

## **POST FUNDING DOCUMENTS**

### **OVERVIEW**

Because some of the documents must be recorded or for some other reason the documents cannot be delivered at the time the loan is purchased, NewRez permits delivery of certain documents following the purchase of a loan. The time permitted varies according to document and each is addressed later in this section. It is important to understand that assuring timely delivery of documents to NewRez is very important. This will minimize unnecessary interruptions prompted by documents that are not delivered to NewRez within established time frames and to avoid the additional cost associated with collecting these documents.

While there are some other documents that may be delivered to the Post Funding Documents Department, typically Post Funding documents include the recorded security instrument, recorded POA, recorded modifications, recorded Acts of Correction, recorded CEMAs (Consolidation Extension Modification agreements) and the final title policy to include any applicable endorsements to coverage. Please remember that the final title policy must include the policy jacket with the authorized agent's signature. Typically, legible copies of the FHA MIC, VA LGC and USDA LNG are provided after the closed loan package is uploaded. In some instances, Lenders include the MIC, LNG or LGC with the closed loan documents upload. However, it is important that these documents are delivered SEPARATELY to avoid delays in posting to our system and thus removal from tracking reports.

### **TIMING OF DOCUMENT DELIVERY**

Lenders are reminded of their responsibility to REGISTER all closed loans on MERS (Mortgage Electronic Registration System) BEFORE submitting the closed loan to NewRez for purchase. Additionally, Lenders must create and submit a batch file to MERS transferring BOTH the beneficial rights (TOB) and the servicing rights (TOS) no later than 5 days after purchase by NewRez. NewRez's MERS Org. ID Number is 1007544. Proof of Government Loan Default Insurance or Guaranty must be provided to NewRez within 45 days of the Note date.

Lender must submit a legible copy of either the Mortgage Insurance Certificate (MIC), VA Loan Guaranty Certificate (LGC) or the USDA Rural Development Loan Note Guarantee (LNG) to NewRez as appropriate within 45 days of the Note date. NewRez requires that the VA LGC must be at least 25 percent of the lesser of purchase price or appraised value on purchase loans and 25 percent of the loan amount for refinance loans. VA loans purchased with less than the 25 percent guaranty will be subject to repurchase. FHA MIC / VA LGC / USDA LNG must be issued in the same name as appears on the note, must have the same property address, and must be signed by the appropriate signor for the agency.

The original or a clerk-certified copy of the recorded security instrument and appropriate riders together with the final title insurance policy must be submitted to NewRez within 90 days of the Note date. All security instruments and recorded power of attorney (if applicable) must be the most current forms required by the agencies. Any applicable riders to the security instrument must be attached and recorded prior to delivery to NewRez (i.e., Manufactured Home Rider, Condo Rider, PUD Rider, etc.)

The final ALTA title policy must be delivered within 90 days of the Note date with all appropriate endorsements.

Title policy endorsements include, but are not limited to:

- ALTA 4 (Condo)
- ALTA 5 (PUD)
- ALTA 6 (ARM)
- ALTA 8.1 (Environmental Protection)
- Manufactured Home Endorsement reflecting permanent attachment to real property

Should a security instrument require correction, a CLTA 110.5 (Mod. Endorsement) may be required. Any change in items material to the enforcement of the lien (i.e., loan amount, term, maturity) would require a correction, re-recording and endorsement to the title policy bringing coverage forward through the date of re-recording.

## **PROCEDURE FOR DELIVERY OF DOCUMENTS**

Post Funding documents, including a document transmittal, should be sent to:

***NewRez, LLC  
Attn: Trailing Docs  
4000 W Brown Deer  
Milwaukee, WI 53209***

As soon after delivery as workload will permit, the Post Funding Documents Department will review documents and change the status of documents on its system to indicate receipt of the document. Please note that receipt of a document is not confirmation that the document was acceptable to either NewRez or to its custodian or a subsequent investor. Lenders are urged to check the Outstanding Documents Report to confirm that previously delivered documents have been removed. Lenders should allow at least 15 calendar days from delivery date until removal from the report. For documents remaining on the report longer than the 15 days after delivery, Lenders should check with the Post Funding Documents to confirm delivery.

## **DOCUMENT REPORTING**

### **Government Default Insurance**

FHA Loans – NewRez will track the insuring of FHA loans for elapsed days in three situations:

- The number of days elapsed from the Note date until the Upfront Mortgage Insurance Premium (UFMIP) has been paid; NOTE: NewRez will NOT purchase any FHA loan until the UFMIP payment has been confirmed via the FHA Connection.
- The number of days elapsed from the Note date until the FHA loan has been submitted for insuring. NOTE: All FHA loans should be submitted to the HOC within 30 days of the Note date and

- The number of days elapsed from note date until insured. NOTE: NewRez begins tracking all FHA loans to be insured within 45 days of the Note date. If a loan is not insured within 60 days of the Note date, NewRez may elect to withhold the Servicing Release Premium (SRP) on one or more subsequent loans submitted for purchase until such time that the FHA Connection confirms loan is insured.

**FHA, VA and USDA Loans** – NewRez will track for the receipt of the MIC, LGC or LNG and expects to receive a copy of the MIC, LGC or LNG within 60 days of the Note date. Should the MIC, LGC or LNG not be received within 60 days of the Note date, NewRez may elect to withhold SRP on one or more subsequent loans submitted for purchase until such time that the MIC, LGC or LNG copy has been received.

### **Outstanding Documents**

All Post Funding Documents should be received by NewRez within 90 days of the Note date.

### **Penalties for Failure to Timely Deliver**

Should recorded documents and/or the final title policy remain outstanding for more than 150 days after the Note date, the Lender may be provided a notice that the document must be delivered within 30 days. If the document is not delivered by the indicated deadline, NewRez may engage the services of a third party to procure the documents. Any cost associated with procurement will be passed through to the Lender plus a \$50 fee per respective loan. Lenders should know that documents not delivered within guidelines are reported to the Division's Senior Management and could result in action including third-party vendor procurement charges, demand for delivery of any outstanding documents, withholding of SRP or, in extreme cases, demand for repurchase of the loan(s). If delivery within established guidelines will not occur for reasons beyond the control of the Lender, the Lender should contact either the Regional Account Manager, the LSS or [TrailingDocs@newrez.com](mailto:TrailingDocs@newrez.com) with an explanation of the reason for delay and the date of expected delivery. This information will help avoid unnecessary contact from NewRez and additional costs resulting from efforts to procure the documents.