures**, our order form will automatically place the separate fields within your order as shown here:

- Closing Cost Details (DP) ←
- Closing Cost Details ←
- Credit Breakdown ←
- Estimated Cash Due at Closing (Draw ←
- Estimated Cash Due at Closing ←
- Identified Service Providers ←
- Other Details (DP) ←
- Other Details ←

However with **combined disclosures**, our system will automatically combine fields within your order as shown here:

- Closing Cost Details
- Credit Breakdown
- Estimated Cash Due at Closing
- Identified Service Providers
- Other Details

12/12/2018

Changes to the Order Form: Closing Disclosure: Loan Information

Separate One Time Closing

Combined One Time Closing

If you are *NOT* ordering the Loan Estimate through PPDocs, then you will need to indicate whether you're wanting *Separate* or *Combined Disclosures* in the **Loan Information** Screen *instead* of the Loan Setup Screen!

If you would like to keep **Separate Disclosures**, you would simply leave this answer as "No" and the rest of your order will follow this route.

The questions below pertain to the permanent loan portion only.

MERS Number	<input type="text"/>
Universal Loan Identifier (ULI)	<input type="text"/>
Have you provided an initial CD to the consumer?	<input type="radio"/> No <input type="radio"/> Yes
Do you want to disclose this transaction on combined disclosures?	<input type="radio"/> Yes <input checked="" type="radio"/> No (Guide to Combined One Time Disclosures)
Appraisal Identifier	<input type="text"/>

As is the Loan Estimate version, when you have **separate disclosures**, our order form will automatically place the separate fields within your order as shown here:

Simultaneous Issue Title Policy
Closing Cost Details (DP)
Closing Cost Details
Credit Breakdown
Tolerance
Summaries of Transactions (Draw K)
Summaries of Transactions
Other Details (DP)
Other Details

If you need to have **Combined Disclosures**, you would simply select "Yes" and the rest of your Order Form will follow this route.

The questions below pertain to the permanent loan portion only.

MERS Number	<input type="text"/>
Universal Loan Identifier (ULI)	<input type="text"/>
Have you provided an initial CD to the consumer?	<input type="radio"/> No <input type="radio"/> Yes
Do you want to disclose this transaction on combined disclosures?	<input checked="" type="radio"/> Yes <input type="radio"/> No (Guide to Combined One Time Disclosures)
Appraisal Identifier	<input type="text"/>

However, again, with **combined disclosures**, our system will automatically combine fields within your order as shown here:

Simultaneous Issue Title Policy
Closing Cost Details
Credit Breakdown
Tolerance
Summaries of Transactions
Other Details

Changes to the Order Form: LE/ CD: Loan Information/ Other Details

Separate One Time Closing & Combined One Time Closing

Both your Separate and your Combined Disclosure will need you to select an appropriate Loan Plan. When choosing a Loan Plan, it can be confusing on where to start. The Common questions range from “Do I choose an Investor that I always use?” to “What is a Loan Plan?”

Loan Plans allow PPDocs to appropriately pick the NOTE to use within your Documents.

It is common for One Time Closing Orders to use our **Flexible Bank Note** from **PeirsonPatterson, LLP**. Our Flex Bank Note allows some flexibility on your Terms through the loan, including the ARM information.

How to Choose this Loan Plan:

1. You will “**Select**” or click into the Yellow Box
2. Select from the Drop down menu “**PeirsonPatterson, LLP**”
3. Select the most applicable Note in your Listing.
4. Double Click or “**OK**” when highlighted

NOTE: Your **Loan Advanced** should ALWAYS reflect “*Full Upfront*” on a One Time Closing.

Investor	None - Not applicable	▼
Loan Plan	PeirsonPatterson, LLP / Flexible Bank Note - Fixed	Select
Loan Advanced	Full upfront	▼

Loan Information	
The questions below pertain to the permanent loan portion only.	
Investor	None - Not applicable ▼
Loan Plan	PeirsonPatterson, LLP / Flexible Bank Note - Fixed Select
Loan Advanced	▼

Loan Plans	
Select Loan Program:	
<ul style="list-style-type: none"> Agri-Access Agri-Access Bank of America Chase Correspondent Lending Citi Mortgage Fannie Mae First Horizon Franklin American Freddie Mac GMAC RFC Green Tree Morgan Stanley National City PeirsonPatterson, LLP PHH Mortgage Corp 	under this program.

Loan Plans	
Select Loan Program:	
PeirsonPatterson, LLP ▼	
Other Loan Plans	
Flexible Bank Note - Fixed	Note: 7614
Flexible Bank Note - Fixed - Balloon	Note: 7614

OK	Cancel
----	--------

12/12/2018

Changes to the Order Form: LE/CD: Loan Information / Other Details

Separate One Time Closing

In addition to your Loan Plan, if you're using Separate Disclosures, you will have two separate Calculation Methods to choose from for both the Draw Period and Repayment (Permanent) Period.

Additional Collateral?	<input checked="" type="radio"/> No <input type="radio"/> Yes
Cash to Close Calculation Method	<input checked="" type="radio"/> Standard Method <input type="radio"/> Alternative Method
Is this a Refinance with the "Original Creditor"?	Yes ▼
The questions below pertain to the draw period only.	
Is land purchase included?	No ▼
Is dwelling refinance included?	No ▼
Draw Period Cash to Close Calculation Method	<input checked="" type="radio"/> Standard Method <input type="radio"/> Alternative Method

After these sections have been chosen and *all of your screens completed*, you will have two drop down menus for your **Loan Purpose to Print on Draw Period/Perm Period Disclosures** in your OTHER DETAILS screen as shown here:

Other Details	
Permanent Period	
Loan Purpose to Print on Draw Period Disclosures	Construction ▼
Loan Purpose to Print on Permanent Period Disclosures	Refinance ▼ (How to select the correct purpose for TRID documents?)
Is the property value an estimate?	No ▼ (More Information)
Disclose Prepaid Interest using a date range?	No ▼
Does Loan Have a Prepayment Penalty?	No ▼

Combined One Time Closing

Although, when you're **combining** your Disclosures, you will have one combined Calculation Method to choose from for both the Draw Period and Repayment (Permanent) Period.

Additional Collateral?	<input checked="" type="radio"/> No <input type="radio"/> Yes
Cash to Close Calculation Method	<input checked="" type="radio"/> Standard Method <input type="radio"/> Alternative Method
Is this a Refinance with the "Original Creditor"?	Yes ▼
The questions below pertain to the draw period only.	
Is land purchase included?	No ▼
Is dwelling refinance included?	No ▼

However, when you're using a Combined Disclosure, you will go through all the screens as usual, but your **OTHER DETAILS** will have only one drop down menu under **Loan Purpose to Print on Disclosures** for your combined LE/CD.

Other Details	
Loan Purpose to Print on Combined Disclosures	Construction ▼
Is the property value an estimate?	No ▼ (More Information)
Disclose Prepaid Interest using a date range?	No ▼
Does Loan Have a Prepayment Penalty?	No ▼

If you're unsure of what Loan Purpose to use, please see the link next to the drop down menu or [HERE](#):

Changes to the Order Form: LE/CD: TRID 2.0 (Loan Detail)

Separate One Time Closing & Combined One Time Closing

For both the Separate and Combined Disclosures the new TRID 2.0 regulations have been updated in our site and the following items are the updated Order Form sections:

Appraised Value	675,000.00
Sales Price	620,000.00
Down Payment	0.00
Loan Amount	607,500.00
Construction Contract #1 Description and Payee	
Construction Contract #1 Amount	550,000.00
Construction Contract #2 Description and Payee	
Construction Contract #2 Amount	0.00
Total Loan Amount	607,500.00
Loan to Value (LTV)	97.984 %

- In your **Loan Detail** screen you will see two sections that allow two separate Construction Contract Amounts (CCA).
- Here you will place either one OR two amounts. You do **NOT** need to have in both of these sections filled with the same amount.
[\$0.00 is an appropriate value for the second CCA]
- The field labeled “Construction Contract #1 Description and Payee” will be where you can describe the payoff.

K.	Due from Borrower at Closing	1,176,918.00
01.	Sale Price of Property	620,000.00
02.	Sale Price of Any Personal Property Included in Sale	
03.	Closing Costs Paid at Closing (J)	6,918.00
04.		
Adjustments		
05.	Construction Contract #1	550,000.00
06.		
07.		

- Once you’ve updated the Loan Detail screen with your CCA it will then get pulled directly into your **Estimated Cash Due at Closing** as a payoff.
- If you have two CCA’s then both K.05 and K.06 will be filled in with the separate amounts.
- IF you do not fill in anything for the Construction Contract #1 (or #2) your descriptions will be shown as “Construction Contract #1 [#2]”

If you would like a more in depth look into TRID 2.0 changes, please watch our walk through with Nick Bailey, [HERE](#).

12/12/2018

Changes to the Order Form: LE/CD: Escrow Account Setup

Separate One Time Closing

Escrow Account Setup will auto adjust to show both the Draw Period and the Perm Period.

Common question:

Q: How can I get the Escrows to start during the Draw Period?

A: Our system will auto input the First Escrow payment date to show as the Perm Period First Payment Date.

You will need to adjust to reflect the Draw Period First Payment Date shown here:

Disbursements	Payments per year	Payment due date	Payment amount
1001 Homeowner's Insurance	1	03/01/2020	1,200.00
1002 Mortgage Insurance	1		
1003 Property Taxes	1	12/31/2019	1,600.00
	1		
	1		
	1		
	1		
	1		

How to enter disbursements that are due more than once a year.

Aggregate Escrow Analysis Recap			
DRAW PERIOD			
Description	Months	Amount per month	Total amount due
Homeowner's Insurance	0		
Mortgage Insurance	0		
Property Taxes	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
Aggregate Adjustment: -399.95			

Aggregate Escrow Analysis Recap			
PERM PERIOD			
Description	Months	Amount per month	Total amount due
Homeowner's Insurance	2	100.00	200.00
Mortgage Insurance	0		
Property Taxes	5	133.33	666.65
	0		
	0		
	0		
	0		
	0		
	0		
	0		
Aggregate Adjustment: -399.95			

Escrow Account Setup	
Escrow Account	Yes - Aggregate Escrow Analysis
Aggregate Escrow Analysis Setup	
First Escrow Payment Date	06/01/2019
Cushions for MI	0 (2 Max)
Cushions for Other	0 (2 Max)
Other Payment Description:	
Other Payment Type:	Not Applicable
Other Payment Amount:	

Combined One Time Closing

Just the same as the Separate Disclosure our Order Form will auto adjust your Escrow Account Setup to have the **combined** Escrow Account instead of Separate.

Although it is a combined Disclosure, your Payment Table Preview will reflect the change when they start as shown on [Page 15](#). This will also include the payment shock notices consistently when appropriate.

Disbursements	Payments per year	Payment due date	Payment amount
1001 Homeowner's Insurance	1	03/01/2020	1,200.00
1002 Mortgage Insurance	1		
1003 Property Taxes	1	12/31/2019	1,600.00
	1		
	1		
	1		
	1		
	1		

How to enter disbursements that are due more than once a year.

Aggregate Escrow Analysis Recap			
Description	Months	Amount per month	Total amount due
Homeowner's Insurance	2	100.00	200.00
Mortgage Insurance	0		
Property Taxes	5	133.33	666.65
	0		
	0		
	0		
	0		
	0		
	0		
	0		
Aggregate Adjustment: -399.95			

Escrow Account Setup	
Escrow Account	Yes - Aggregate Escrow Analysis
Aggregate Escrow Analysis Setup	
First Escrow Payment Date	06/01/2019
Cushions for MI	0 (2 Max)
Cushions for Other	0 (2 Max)
Other Payment Description:	
Other Payment Type:	Not Applicable
Other Payment Amount:	

NOTE:

The First Escrow Payment will still automatically reflect the Perm Period First Payment date. You can adjust this date just as you would in the separate transactions.

12/12/2018

Changes to the Order Form: LE/CD: Closing Cost Details

Separate One Time Closing

When using separate disclosures, you will have two separate screens for the Draw Period and the Perm Period.

Draw Period screen will be **Construction Closing Costs**.
Perm Period screen will be all **other Closing Costs**.

Closing Cost Details (DP)			
Draw Period			
Loan Costs	Borrower-Paid		
	Estimated	At Closing	Before Closing
A. Origination Charges			
% of Loan Amount (Points)			
Add Item			
B. Services Borrower Did Not Shop For			
Add Item			

Closing Cost Details			
Loan Costs	Borrower-Paid		
	Estimated	At Closing	Before Closing
A. Origination Charges			550.00
% of Loan Amount (Points)			
Loan Origination Fee	600.00	550.00	
Add Item			
B. Services Borrower Did Not Shop For			857.50
Appraisal Fee	600.00	515.00	
Credit Report Fee	4.00		
Flood Determination Fee	17.50	17.50	

Combined One Time Closing

On your Combined Disclosures all of your Closing Costs will be included in this one Closing Cost Details screens.

Both your Construction and Other Closing Costs will be under one Closing Costs Details screen.

Closing Cost Details			
Loan Costs	Borrower-Paid		
	Estimated	At Closing	Before Closing
A. Origination Charges			550.00
% of Loan Amount (Points)			
Loan Origination Fee	600.00	550.00	
Add Item			
B. Services Borrower Did Not Shop For			857.50
Appraisal Fee	600.00	515.00	
Credit Report Fee	4.00		

As a Reminder of “What to Expect”:

In a combined disclosure, there are no more draw period screens. There is just a fee screen. So, lenders who are currently excluding fees in this manner, may find themselves in trouble with their fees being over the limits on combined disclosures. Please be sure all of your fees are included in your Disclosure.

Changes to the Order Form: LE/CD: Credit Breakdowns

Separate One Time Closing

When you're separating your transactions, you have access to credits to **each side** of your Closing Cost Details as well as generalized credit for all Lender, Seller, and Other Transactions.

These credits will automatically update the Closing Disclosure.

However a quick reminder that your LE Lender Credits MUST come over to the CD as that exact amount.

Tip:

It is good practice to leave Lender Credits to the CD Side and disclose all fees as paid by the Borrower in your LE.

Credit Breakdown	
Draw Period	
Lender Credit Breakdown	
Lender Credits (Generalized)	0.00
+ Lender Credits (Itemized)	0.00
= Lender Credits	0.00
Seller Credit Breakdown	
Seller Credits (Generalized)	0.00
+ Seller Credits (Itemized)	0.00
= Seller Credits	0.00
Other Credit Breakdown	
Other Credit (Generalized)	0.00
+ Other Credit (Itemized)	0.00
= Other Credits	0.00
Permanent Period	
Lender Credit Breakdown	
Lender Credits (Generalized)	0.00
+ Lender Credits (Itemized)	0.00
= Lender Credits	0.00
Seller Credit Breakdown	
Seller Credits (Generalized)	0.00
+ Seller Credits (Itemized)	0.00
+ OTP Credit	0.00
= Seller Credits	0.00
Other Credit Breakdown	
Other Credit (Generalized)	0.00
+ Other Credit (Itemized)	0.00
= Other Credits	0.00

Combined One Time Closing

However on your Combined Disclosures will have all credits within one disclosure instead of two.

Just as Separate Disclosures, credits will automatically update the Closing Disclosure. With the same reminder that your LE Lender Credits MUST come over to the CD as that exact amount.

Tip:

Itemized Seller Credits will still show on your LE as a borrower paid item, but will have the credit shown in your "Calculating Cash to Close" Section.

Credit Breakdown	
Lender Credit Breakdown	
Lender Credits (Generalized)	0.00
+ Lender Credits (Itemized)	0.00
= Lender Credits	0.00
Seller Credit Breakdown	
Seller Credits (Generalized)	0.00
+ Seller Credits (Itemized)	470.00
+ OTP Credit	0.00
= Seller Credits	470.00
Other Credit Breakdown	
Other Credit (Generalized)	0.00
+ Other Credit (Itemized)	0.00
= Other Credits	0.00

Calculating Cash to Close

Total Closing Costs (J)	\$15,643
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$0
Deposit	\$0
Funds for Borrower	\$0
Seller Credits	-\$470
Adjustments and Other Credits	\$0
Estimated Cash to Close	\$15,173

Changes to the Order Form: LE/CD: Summaries of Transactions/Payoffs

Separate One Time Closing

Similar to your Closing Cost Details screen, you will have two separate sections designated for your Draw Period and Perm Period in your Estimated Cash Due/Summaries of Transactions.

Depending on whether or not you're purchasing property, the sales price would be located in your Draw Period under "Sales Price of Property"

Estimated Cash Due at Closing (Draw Period)			
■ Closing Adjustment ■ Closing Cost Fund ■ Payoff ■ Proration (Click here for how these items affect the cash to close) *NEW* Classification Designation and Summaries of Transaction/Payoffs and Payments Changes			
K.	Due from Borrower at Closing		582,500.00
01.	Sale Price of Property		■
02.	Sale Price of Any Personal Property Included in Sale		■
03.	Closing Costs Paid at Closing (J)		■
04.			■
Adjustments			
05.	Unfunded Loan Amount	582,500.00	■
06.			■

Estimated Cash Due at Closing			
■ Closing Adjustment ■ Closing Cost Fund ■ Payoff ■ Proration (Click here for how these items affect the cash to close) *NEW* Classification Designation and Summaries of Transaction/Payoffs and Payments Changes			
K.	Due from Borrower at Closing		648,143.00
01.	Sale Price of Property		■
02.	Sale Price of Any Personal Property Included in Sale		■
03.	Closing Costs Paid at Closing (J)	15,643.00	
04.			■
Adjustments			
05.	Construction Loan Payoff	607,500.00	■
06.	Total Lot Payoff	25,000.00	■

Combined One Time Closing

However, in your Combined Disclosures will only have one Estimated Cash Due/Summaries of Transactions to place all of your payoffs and/or credits.

In this section, if you are purchasing a property, it will be located in your "Sale Price of Property" section equivalent to the Separate Transactions. Payoffs and Credits will also be shown here.

Estimated Cash Due at Closing			
■ Closing Adjustment ■ Closing Cost Fund ■ Payoff ■ Proration (Click here for how these items affect the cash to close) *NEW* Classification Designation and Summaries of Transaction/Payoffs and Payments Changes			
K.	Due from Borrower at Closing		624,010.00
01.	Sale Price of Property		■
02.	Sale Price of Any Personal Property Included in Sale		■
03.	Closing Costs Paid at Closing (J)	16,510.00	
04.			■
Adjustments			
05.	Unfunded Loan Amount	582,500.00	■
06.	Total Lot Payoff	25,000.00	■

Split disclosures have the advantage that they do not reference the other half of the loan. The draw period purpose and terms are disclosed to solely the draw portion, and the perm is solely the permanent portion. In a combined transaction, however, the loan terms are disclosed in terms of the **first** portion of the obligation (the draw period). So, where a split one time may disclose the permanent portion as simply a fixed rate loan, a combined disclosure would say that it is an interest only because it is looking at the loan in its entirety instead of as two separate transactions.

12/12/2018

LE/CD: Document Selection / Changes

Separate One Time Closing

You will receive the Two LEs/CDs when selecting your documents.

This will have the Perm Phase and the Construction Phase as shown below

Suggest Documents
✕

Consider Adding:

- Loan Estimate - TRID
- Loan Estimate - TRID - Draw Period

PPDocs
Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED 5/7/2018	LOAN TERM 30 years
APPLICANTS Jane Doe 111 Main Drive Colleyville, TX 76034	PURPOSE Refinance
PROPERTY 111 Main Drive Colleyville, TX 76034	PRODUCT Fixed Rate
PROP. VALUE \$675,000	LOAN TYPE <input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/>
	LOAN ID # 000000
	RATE LOCK <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES

Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 5/18/2018 5:00 PM CDT

Loan Terms
Can this amount increase after closing?

PPDocs
Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED 5/7/2018	LOAN TERM 1 year
APPLICANTS Jane Doe 111 Main Drive Colleyville, TX 76034	PURPOSE Construction
PROPERTY 111 Main Drive Colleyville, TX 76034	PRODUCT 11 mo. Interest Only, Fixed Rate
PROP. VALUE \$675,000	LOAN TYPE <input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/>
	LOAN ID # 000000
	RATE LOCK <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES

Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 5/18/2018 5:00 PM CDT

Loan Terms
Can this amount increase after closing?

Combined One Time Closing

Your combined disclosure will be shown as “**Loan Estimate – Combined OTC TRID**”

This will have both the Draw AND Perm phase shown as one Loan Term.

Suggest Documents
✕

Consider Adding:

- Loan Estimate - Combined OTC TRID

PPDocs
Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED 5/7/2018	LOAN TERM 31 years
APPLICANTS Jane Doe 111 Main Drive Colleyville, TX 76034	PURPOSE Construction
PROPERTY 111 Main Drive Colleyville, TX 76034	PRODUCT 1 Year Interest Only, Fixed Rate
PROP. VALUE \$675,000	LOAN TYPE <input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/>
	LOAN ID # 000000
	RATE LOCK <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES

Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 5/18/2018 5:00 PM CDT

Loan Terms
Can this amount increase after closing?

REMINDER

The Combined Disclosure is available for the **Conventional** and **FHA**.

VA, on the other hand, *does not* currently support the Combined Disclosures and **MUST** be completed as a Separate Disclosure.

12/12/2018

LE/CD: Additional Document Changes

Separate One Time Closing

The product term on a regular split one time closing with a 12 month draw period will print 11 mo. Interest Only for the draw period product term because the 12th payment is the final balloon payment consisting of principal and interest.

On a combined loan, however, the product will show the actual 1 year interest only because it is no longer considered a balloon because they are one transaction.

LOAN TERM	1 year
PURPOSE	Construction
PRODUCT	11 mo. Interest Only, Fixed Rate

LOAN TERM	30 years
PURPOSE	Refinance
PRODUCT	Fixed Rate

The Purpose will also have be changed from the separate “Construction” and “Refinance” (As shown above) to instead have ONE Purpose to print on the Combined Disclosure.

This will be determined by whether land purchase or a dwelling refinance are included. We print the draw period purpose because it is the most relevant to the transaction at the time they receive the combined disclosure.

Combined One Time Closing

In addition to the combination of the Purpose:

1. The loan term now includes the entire obligation, so 12-month interest only followed by 360 monthly payments of principal and interest will read as “31 Years”

LOAN TERM	31 years
PURPOSE	Construction
PRODUCT	1 Year Interest Only, Fixed Rate

2. If a loan is fixed during the draw period at a rate, then fixed in the permanent phase at a different rate, the product feature will read that it is a step rate with the initial term being the draw term in years followed by a “/0” indicating there is no subsequent change. The rules are clear that if a loan’s adjustments in interest rate are known at the time of consummation, then they must be disclosed as a step rate.

LOAN TERM	31 years
PURPOSE	Construction
PRODUCT	1 Year Interest Only, 1/0 Step Rate

NOTE:

On a loan where the draw period is fixed, but the permanent portion is a **floating rate or an ARM**, the product term will indicate an **adjustable rate**, even though it’s not what happens first.

12/12/2018

LE/CD: Additional Document Changes

Combined One Time Closing

LE/CD: Loan Terms

The interest rate disclosed on the Loan Terms screen is the initial rate. For a combined one time, it will be the start rate of the draw period. If there is a rate adjustment, there will be a disclosure that it will change and when.

Loan Terms		Can this amount increase after closing?
Loan Amount	\$60,000	NO
Interest Rate	6.049%	YES <ul style="list-style-type: none"> • Adjusts every 3 years starting in year 3 • Can go as high as 18% in year 6 • See AIR table on page 4 for details
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$151.23	YES <ul style="list-style-type: none"> • Adjusts every month starting in mo. 1 • Can go as high as \$865 starting in year 6 • Includes only interest and no principal until year 2 • See AP table on page 4 for details

Balloon Payment:

The balloon section of the loan terms will no longer print a balloon solely for the draw term. Because the phases are combined, the draw term concluding is no longer considered a balloon. If the permanent portion of the loan has a balloon, it will be disclosed in the normal fashion

Balloon Payment	NO
-----------------	----

Following the “YES” for “Can this amount increase after closing?” prompt, we indicate that it can adjust every month because of the nature of a draw loan. The outstanding amount can change with the first payment if they draw more of the loan. It will disclose when the loan will hit its maximum amount. If there is not a varying amount, it will simply be the point where the loan goes from interest only to principal and interest payments. It will also display the length of the interest only period.

	Can this amount increase after closing?
\$60,000	NO
6.049%	YES <ul style="list-style-type: none"> • Adjusts every 3 years starting in year 3 • Can go as high as 18% in year 6 • See AIR table on page 4 for details
\$151.23	YES <ul style="list-style-type: none"> • Adjusts every month starting in mo. 1 • Can go as high as \$865 starting in year 6 • Includes only interest and no principal until year 2 • See AP table on page 4 for details

The Principal and Interest Payment is the *initial* payment, meaning the first *interest only* payment of the draw portion. It will also disclose the maximum principal and interest payment when the payments switch from the interest only amount to principal and interest payments.

The amount disclosed, similar to the amounts disclosed in the projected payments table, assumes each period has the same duration. This figure will match the amount disclosed in the projected payments table since there is no longer variations due to number of days. With respect to the whether the amount can increase after closing, the CFPB clarified that the technical answer is NO, but the creditor may also answer as YES to reflect the nature of construction financing. We will continue to disclose this as YES as we have done for the past year.

LE/CD: Additional Document Changes

Combined One Time Closing

Projected Payments Table

The projected payments table will now encompass the entire loan obligation. The first projected payments column will display the draw portion of the loan. It will cut off when the loan switches to P&I payments. Changes in P&I is a trigger for creating new columns. If the permanent loan has an interest only (interest first) period, there will be a new column even if it is still interest only. The draw period interest only payments are based on 1/2 outstanding whereas the permanent portion is based on entire loan balance.

Projected Payment Table Escrow

If escrows are due during the *draw period*, the estimated escrow amount will be indicated in the first column of the projected payments table. If the escrows are not due until the *permanent phase*, then the second column will have the escrow amount and the amount will be omitted from the first column. Unlike the Separate Disclosures, they are disclosed upfront, even though they may not start right away. **Mortgage insurance will never start in the first column.*

Projected Payments		
Payment Calculation	Year 1	Years 2 - 31
Principal & Interest	\$151.23 <i>only interest</i>	\$379.40
Mortgage Insurance	+ 0	+ 0
Estimated Escrow <small>Amount can increase over time</small>	+ -	+ 105.86
Estimated Total Monthly Payment	\$151.23	\$485.26

Projected Payments		
Payment Calculation	Year 1	Years 2 - 31
Principal & Interest	\$151.23 <i>only interest</i>	\$379.40
Mortgage Insurance	+ 0	+ 0
Estimated Escrow <small>Amount can increase over time</small>	+ -	+ 105.86
Estimated Total Monthly Payment	\$151.23	\$485.26
Estimated Taxes, Insurance & Assessments <small>Amount can increase over time See page 4 for details</small>	\$105.86 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other:
		In escrow? YES YES

See Escrow Account on page 4 for details. You must pay for other property costs separately.

For comparison purposes:

Your ARM Projected Payments will look similar to the Fixed Rate, but will have additional columns for each change ranging from the Interest Only Term to each Interest Adjustment per ARM Stipulations as shown here:

Projected Payments				
Payment Calculation	Year 1	Year 2	Years 3 - 5	Years 6 - 31
Principal & Interest	\$151.23 <i>only interest</i>	\$379.40	\$306 min \$460 max	\$220 min \$581 max
Mortgage Insurance	+ 0	+ 0	+ 0	+ 0
Estimated Escrow <small>Amount can increase over time</small>	+ -	+ 105.86	+ 105.86	+ 105.86
Estimated Total Monthly Payment	\$151.23	\$485.26	\$412-\$566	\$326-\$687

12/12/2018

LE/CD: Additional Document Changes

Combined One Time Closing

(AP) and (AIR) Tables

AP: A Combined One Time Closing will show an AP table because the loan changes from *interest only* to *principal and interest*.

AIR: On a loan with a fixed draw period rate followed by a different permanent phase fixed rate, the AIR table will be presented. A step rate will also include an AIR table. It will show regardless of whether it went up or down. If it is down, it will show a negative adjustment. It will omit the subsequent adjustments, as there are none.

Adjustable Payment (AP) Table		Adjustable Interest Rate (AIR) Table	
Interest Only Payments?	YES for your first 12 payments	Interest Rate Adjustments	0.451%
Optional Payments?	NO	Initial Interest Rate	6.049%
Step Payments?	NO	Minimum/Maximum Interest Rate	6.049%/6.50%
Seasonal Payments	NO	Change Frequency	
Monthly Principal and Interest Payments		First Change	Beginning of 13th month
First Change/Amount	1st payment	Subsequent Changes	No subsequent changes
Subsequent Changes	Every payment	Limits on Interest Rate Changes	
Maximum Payment	\$379 starting at 13th payment	First Change	0.451%
		Subsequent Changes	No subsequent changes

Loan Calculations

The Loan Estimate comparisons table and the Closing Disclosure Loan Calculations table will look at the loan in its entirety. The 5 year totals will include the draw phase, and the APR will be calculated as a combined APR from both the draw period APR and the permanent phase APR.

Comparisons	Use these measures to compare this loan with other loans.	
In 5 Years	\$23,017	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$2,972	Principal you will have paid off.
Annual Percentage Rate (APR)	6.690%	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	130.661%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Loan Calculations	
Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$141,333.44
Finance Charge. The dollar amount the loan will cost you.	\$79,323.76
Amount Financed. The loan amount available after paying your upfront finance charge.	\$59,072.88
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	6.637%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	130.661%

12/12/2018

LE/CD: Additional Document Changes

Combined One Time Closing

The amortization schedule will also appear a little differently. Before, we did not amortize the draw loan, as we were unsure how to show an expected payment schedule with a varying loan balance. However, Appendix D section 17(c) allows us to assume 1/2 outstanding across the board for multiple advance construction loans. Now, we can show the interest only portion as the first part of the loan.

For instance, the amortization schedule might show 12 payments as interest only assuming half outstanding and on the 13th payment, the payments would go up to the P&I amount and the loan balance would increase to be full outstanding. Also, the regulations allow us to ignore odd days within certain limitations for true daily loans and allow us to make the assumption that all payments are equal. Since we assume the draw portion of the one-time to be true daily, the amounts in the amortization schedule for the draw period will appear as though they are calculated as scheduled, instead of assuming a different number of days each month. This should provide for an easier to understand amortization schedule and prevent unnecessary ranges in payments in the projected payments table.

Finance Charge Summary			Payment Analysis		Amort Schedule		Worst Case Analysis		Worst Case Schedule	
Payment Number	Payment Date	Periodic Payment	Mortgage Ins	Accrual Rate	Prin Paid	Interest Paid	Buydown	Total Balance	LTV	T+H
1	05/03/2018	151.23	0.00	6.049	0.00	151.23	0.00	30000.00	50.000	0.00
2	06/03/2018	151.23	0.00	6.049	0.00	151.23	0.00	30000.00	50.000	0.00
3	07/03/2018	151.23	0.00	6.049	0.00	151.23	0.00	30000.00	50.000	0.00
4	08/03/2018	151.23	0.00	6.049	0.00	151.23	0.00	30000.00	50.000	0.00
5	09/03/2018	151.23	0.00	6.049	0.00	151.23	0.00	30000.00	50.000	0.00
6	10/03/2018	151.23	0.00	6.049	0.00	151.23	0.00	30000.00	50.000	0.00
7	11/03/2018	151.23	0.00	6.049	0.00	151.23	0.00	30000.00	50.000	0.00
8	12/03/2018	151.23	0.00	6.049	0.00	151.23	0.00	30000.00	50.000	0.00
9	01/03/2019	151.23	0.00	6.049	0.00	151.23	0.00	30000.00	50.000	0.00
10	02/03/2019	151.23	0.00	6.049	0.00	151.23	0.00	30000.00	50.000	0.00
11	03/03/2019	151.23	0.00	6.049	0.00	151.23	0.00	30000.00	50.000	0.00
12	04/03/2019	151.23	0.00	6.049	0.00	151.23	0.00	60000.00	100.000	0.00
13	05/03/2019	379.40	0.00	6.500	69.54	309.86	0.00	59930.46	99.884	105.86
14	06/03/2019	379.40	0.00	6.500	48.55	330.85	0.00	59881.91	99.803	105.86

The amortization schedule will also include a “T+H” column, the taxes and hazard. This is for informational purposes only.

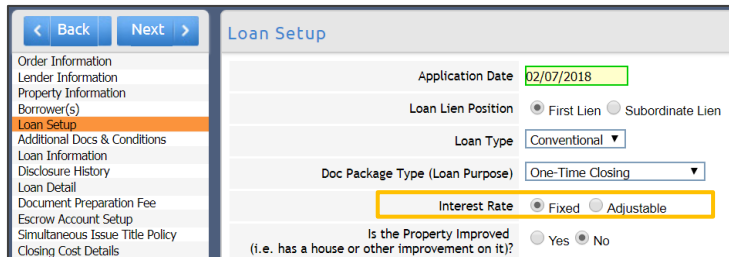
12/12/2018

Changes to the Order Form: LE/CD: Auditor

Combined One Time Closing

The Combined One Time Closing comes with a new set of Audits to Consider. The below Stop Audits you will see are strictly scenarios we **cannot** handle:

- ✗ PPDocs cannot handle one time closings with the draw period is due once at the end of the period when the permanent portion is also due at maturity.
- ✗ PPDocs cannot handle one time closings with the draw period as part of the ARM program when the permanent portion is a fixed rate.
- ✗ PPDocs cannot handle one time closings with the draw period as a floating rate when the permanent portion is also a floating rate.



Loan Setup

Order Information
Lender Information
Property Information
Borrower(s)
Loan Setup
Additional Docs & Conditions
Loan Information
Disclosure History
Loan Detail
Document Preparation Fee
Escrow Account Setup
Simultaneous Issue Title Policy
Closing Cost Details

Application Date: 02/07/2018

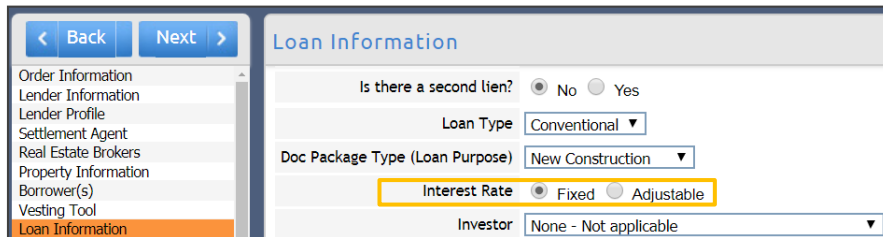
Loan Lien Position: First Lien Subordinate Lien

Loan Type: Conventional

Doc Package Type (Loan Purpose): One-Time Closing

Interest Rate: Fixed Adjustable

Is the Property Improved (i.e. has a house or other improvement on it?): Yes No



Loan Information

Order Information
Lender Information
Lender Profile
Settlement Agent
Real Estate Brokers
Property Information
Borrower(s)
Vesting Tool
Loan Information

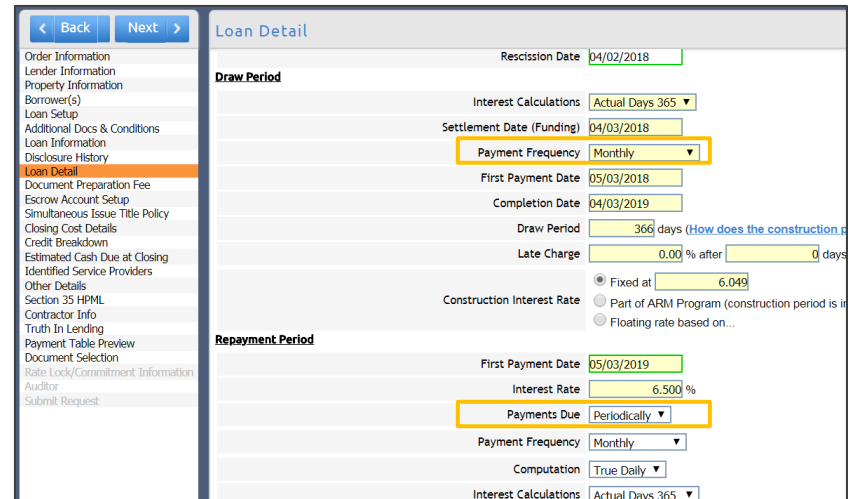
Is there a second lien?: No Yes

Loan Type: Conventional

Doc Package Type (Loan Purpose): New Construction

Interest Rate: Fixed Adjustable

Investor: None - Not applicable



Loan Detail

Order Information
Lender Information
Property Information
Borrower(s)
Loan Setup
Additional Docs & Conditions
Loan Information
Disclosure History
Loan Detail
Document Preparation Fee
Escrow Account Setup
Simultaneous Issue Title Policy
Closing Cost Details
Credit Breakdown
Estimated Cash Due at Closing
Identified Service Providers
Other Details
Section 35 HPML
Contractor Info
Truth In Lending
Payment Table Preview
Document Selection
Rate Lock/Commitment Information
Auditor
Submit Request

Rescission Date: 04/02/2018

Draw Period

Interest Calculations: Actual Days 365

Settlement Date (Funding): 04/03/2018

Payment Frequency: Monthly

First Payment Date: 05/03/2018

Completion Date: 04/03/2019

Draw Period: 366 days (How does the construction p...)

Late Charge: 0.00 % after 0 days

Construction Interest Rate: Fixed at 6.049 Part of ARM Program (construction period is in...)
 Floating rate based on...

Repayment Period

First Payment Date: 05/03/2019

Interest Rate: 6.500 %

Payments Due: Periodically

Payment Frequency: Monthly

Computation: True Daily

Interest Calculations: Actual Days 365

The above screen shot items are located in either the **Loan Setup**, **Loan Information**, or the **Loan Detail Screen**. These will vary between the Initial Disclosures and the Closing Disclosure sides.

12/12/2018

Please contact support@ppdocs.com if additional assistance is needed.



ppdocs,inc