



Change of Circumstance Policy

OVERVIEW

If a valid Change of Circumstance occurs, HomeXpress is responsible for issuing the disclosures impacted by the Change of Circumstance. The department responsible for issuing the re-disclosures for HomeXpress is the Disclosure Desk.

A Change of Circumstance for purposes of a revised Loan Estimate (LE) is:

- An extraordinary event beyond the control of any interested party or other unexpected event specific to the consumer or transaction (§ 1026.19(e)(3)(iv)(A)(1));
- Information specific to the consumer or transaction that the creditor relied upon when providing the Loan Estimate and that was inaccurate or changed after the disclosures were provided (§ 1026.19(e)(3)(iv)(A)(2)); or
- New information specific to the consumer or transaction that the creditor did not rely on when providing the Loan Estimate. (§ 1026.19(e)(3)(iv)(A)(3))

In order to capture those changes impacting the Loan Estimate (LE) only:

HomeXpress's Disclosure Desk will re-disclose after the application has been accepted by HomeXpress and before the Closing Disclosure (CD) has been issued.

In order to capture those changes impacting the Closing Disclosure (CD):

HomeXpress's Disclosure Desk will re-disclose after the Closing Disclosure (CD) has been issued.

The HomeXpress Disclosure Desk must be notified of a Change of Circumstance as follows:

1. **HomeXpress -identified:** A Change of Circumstance that occur throughout the loan process are identified via change indicators in ProLender, notifications via HomeXpress's fee collaboration with settlement agent, compliance reports, and underwriters adding new conditions.

An example of a Change of Circumstance would be a loan amount change or product change from a Refi to Refi cash out.

In the instances when we have a Change of Circumstance that is due to underwriting findings, such as a re-inspection of the property, a 1004D is required, additional credit report[s] needed, etc.



2. **Broker-identified:** Brokers are required to notify the HomeXpress Disclosure Desk of a Change of Circumstance that HomeXpress is not privy to via documentation/information provided throughout the loan process.

An example of a Change of Circumstance that HomeXpress would not be privy to could include a borrower request to change loan terms, or the borrower's occupancy intentions are no longer as originally stated, etc.

Once notified of a Change of Circumstance, HomeXpress's Disclosure Desk is responsible for timely and accurate re-disclosure of the Loan Estimate (LE) or Closing Disclosures (CD) for all loans.

BROKER IDENTIFIED CHANGE OF CIRCUMSTANCE THAT MAY REQUIRE RE-DISCLOSURES

Examples include:

- Loan Amount Increases - Broker to provide new title rate quote with the Change of Circumstance Request Form:
 - Disclosure Desk to validate the new title rate.
 - In the event of a higher title rate, the Broker will need to provide documentation to support the discounted title rate (i.e. Title Fee Quote).
- Product change, for example, Fixed to ARM;
- Adding or removing an escrow account;
- Adding or removing a borrower;

NOTE: Broker must supply accurate Change of Circumstance form

BROKER IDENTIFIED CHANGE OF CIRCUMSTANCE PROCESS:

- The Broker is required to send a completed Change of Circumstance Request Form to the change of circumstance inbox at COC@Homexmortgage.com and the Account Manager within twenty-four (24) hours of the receipt of the information constituting the Change of Circumstance.
- Once the Change of Circumstance Request Form is received the Disclosure Desk will ensure the necessary changes to the loan are made, and will notify the Account Manager of the changes and send a new LOAN ESTIMATE (LE) disclosure or CLOSING DISCLOSURE (CD).