Encompass: Processing Essentials

M/I FINANCIAL, LLC
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Navigation Basics: Processing

- Processor Pipeline
- Processing Milestone
- Reviewing a loan
- Completing a Commitment Letter
- Processing the loan
- Ready for CD
- Submitting to UW (Branch & Corp)

Processing Pipeline

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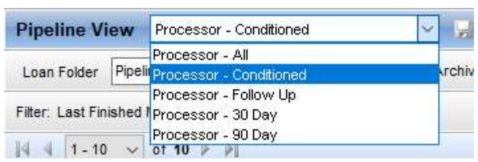
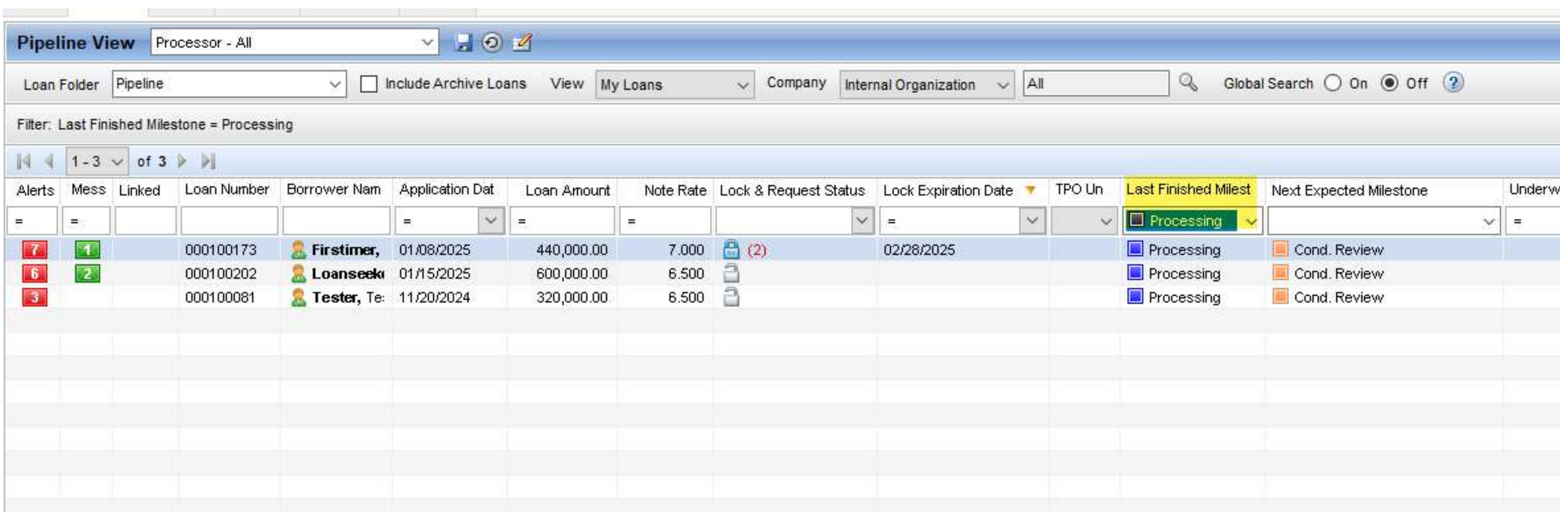
Pipeline

- The **Pipeline** is the starting point for originating, viewing, and managing loans.
  - It's **Customizable.** You can Add or remove columns, change the order, sort data and apply filters



Pipeline views have been created for each role. These can be customized by everyone individually.



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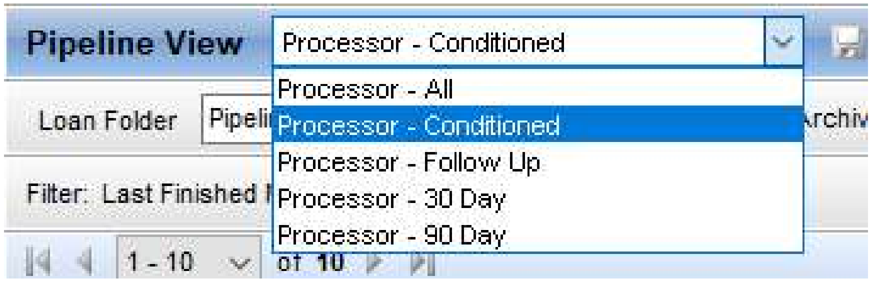
Processor Pipeline Views

- **Processor – All:** All loans
- **Processor – Conditioned:** Loans where the last finished milestone is **Conditional Approval**
- **Processor – Follow up:** Alerts – conversation follow up, task follow up, eFolder update, open conditions after post-closing
- **Processor – 30 Day:** Estimate closing date in next 30 days
- **Processor – 90 Day:** Estimate closing date in next 90 days



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Processing Milestone

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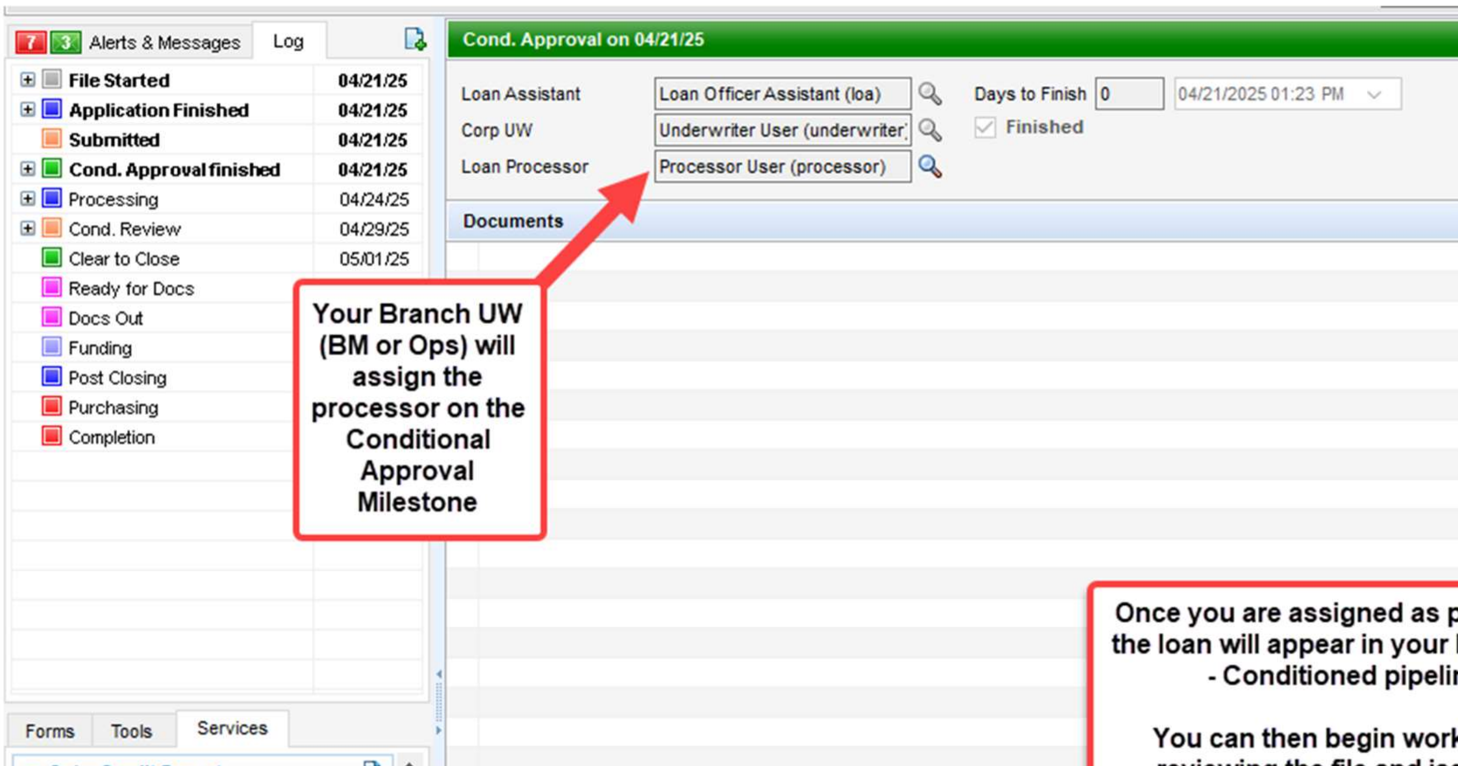
Processor Milestone: Conditional Approval



Your Branch UW (BM or Ops) will assign the processor on the Conditional Approval Milestone

Once you are assigned as processor, the loan will appear in your Processor - Conditioned pipeline.

You can then begin working on reviewing the file and issuing a commitment letter

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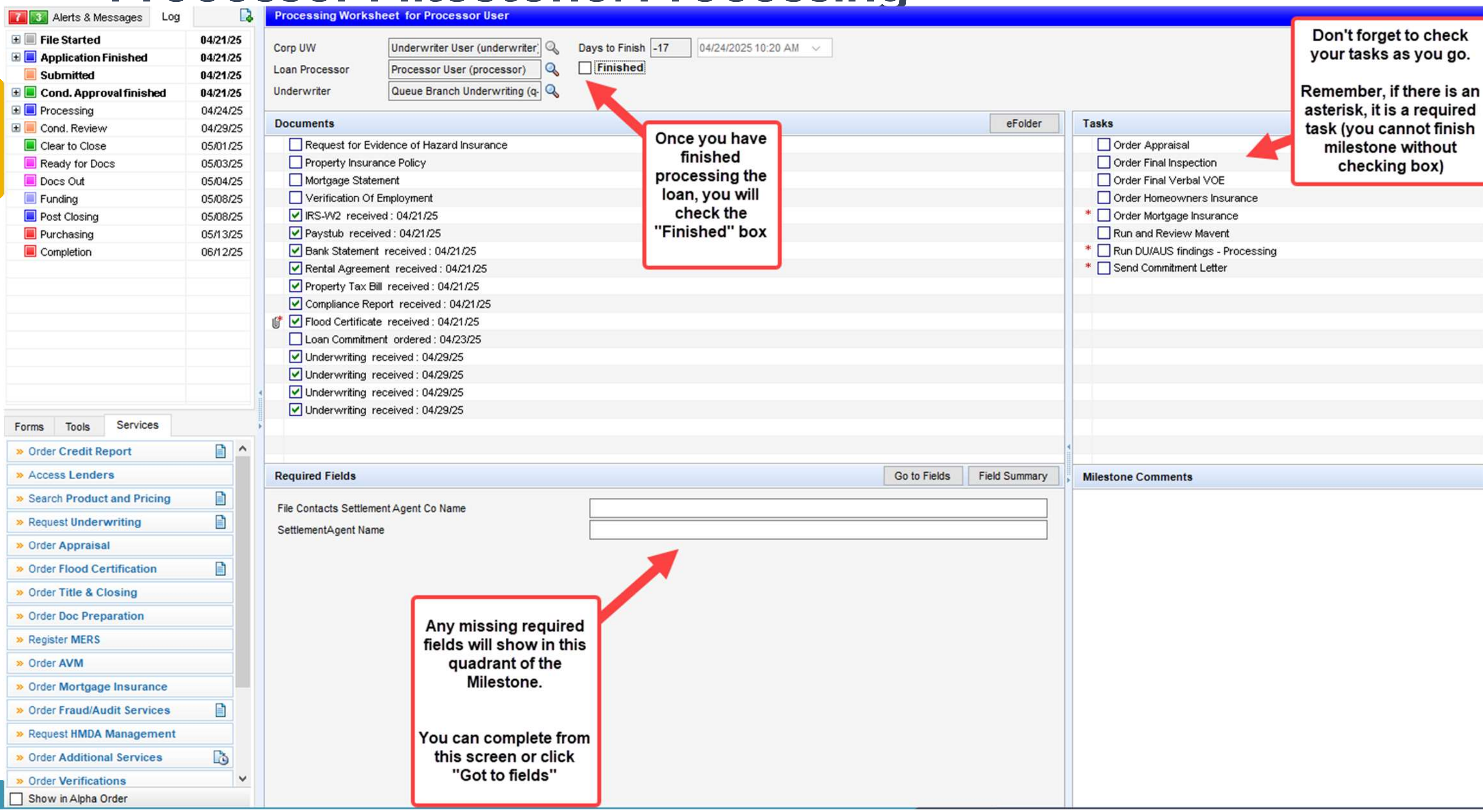
Processor Milestone: Processing



Interactive Demonstration:
Processing Pipeline & Milestone

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Reviewing a loan

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Reviewing a loan: Steps

- Go to the **Processor - Conditioned** Pipeline
- Read loan notes in Conversation Log
- Review the **M/I Borrower Summary** & **1003 URLA** screens
- Review **documents, conditions and Income & Credit analyzer**
- Add **Commitment Conditions,** if necessary

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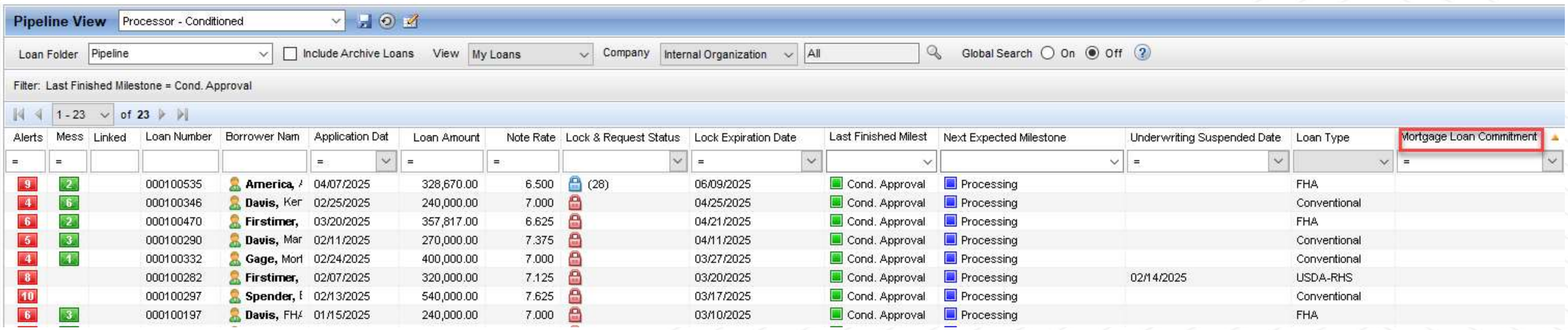
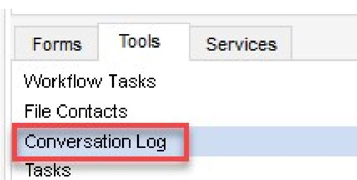
Reviewing a loan

- Go to the **Processor - Conditioned** Pipeline. Identify loans that need commitment letter. Best practice is to look at the “Mortgage Loan Commitment” column. If there is no date, a commitment letter has not yet been issued.


Pipeline View Processor - Conditioned
Loan Folder Pipeline Include Archive Loans View My Loans Company Internal Organization All Global Search On Off
Filter: Last Finished Milestone = Cond. Approval
1 - 23 of 23

Alerts	Mess	Linked	Loan Number	Borrower Nam	Application Dat	Loan Amount	Note Rate	Lock & Request Status	Lock Expiration Date	Last Finished Milest	Next Expected Milestone	Underwriting Suspended Date	Loan Type	Mortgage Loan Commitment
=	=				=	=	=		=			=		=
9	2		000100535	America, /	04/07/2025	328,670.00	6.500	(28)	06/09/2025	Cond. Approval	Processing		FHA	
4	6		000100346	Davis, Ker	02/25/2025	240,000.00	7.000		04/25/2025	Cond. Approval	Processing		Conventional	
6	2		000100470	Firstimer,	03/20/2025	357,817.00	6.625		04/21/2025	Cond. Approval	Processing		FHA	
5	3		000100290	Davis, Mar	02/11/2025	270,000.00	7.375		04/11/2025	Cond. Approval	Processing		Conventional	
4	4		000100332	Gage, Mort	02/24/2025	400,000.00	7.000		03/27/2025	Cond. Approval	Processing		Conventional	
8			000100282	Firstimer,	02/07/2025	320,000.00	7.125		03/20/2025	Cond. Approval	Processing	02/14/2025	USDA-RHS	
10			000100297	Spender, I	02/13/2025	540,000.00	7.625		03/17/2025	Cond. Approval	Processing		Conventional	
6	3		000100197	Davis, FHA	01/15/2025	240,000.00	7.000		03/10/2025	Cond. Approval	Processing		FHA	

- Read loan notes in **Conversation Log**



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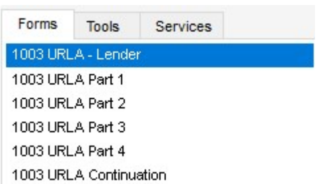
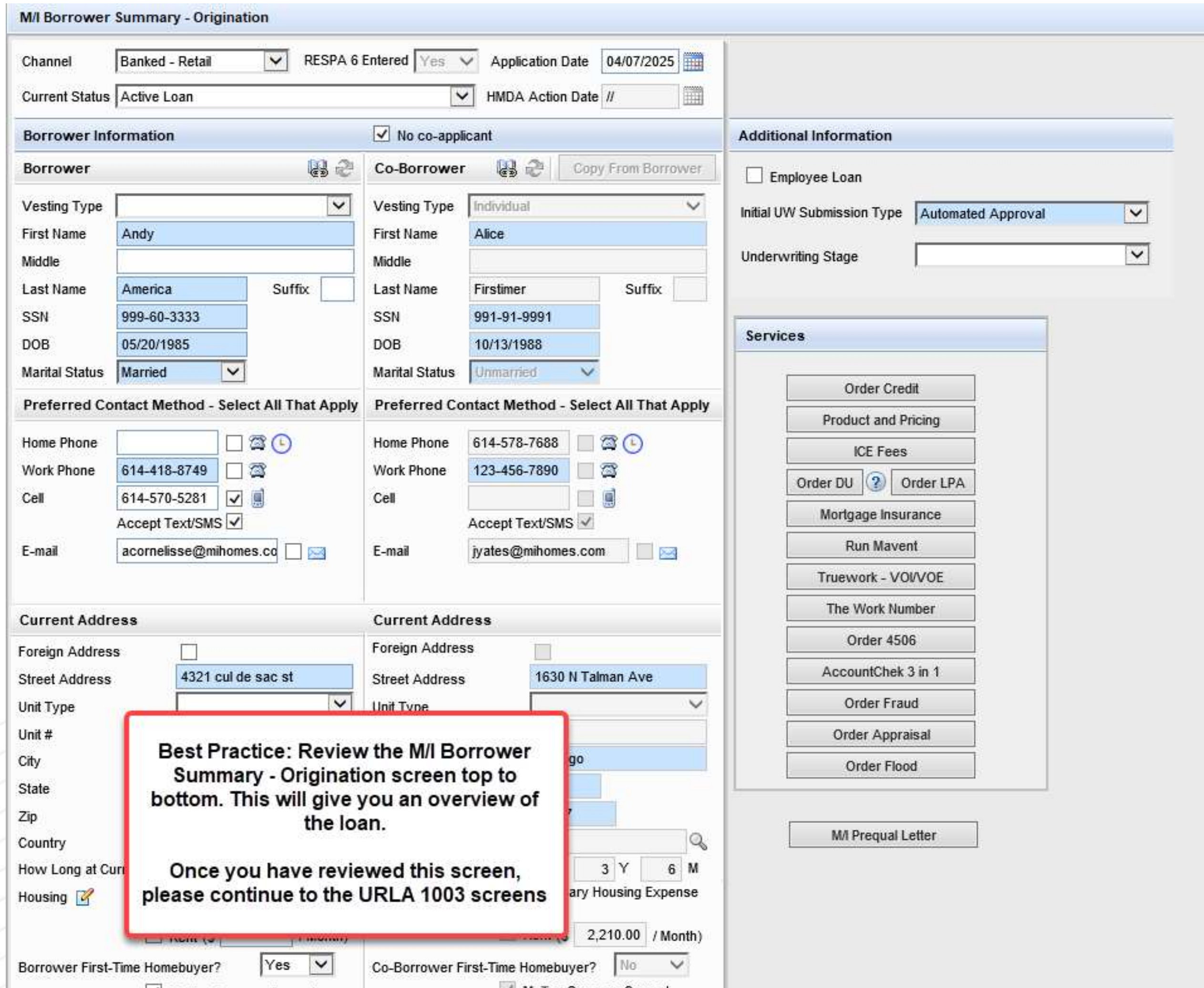
Reviewing a loan

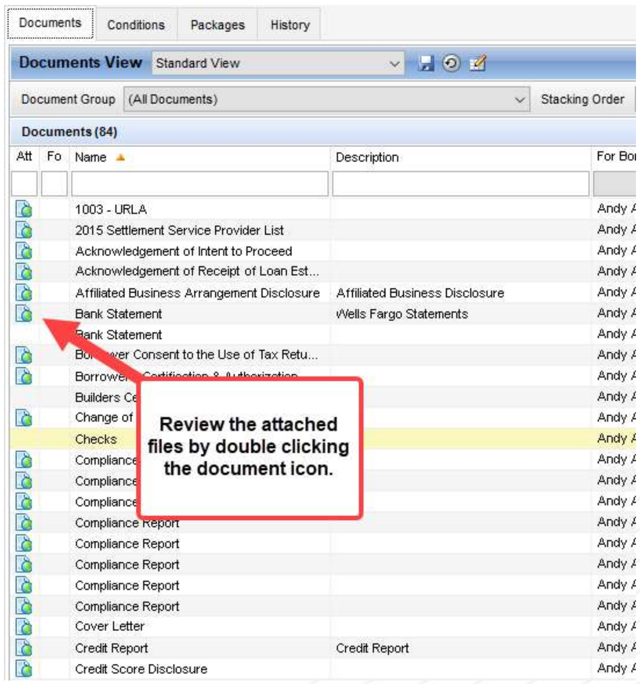
- Review the **M/I Borrower Summary** & **1003 URLA** screens

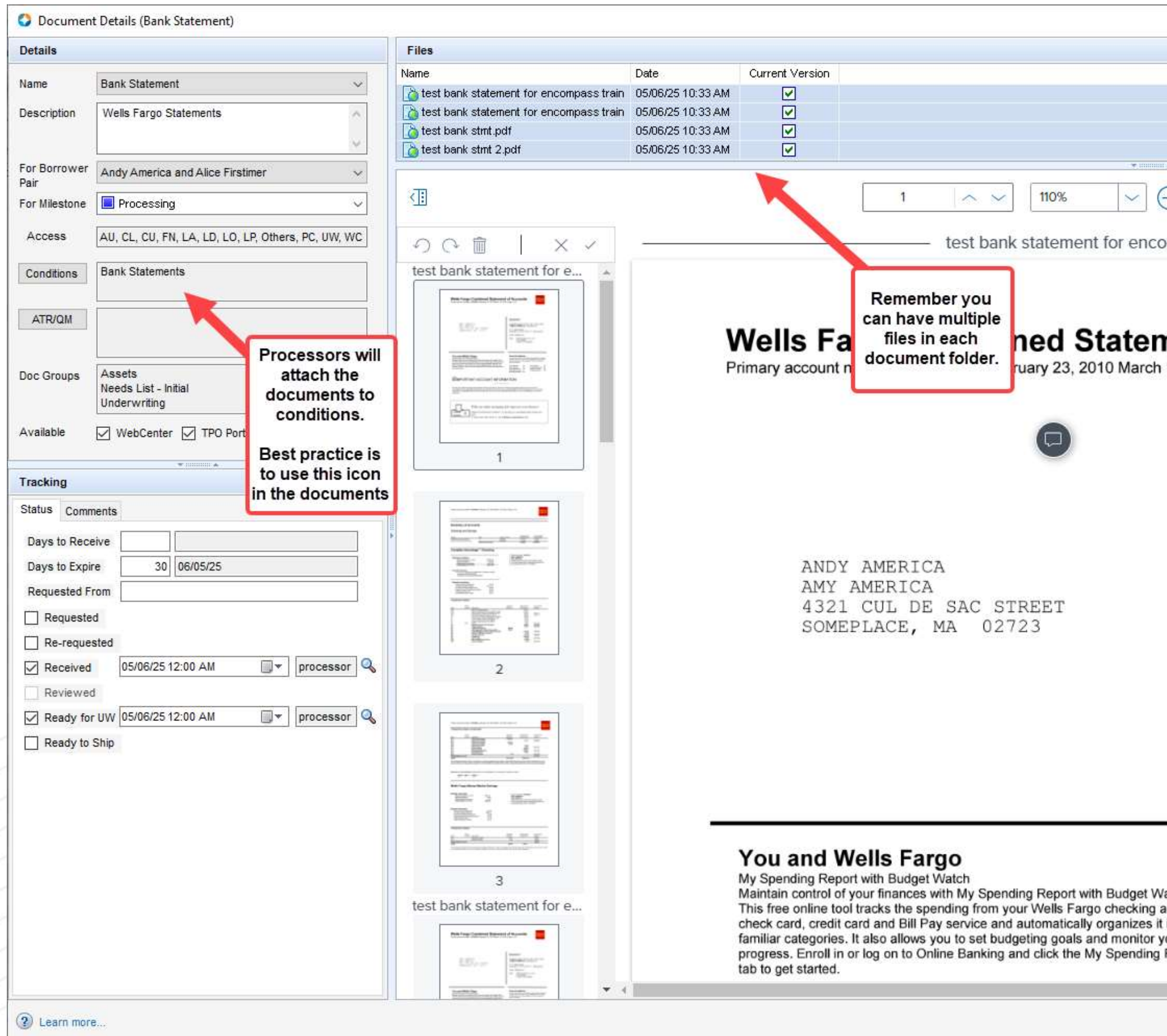




Reviewing a loan

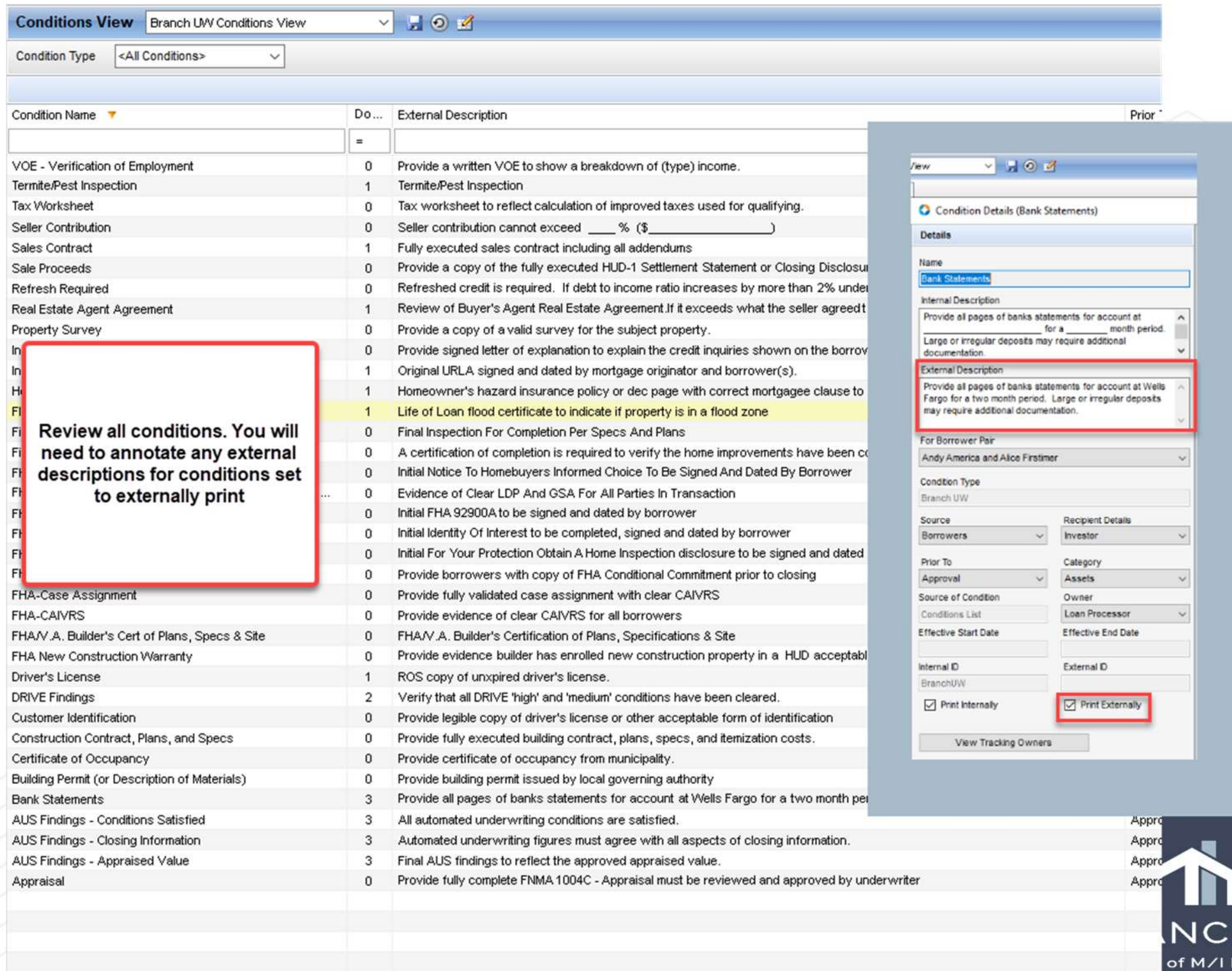
- Review **documents, UW conditions and Income & Credit analyzer**





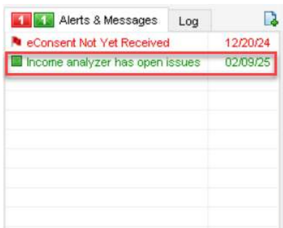
Reviewing a loan

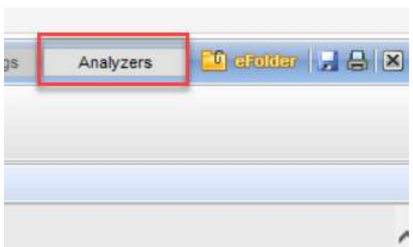
- Review **documents, UW conditions and Income & Credit analyzer**

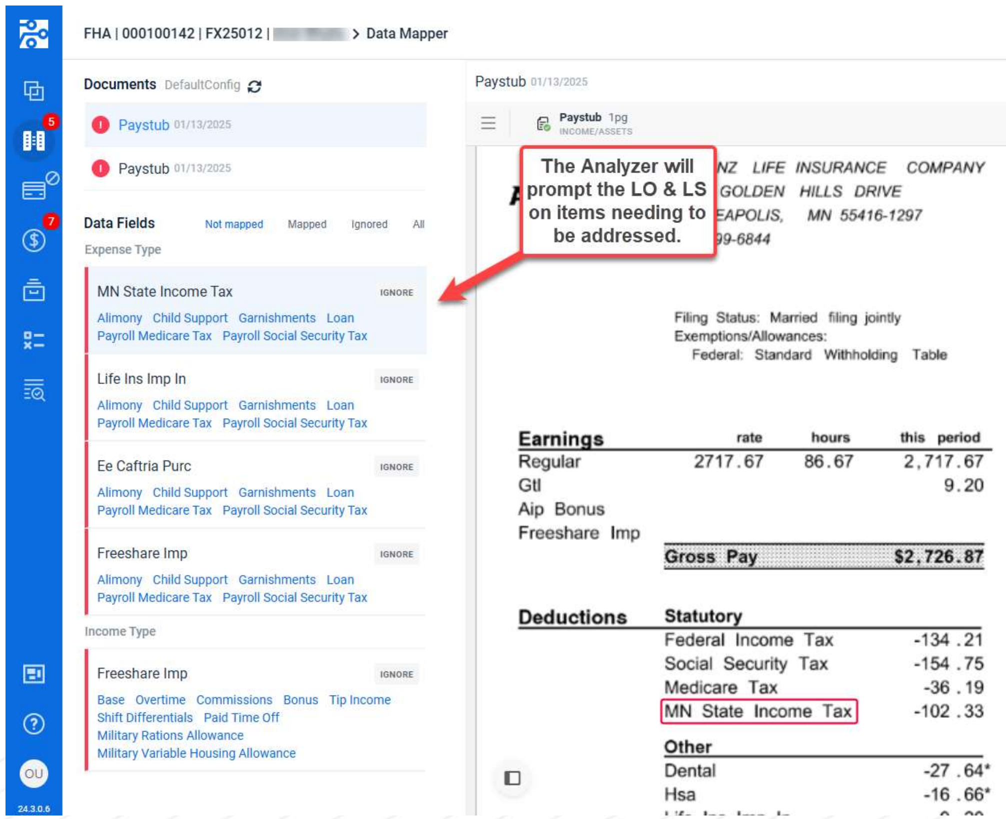


Reviewing a loan

- Review **documents, UW conditions and Income & Credit analyzer**







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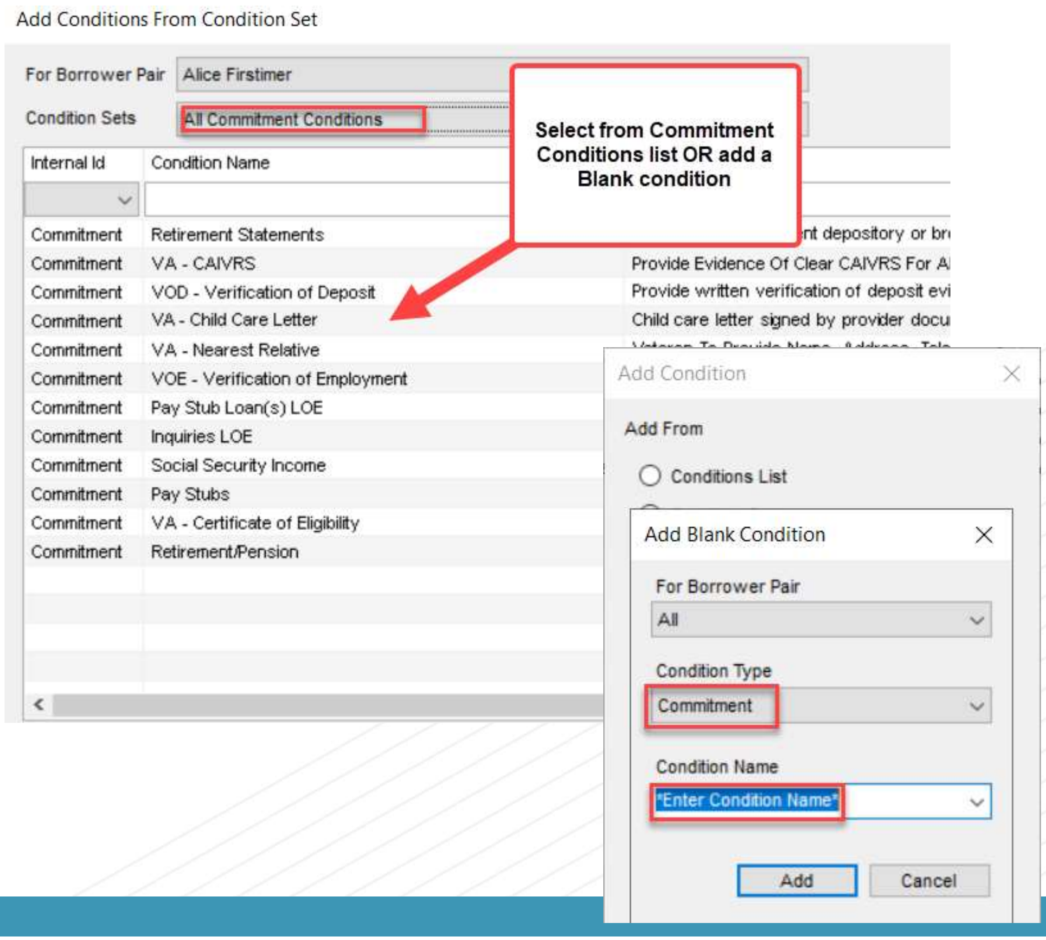
Reviewing a loan

- Add **Commitment Conditions,** if necessary



Best Practice:

Make sure to select condition from the **commitment condition set <u>OR</u> create a custom condition from blank conditions.**

If opting to add a **blank condition**, you need to select commitment type and "print externally" to ensure it pulls on Commitment Letter.

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Issuing a Commitment Letter

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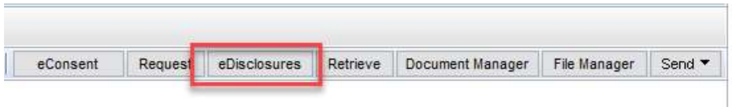
Issuing a Commitment Letter: Steps

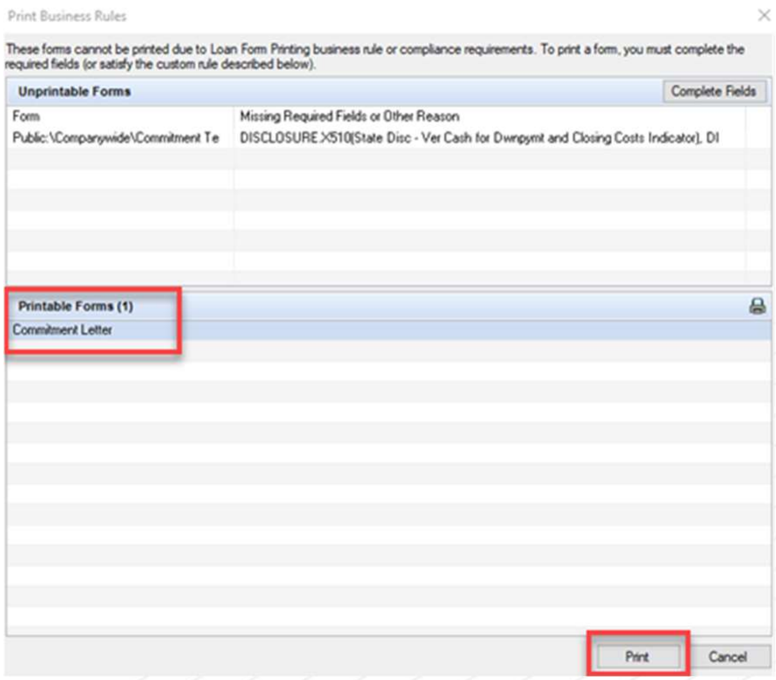
- Now that you've completed your review, go to the **eFolder** and select **eDisclosures**
- Preview the **Commitment Letter**
- Send **Commitment Letter** to borrowers
- Request **Documents**
- Contact borrowers and add notes to **conversation log**

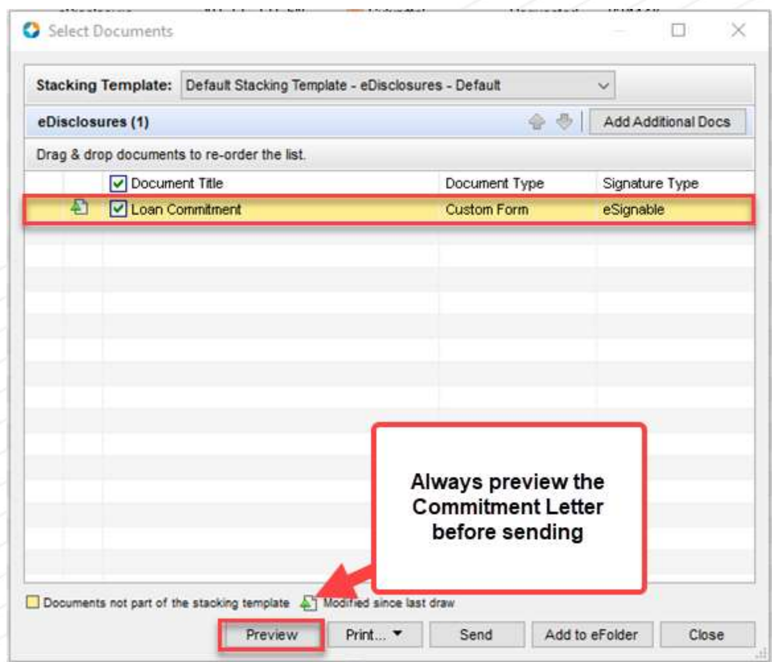
Issuing a Commitment Letter: Steps

- Now that you've completed your review, go to the **eFolder** and select **eDisclosures**



- Print & preview the **Commitment Letter**





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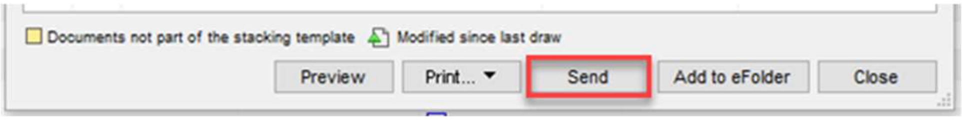
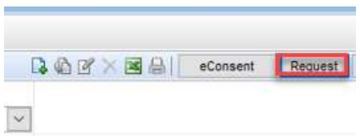
Issuing a Commitment Letter: Steps

- Send **Commitment Letter** to borrowers

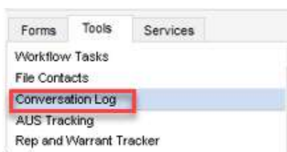


- Request **Documents** from the **eFolder**



- Call borrowers to **review the commitment letter**

- Add notes to **conversation log**



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Interactive Demonstration:

Reviewing a loan & issuing a Commitment Letter

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Processing the loan

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Processing the loan: Steps

- Now that you've completed the initial **review** of your loan, issued a **commitment letter** and **requested** any additional documents needed, it's time to process the loan.
- **Retrieve** & **review** additional documentation
- Run **Vendor Services**
- Prepare loan for **closing**
- Finalize loan **documentation**
- Submit for **10-day review &** final **clear to close**

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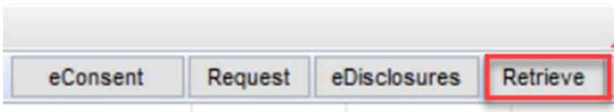
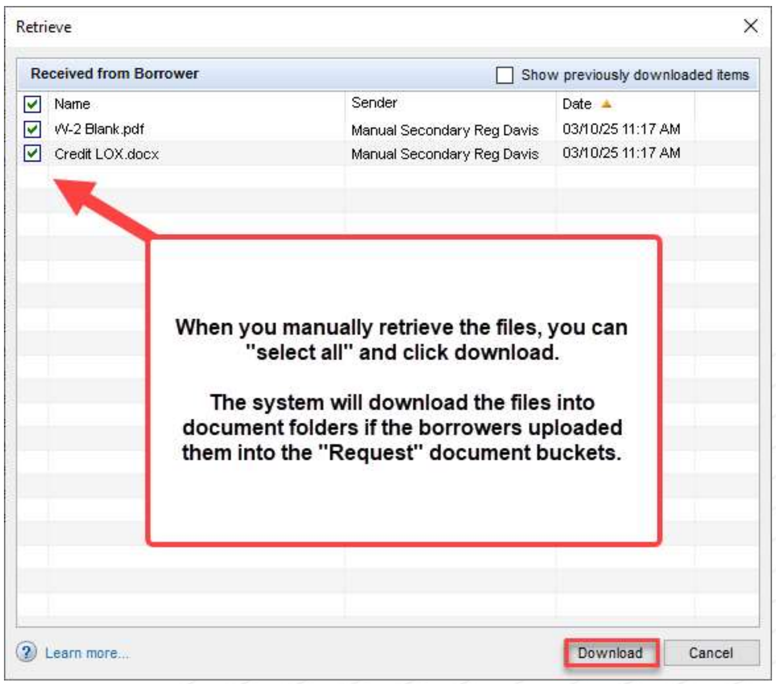
Processing the loan

- **Retrieve** & **review** additional documentation

Please note: Encompass now has an auto-retrieve feature. You must exit the loan for this feature to run.

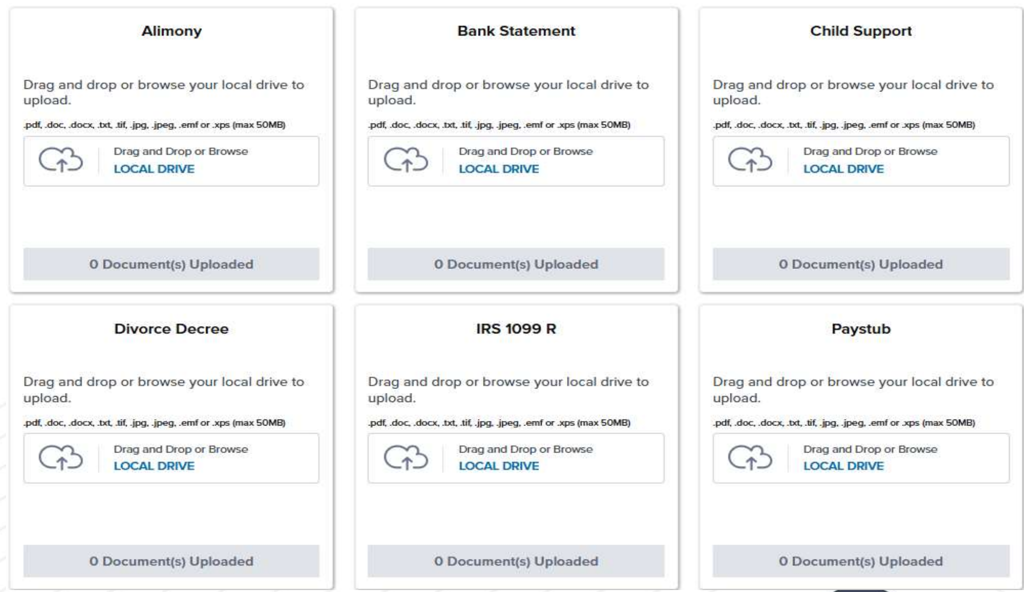
You can still opt to use the retrieve button if you are working in the loan.





When you manually retrieve the files, you can "select all" and click download.

The system will download the files into document folders if the borrowers uploaded them into the "Request" document buckets.



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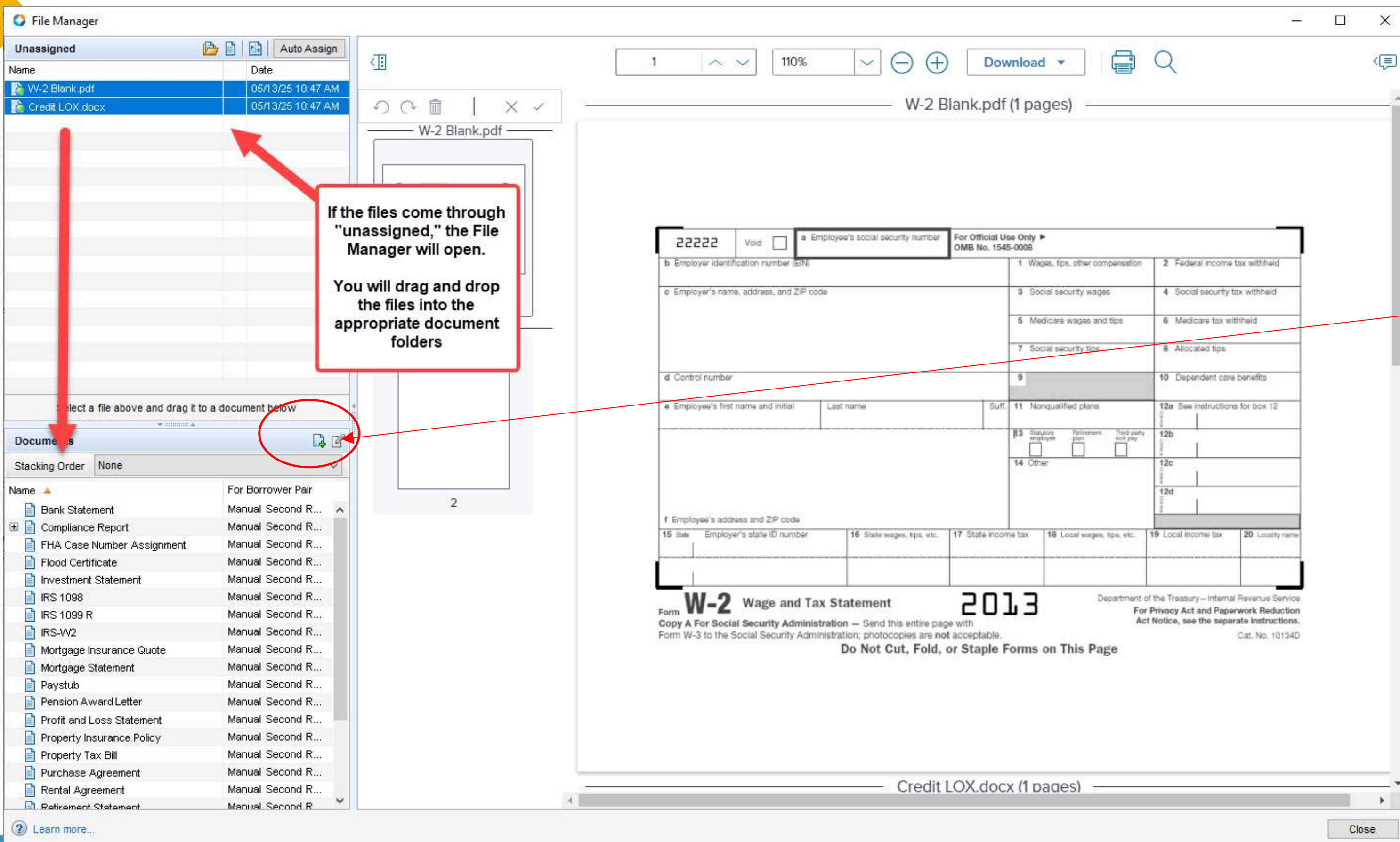
Processing the loan

- **Retrieve** & **review** additional documentation.

Best Practice – Throughout the processing of the loan, check the File Manager for any unassigned documents that may have come in.



If you do not see a folder in the documents area to drag and drop the unassigned document to, you can create a new folder by selecting the plus sign.

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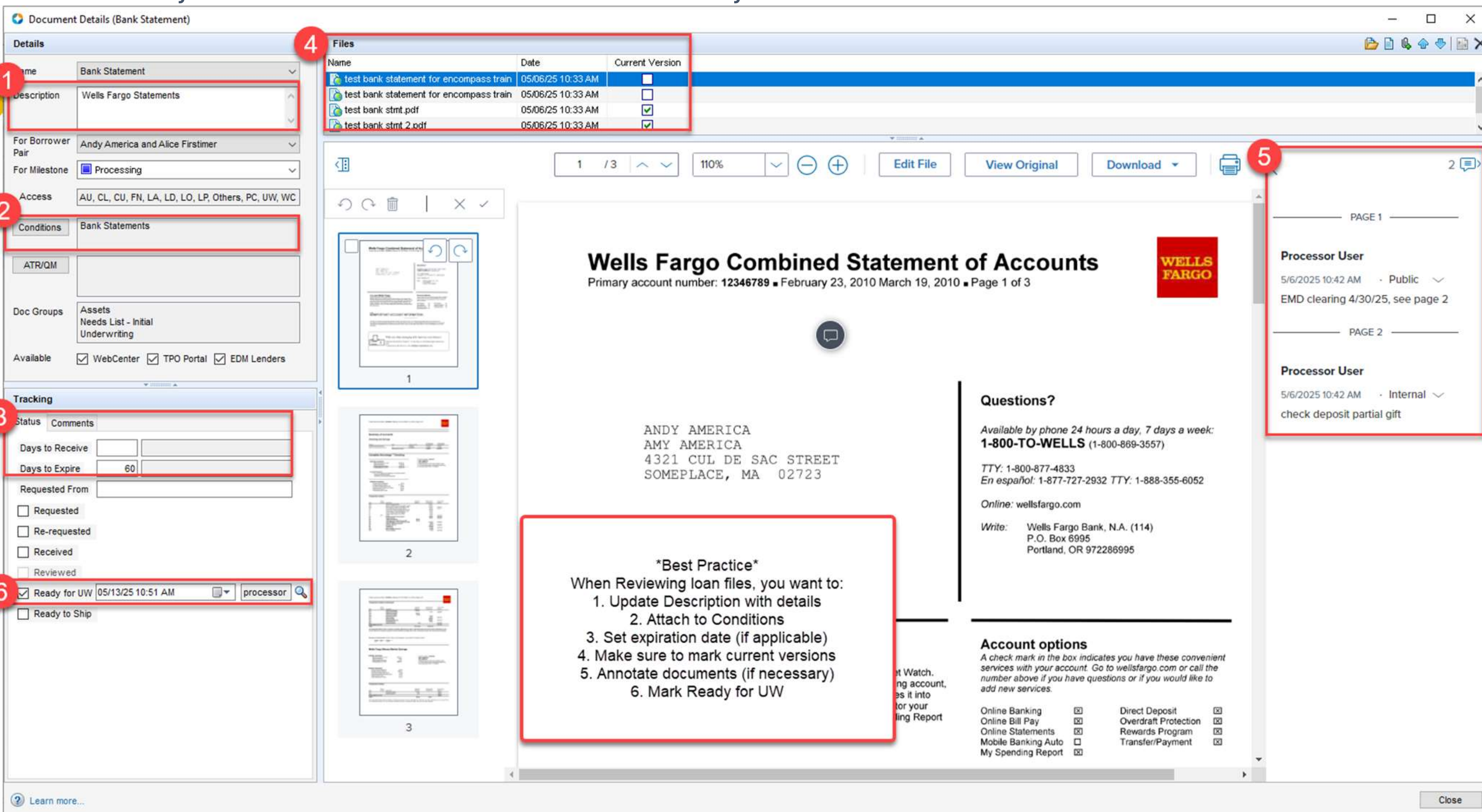
Processing the loan

- Once you've retrieved the documents, you will **review** the documents.

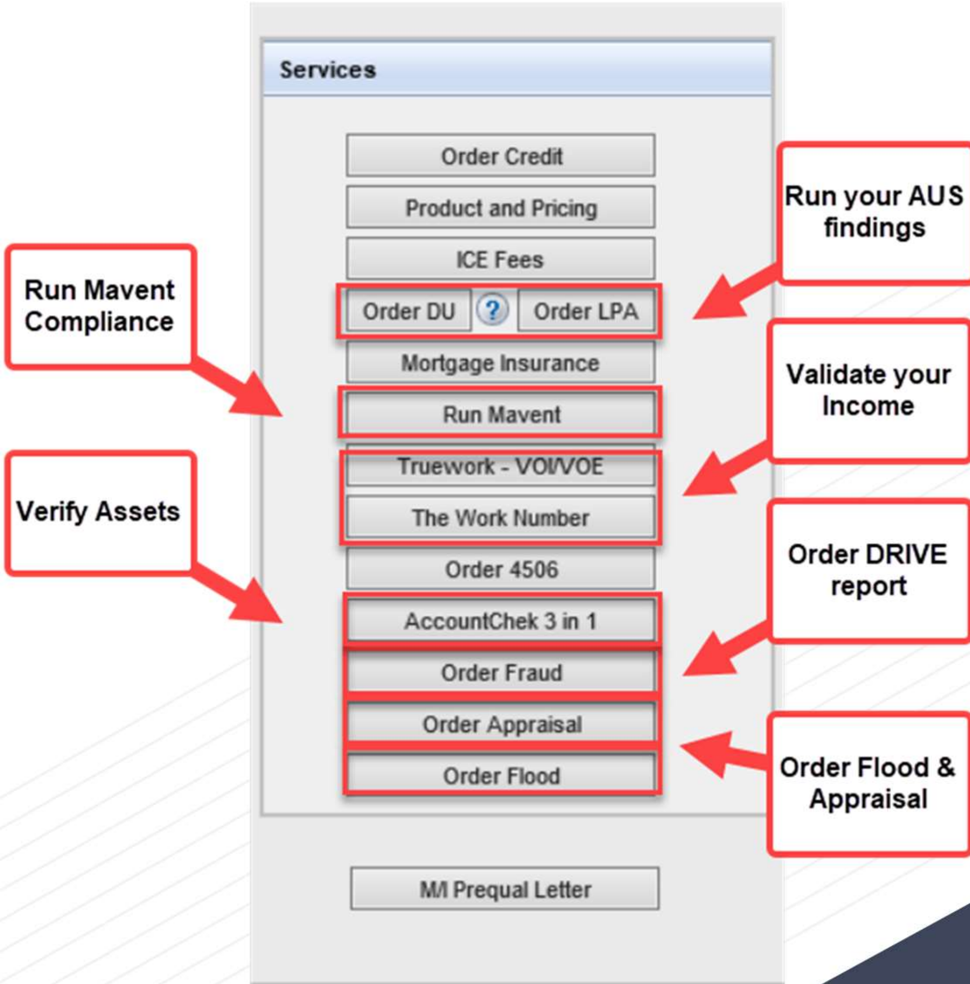


Processing the loan

- Run **Vendor Services**

Please note, our **Vendor Services** training will provide a deep dive into each service.

This will be assigned to you in a separate course!



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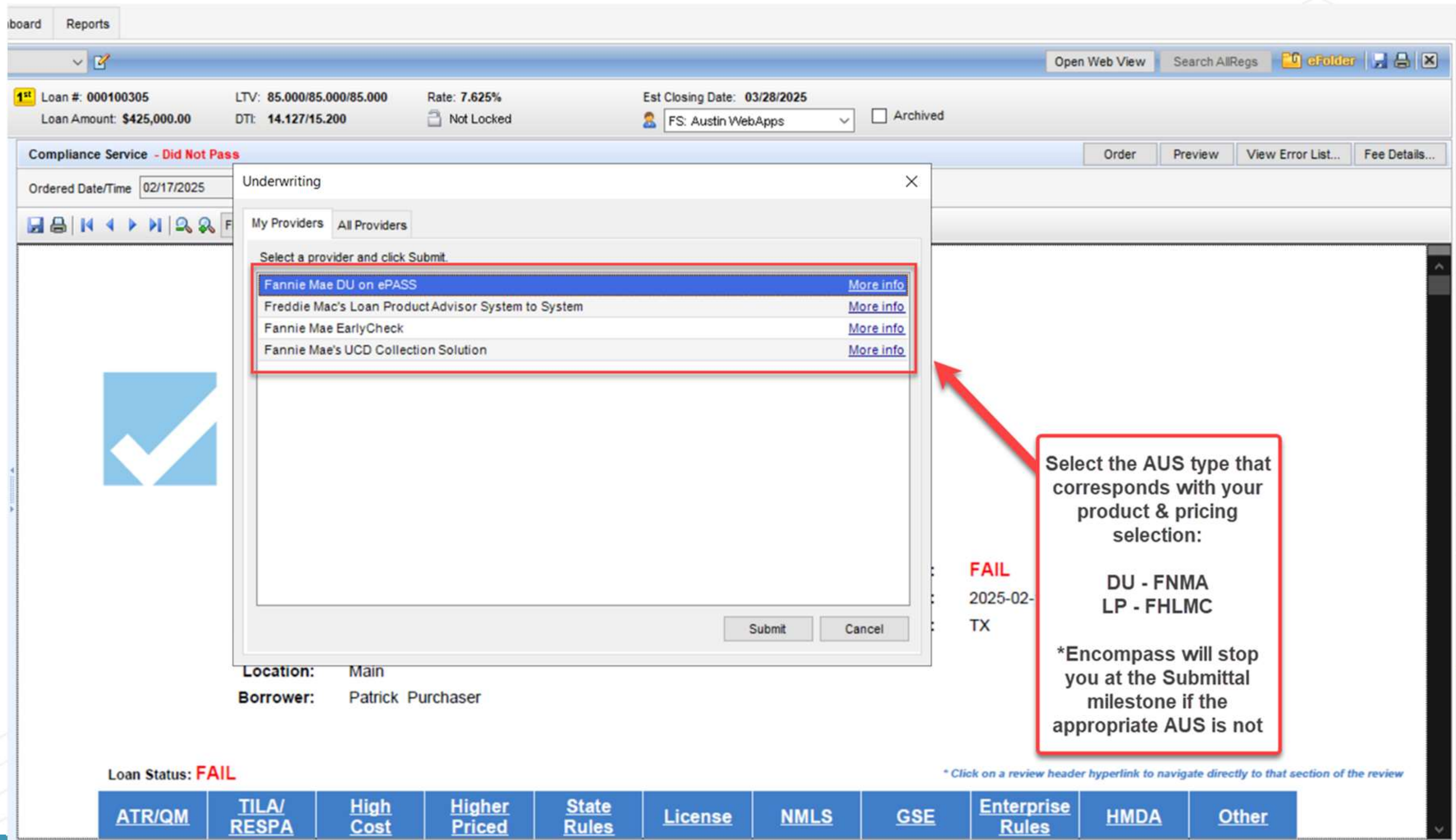
Processing the loan

- Run **Vendor Services**
  - AUS



Processing the loan

- Run **Vendor Services**
  - Mavent

- Unlike RegsData today, we CANNOT close a loan with a **FAIL** in Mavent. Fails should be reviewed and troubleshooted for resolutions.
- **Mavent should be run:**
  - **Prior to initial disclosures**
  - **Anytime a CIC is issued/At Lock**
  - **During processing, prior to "ready for CD"**
  - **Closing**

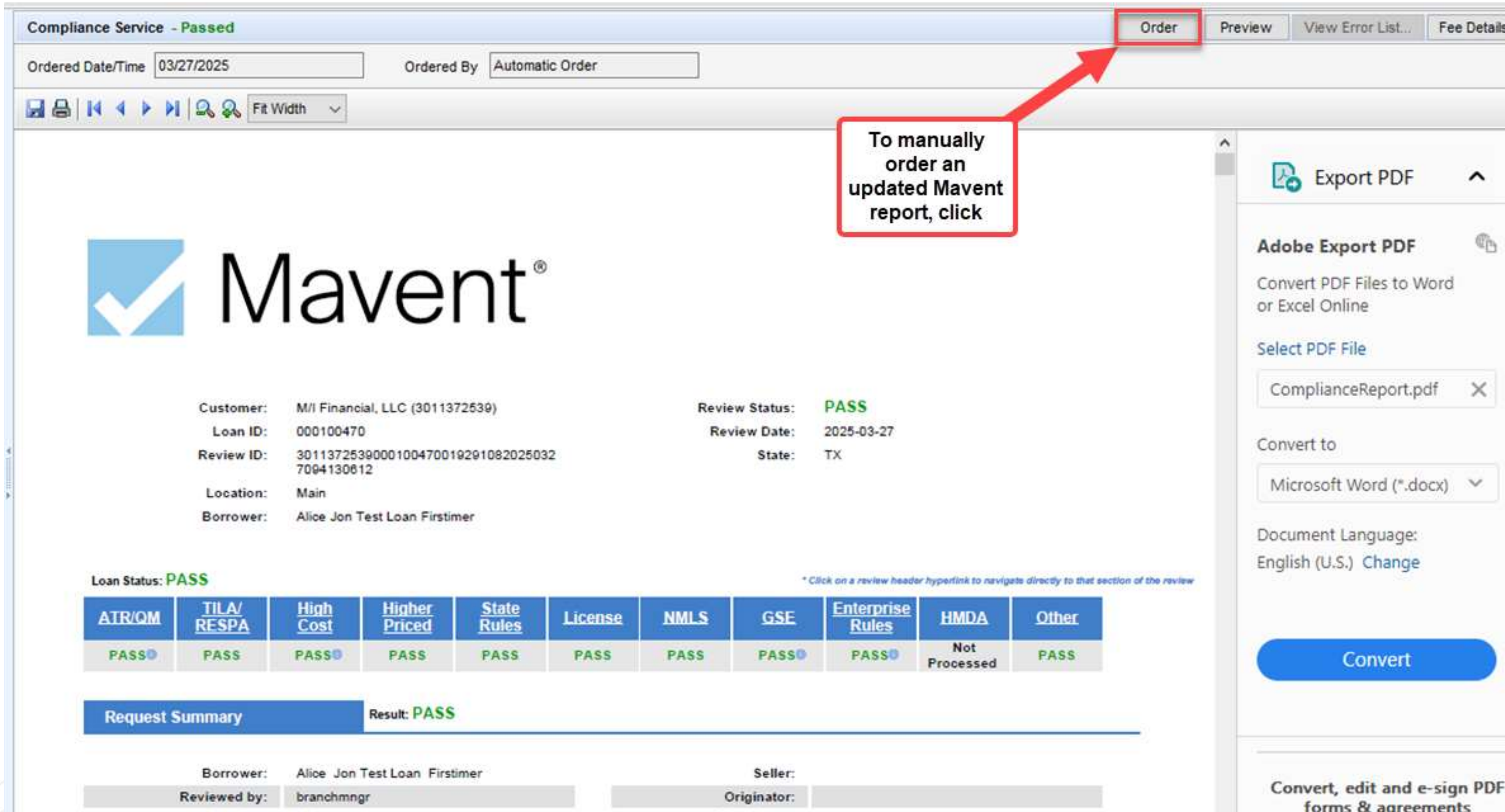
Mavent will automatically run at the following milestones.

Your loan officer will be ***required*** to run Mavent before submitting to UW (an alert is set up in Encompass)

Milestone	Preview	Review
Application	☐	☐
Submittal	☐	☐
Cond. Approval	☐	☑
Processing	☐	☐
Cond. Review	☐	☐
Clear to Close	☐	☑
Ready for Docs	☐	☐
Docs Out	☐	☑
Funding	☐	☐
Post Closing	☐	☐
Purchasing	☐	☐
Completion	☐	☐

Processing the loan

- Run **Vendor Services - Mavent**

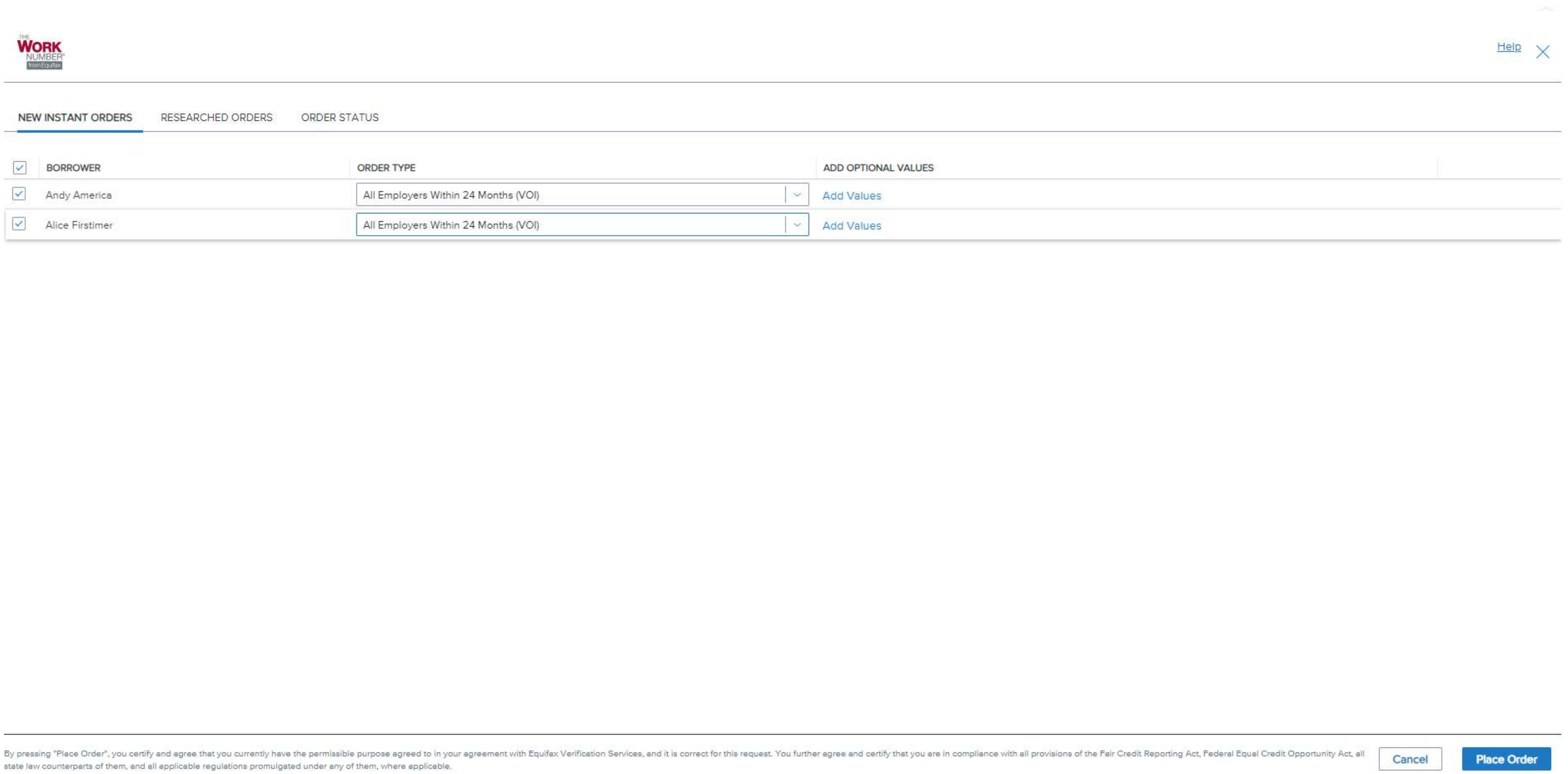


If you do get a warning or fail, utilize Encompass Resource Center to research.

**refer to Encompass – Vendor Services job aid for further instruction.

Processing the loan

- Run **Vendor Services – TruWork & Work Number**



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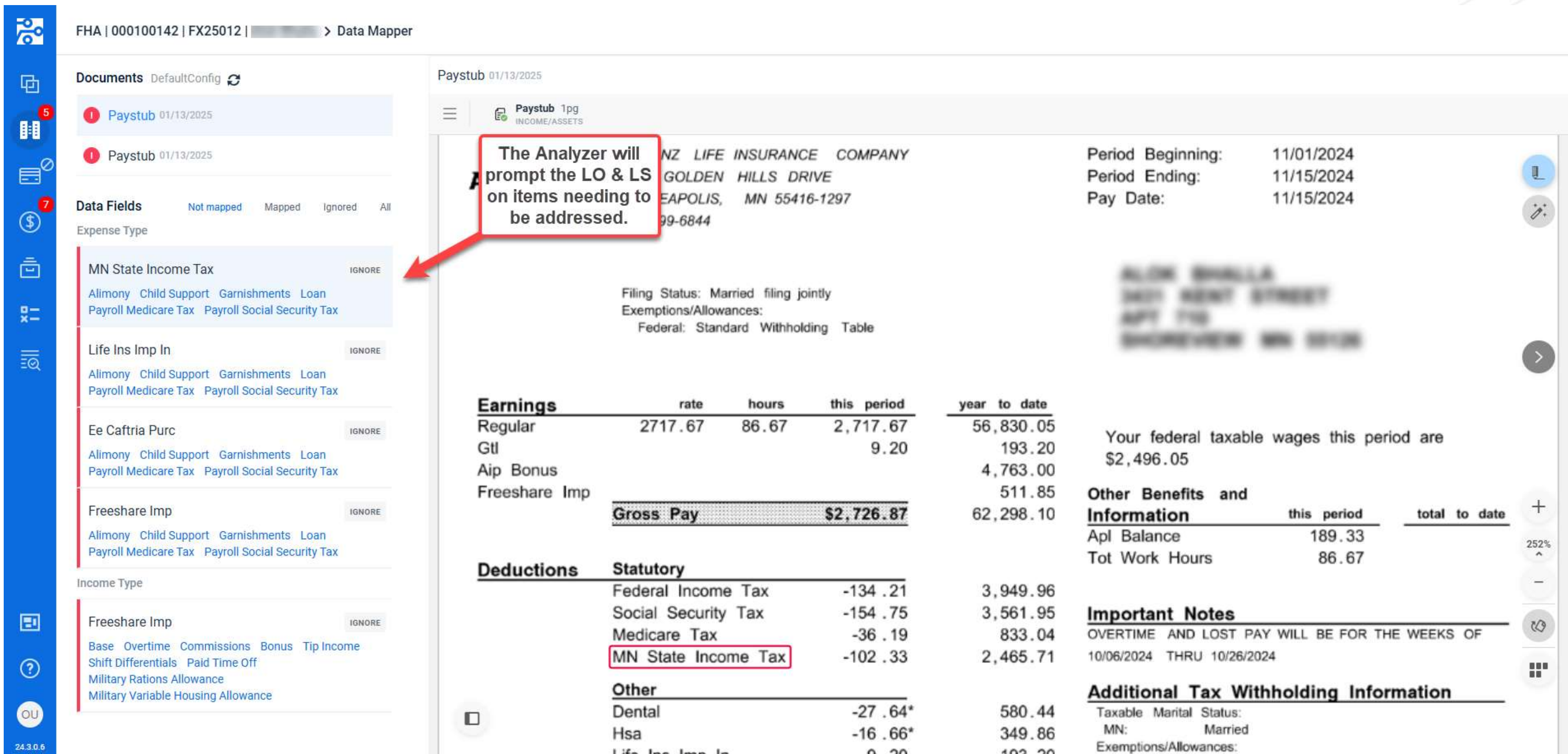
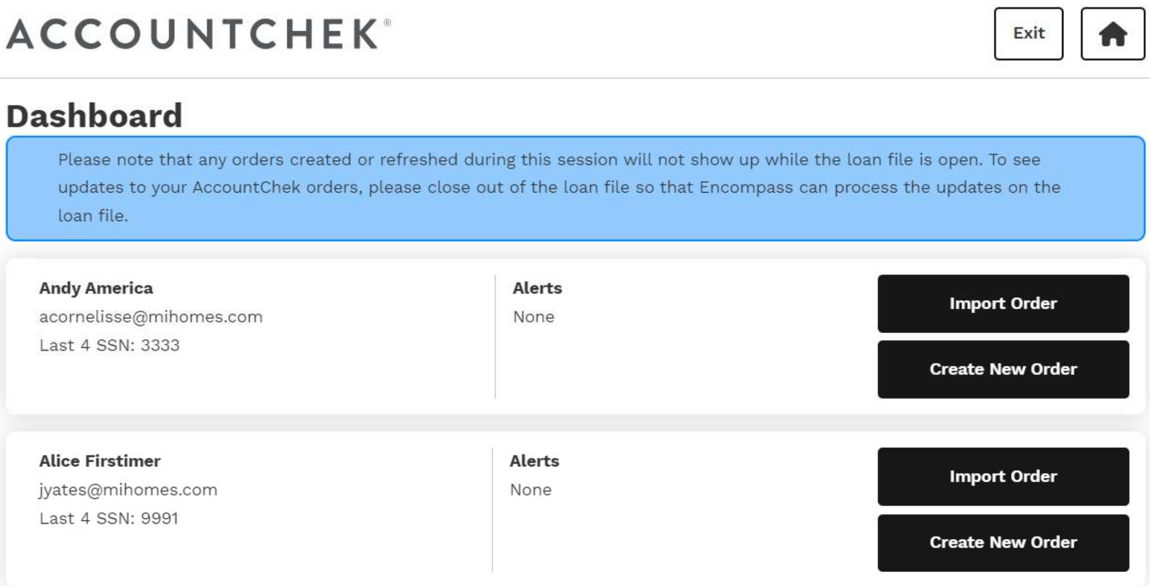
Processing the loan

- Run **Vendor Services – Analyzer**



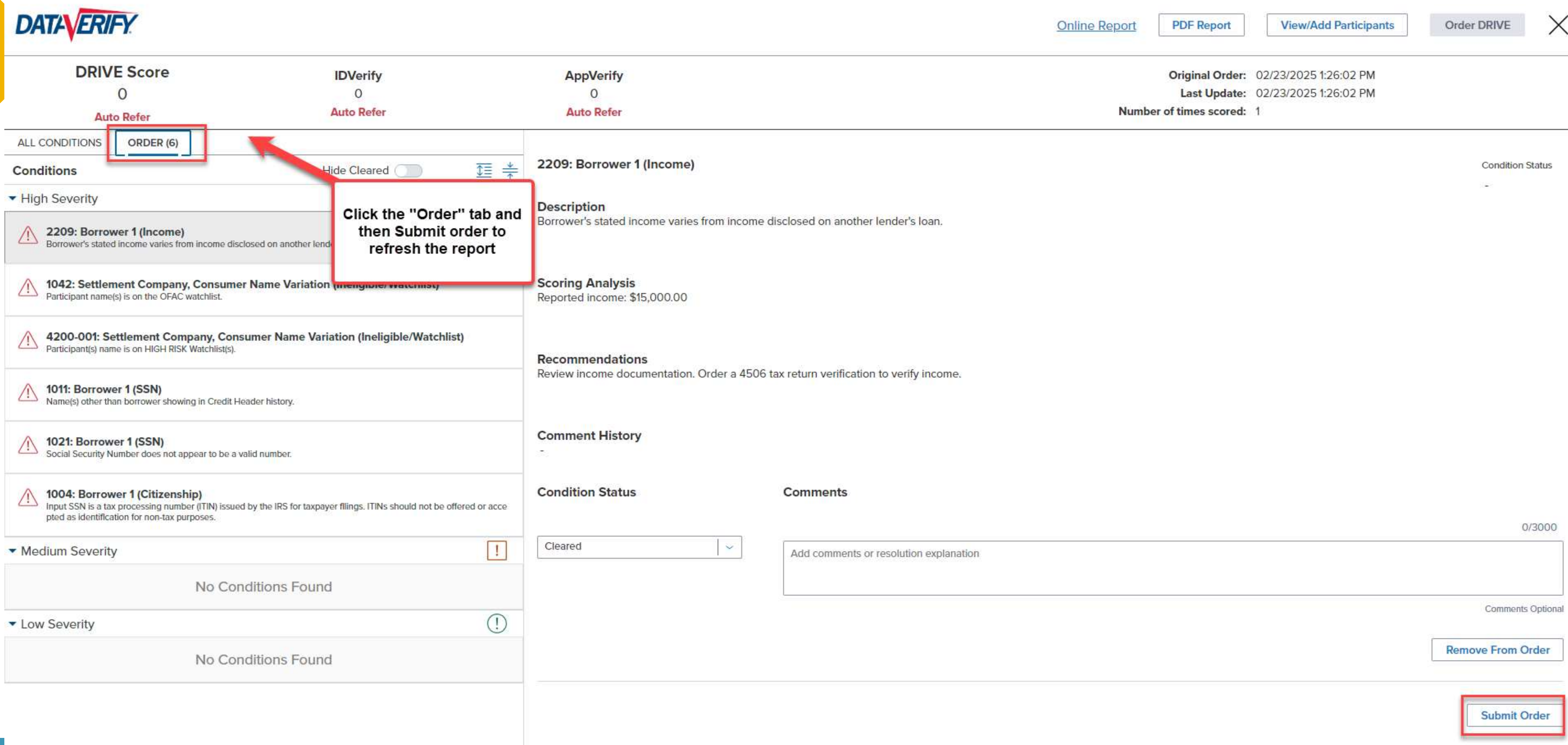
Processing the loan

- Run **Vendor Services – AccountChek**



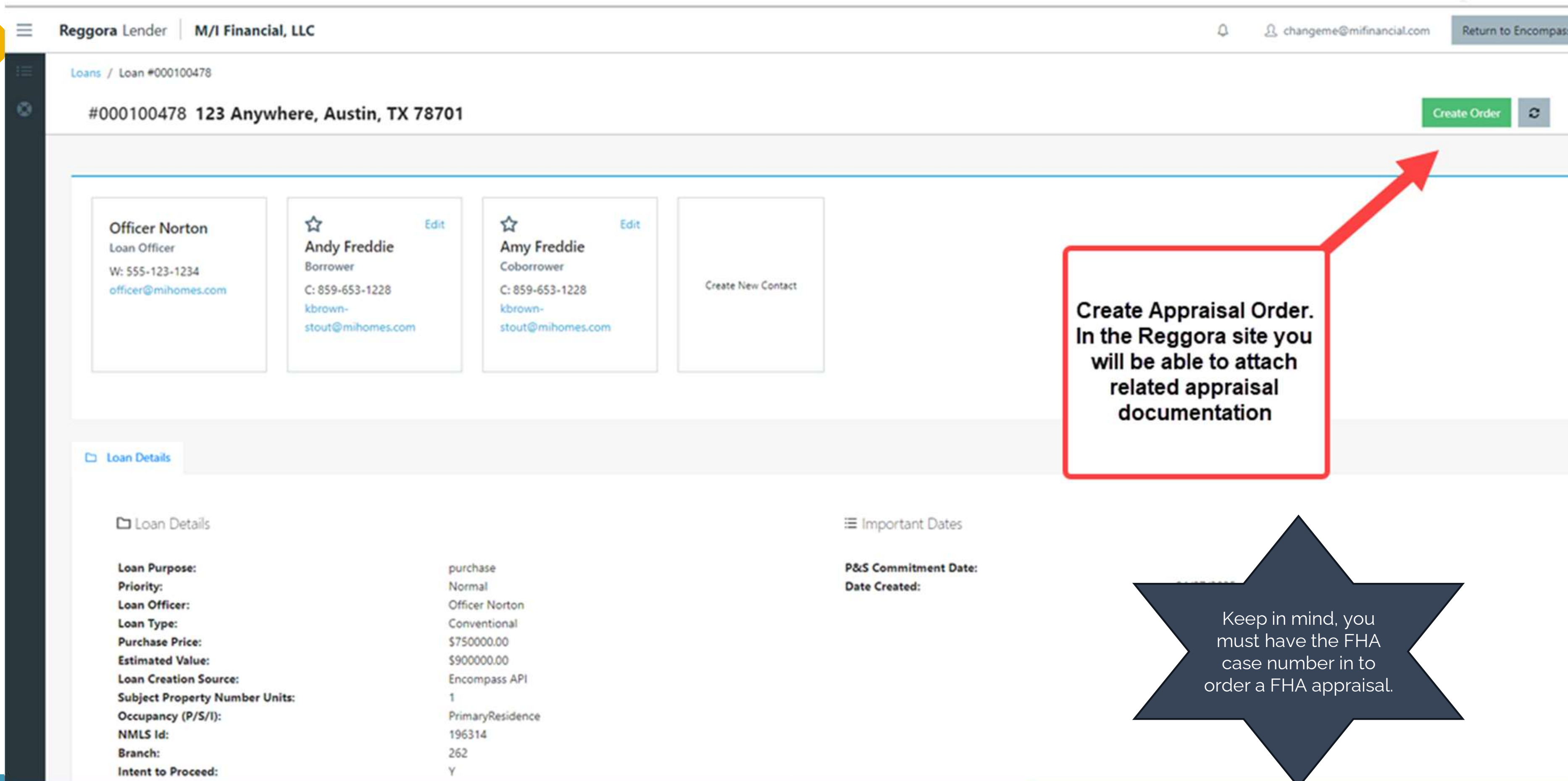
Processing the loan

- Run **Vendor Services – Drive**



Processing the loan

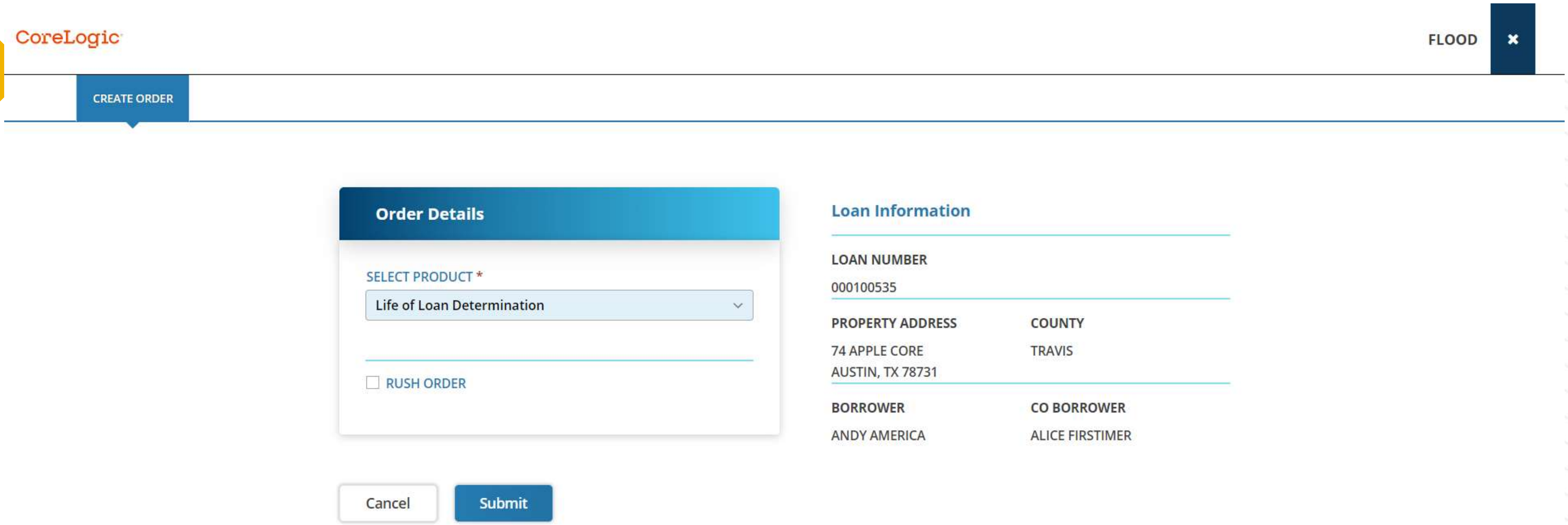
- Run **Vendor Services – Appraisal**



LLC

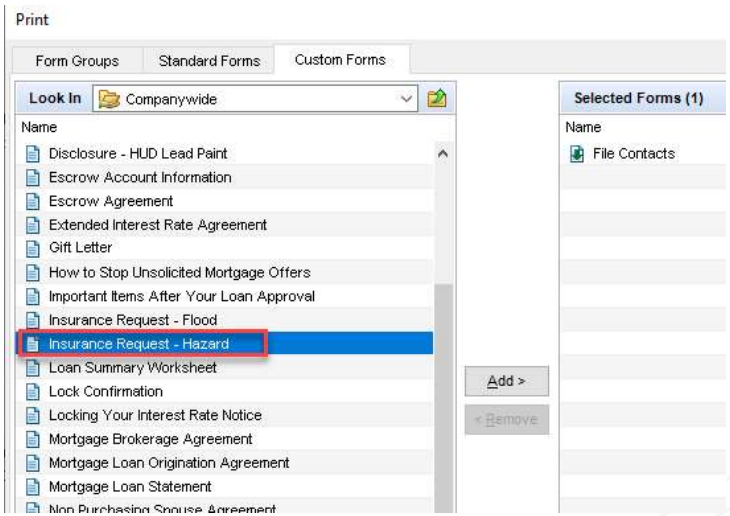
Processing the loan

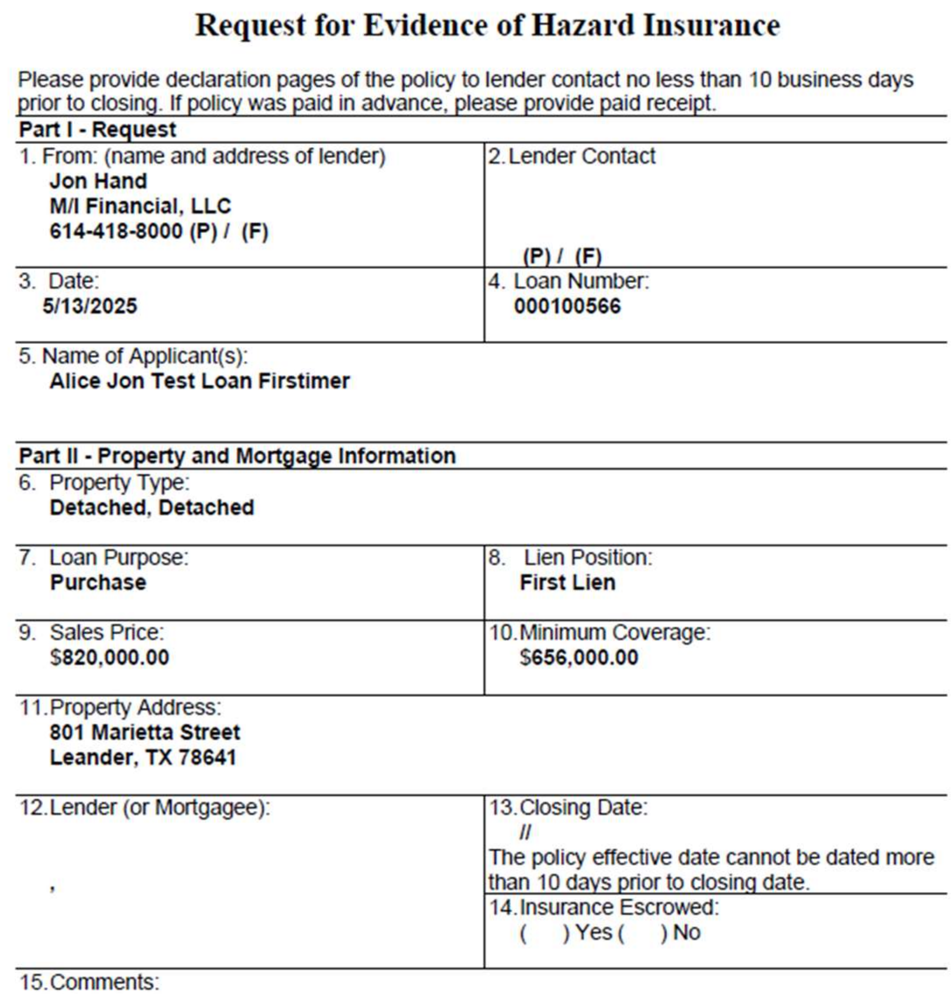
- Run **Vendor Services – Flood**



Processing the loan

- Run **Vendor Services – Request HOI**





Request for Evidence of Hazard Insurance

Please provide declaration pages of the policy to lender contact no less than 10 business days prior to closing. If policy was paid in advance, please provide paid receipt.

Part I - Request

1. From: (name and address of lender) **Jon Hand** **M/I Financial, LLC** **614-418-8000 (P) / (F)**	2. Lender Contact **(P) / (F)**
3. Date: **5/13/2025**	4. Loan Number: **000100566**
5. Name of Applicant(s): **Alice Jon Test Loan Firstimer**	

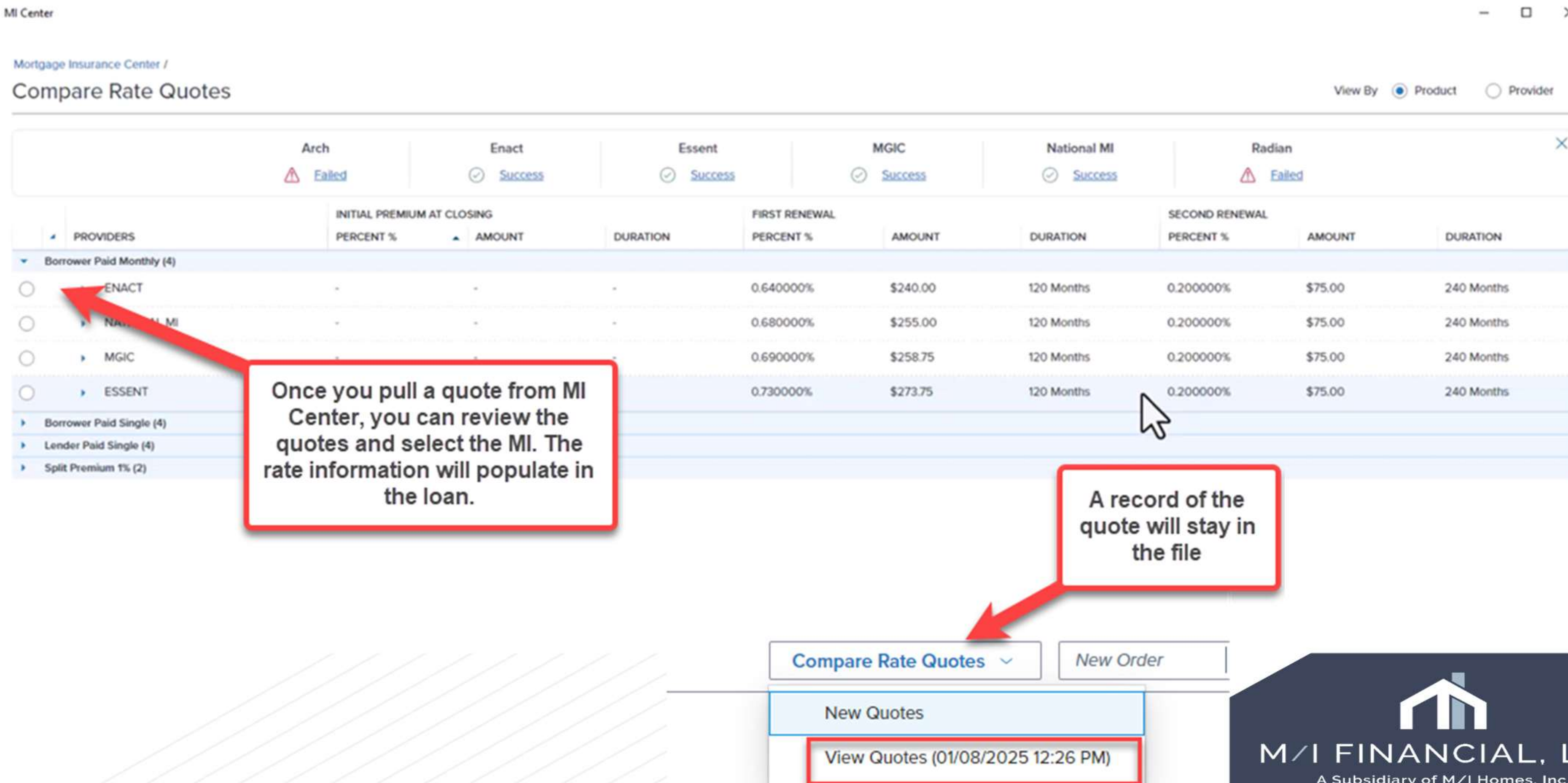
Part II - Property and Mortgage Information

6. Property Type: **Detached, Detached**	
7. Loan Purpose: **Purchase**	8. Lien Position: **First Lien**
9. Sales Price: **$820,000.00**	10. Minimum Coverage: **$656,000.00**
11. Property Address: **801 Marietta Street** **Leander, TX 78641**	
12. Lender (or Mortgagee): ,	13. Closing Date: // The policy effective date cannot be dated more than 10 days prior to closing date. 14. Insurance Escrowed: ( ) Yes ( ) No
15. Comments:	

Pro Tip –
Within Print Custom Forms, you can also access Gift Letters and Appraisal Waivers.

Processing the loan

- Run **Vendor Services – Request PMI**



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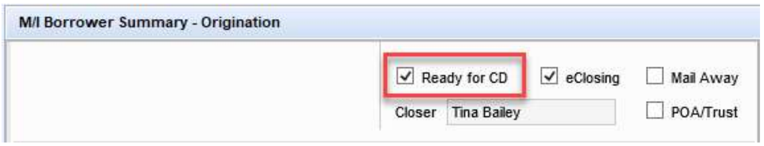
Processing the loan

- Prepare loan for **closing (Ready for CD)** once we have our required loan info: Loan is locked, confirmed closing date, HOI, PMI, Appraisal.

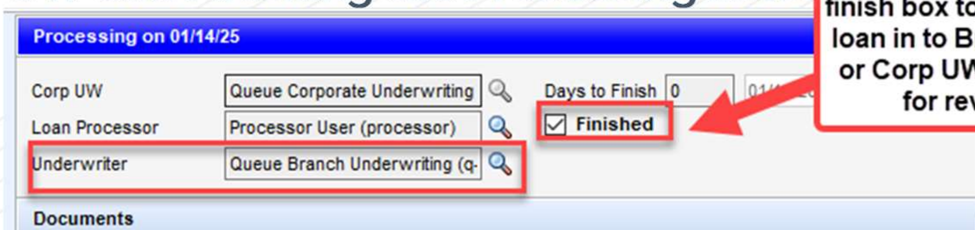


We will do a deep dive on the next section of this training!

- Finalize loan documentation – clean up eFolder, make sure documents are assigned to conditions and that all required conditions have been met.

- Submit for **Conditional Review (10-day pending) by assigning UW and Finishing the Processing miles**

Select the Underwriter queue & check the finish box to move the loan in to Branch UW or Corp UW pipeline for review



We will do a deep dive on the next section of this training!

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Ready for CD

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Ready for CD: Steps

- Prepare loan for **closing (Ready for CD)** once we have our required loan information.
    - Loan is **locked**
    - Confirmed **closing date**
    - **HOI**
    - **PMI**, if applicable
    - **Appraisal**, unless VA or on exception basis
- Enter the **unimproved tax** amount in the **2015 Itemization** screen
- Confirm the **final sales price.**
- Double check your **interested party contributions/seller credits** have not been exceeded.
- Update the **file contacts** for HOI, PMI, etc.
- Add notes to the **conversation log** for closer.
- Check the **Ready for CD** box.

The underlined information can quickly be confirmed by reviewing the **M/I Borrower Summary – Origination** screen

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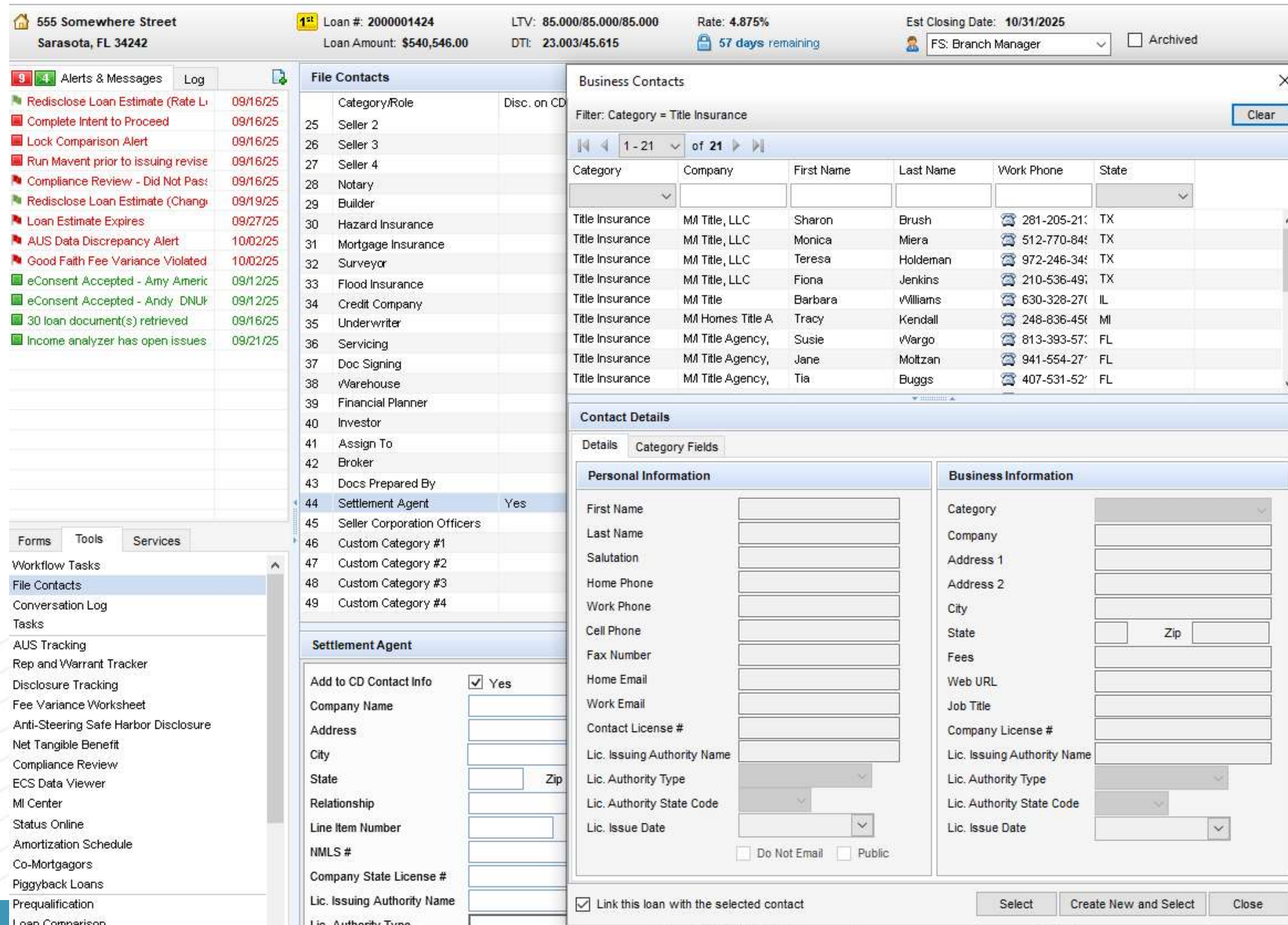
Ready for CD – If you have an Outside Title Company

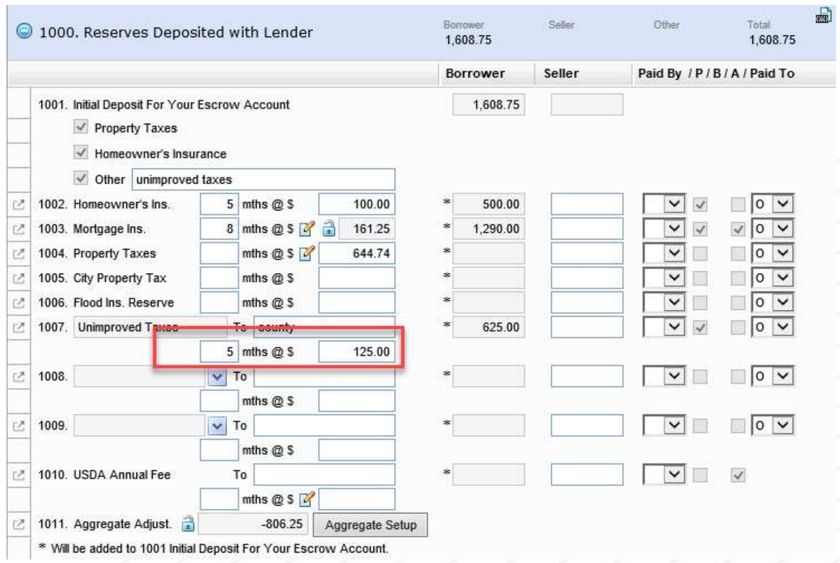
When you have an outside title agency, you will need follow the same OST process and send a request to John and Kate.
They will have the Settlement Agent and Title Insurance Company added to the contacts.



Ready for CD

- Enter the **unimproved tax** amount in the **2015 Itemization** screen

Go to **2015 Itemization**, then enter the unimproved amount in Section 1000 to enter the unimproved taxes



- Update the **file contacts** for HOI, PMI, etc. – enter HOI under the Aggregate Escrow Account screen
- Add notes to the **conversation log** for closer.

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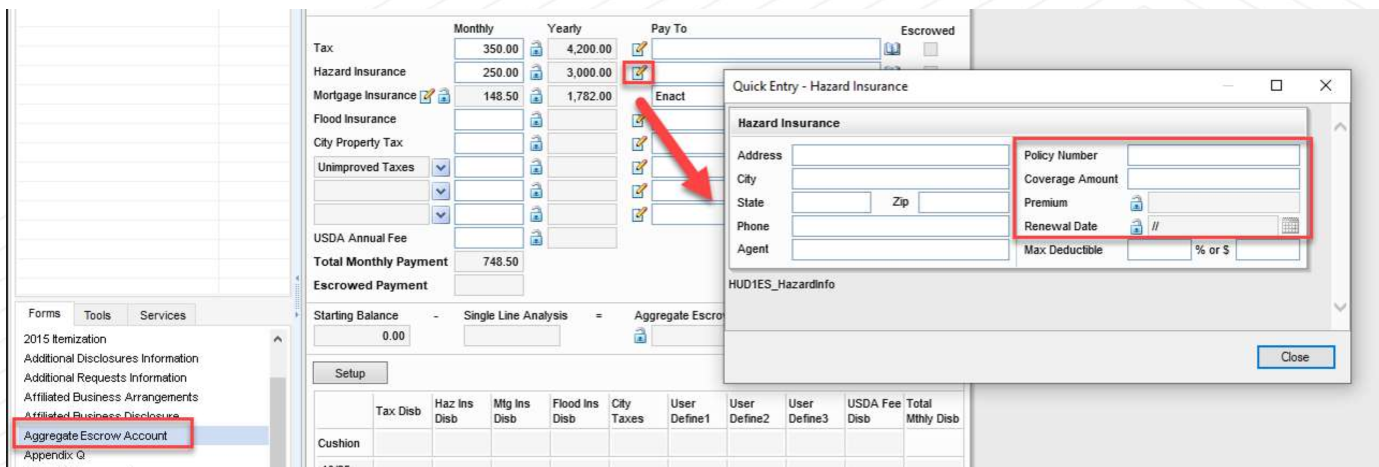
Ready for CD – Updating Homeowners

Updating Homeowner's Insurance:

Update the File Contacts from the Tools tab.

In Forms, Aggregate Escrow Account, click the paper and pencil icon next to Hazard Insurance to open the screen. You will need to complete the following fields:

- Policy Number
- Coverage Amount
- Premium
- Renewal Date

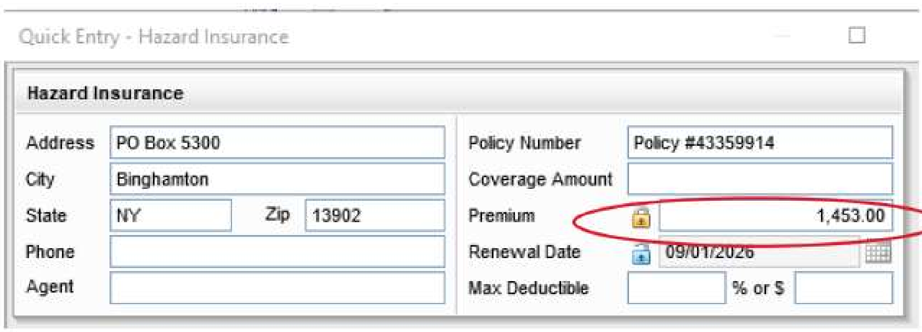


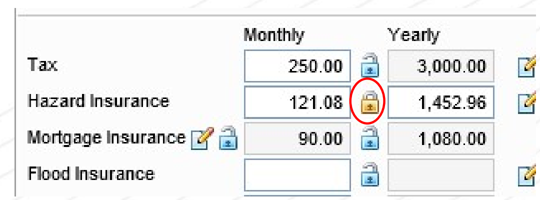
Ready for CD – Updating Homeowners

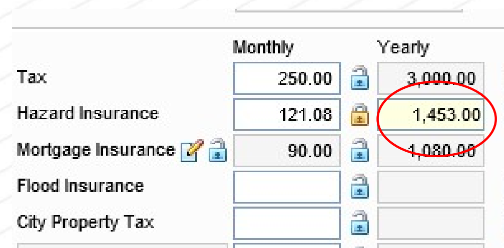
1. Enter the exact premium amount that matches the policy, click on the lock button. (It will turn yellow)
Then add the yearly premium amount. Then press close.

2. Manually divide the annual premium by 12 and enter into the monthly box. Once Manually entered, the yearly amount next to it will populate/update.

If the Yearly amount that populates is not the EXACT premium amount, you will need to then click the lock icon next to the monthly amount. It will turn yellow, then you can correct the yearly premium.
Correcting the HOI premium on this screen will ensure the escrow account reflects the correct amount.







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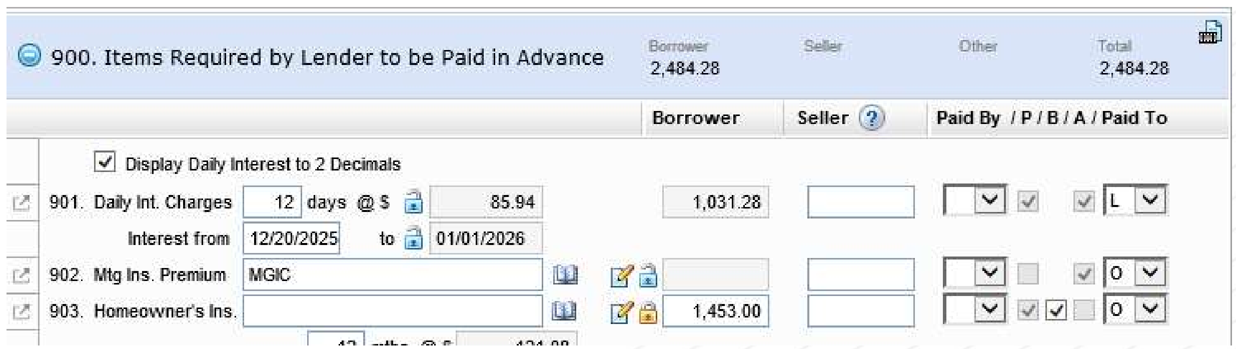
Ready for CD – Updating Homeowners

To confirm the insurance premium and payment is updated, you will need to verify this information carried over to the 2015 itemization screen.

If it is not showing correctly, repeat the steps by clicking the lock button and manually entering the correct amount.

This will ensure the 1st year premium on page 2 of the CD is accurate.

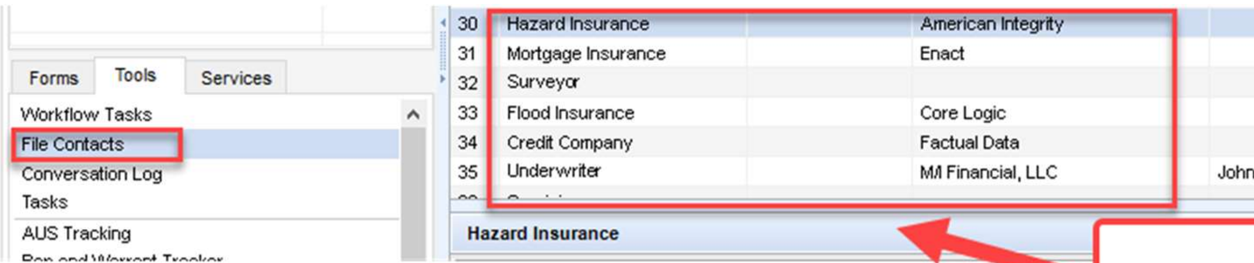


If you get a positive aggregate adjustment (in section 1000) amount ($0.04), delete it.

As a reminder: Policy Number, coverage amount, and premium amount are required entries in Encompass. If coverage amount is missing, it causes issues when delivering the file to FNMA.

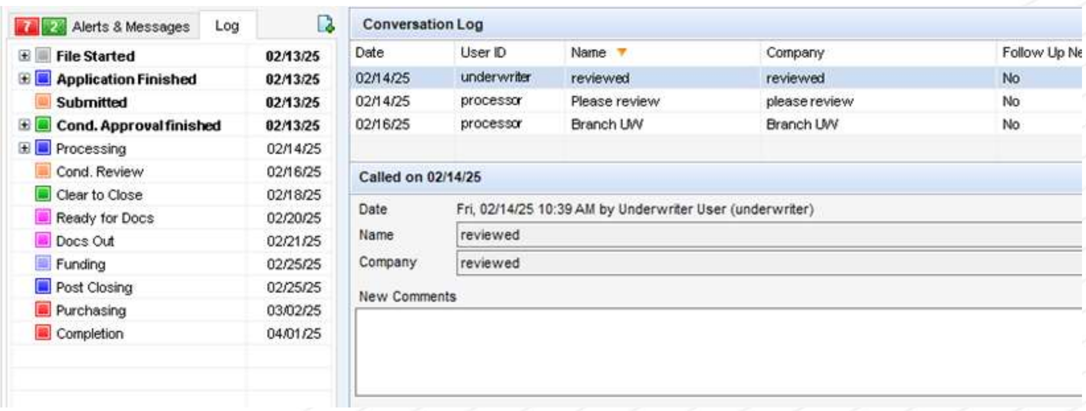
Ready for CD

- Update the **file contacts** for HOI, PMI, etc.



Go to file contacts to verify HOI and PMI have been completed and entered prior to submission to closing

- Add notes to the **conversation log** for closer.



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Ready for CD

- Check the **Ready for CD** box.

Checking "**Ready for CD**" will push the loan into the closing pipeline for CD to be worked.

It is imperative we ensure our files are ready for CD before sending them to closing to be worked

It is important to note that all loans will automatically be enrolled in eClosing.

It is up to the branch to uncheck the eClosing box if the loan does not qualify for eClosing.

The branch should also indicate if it is a Mail Away, POA or Trust using the check boxes.

For initial release of Encompass, Eclosing will be suspended.

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Ready for CD – Preparing for Closing

If you have any additional documents that need to be apart of the closings, add them to the closing conditions in the eFolder.

	Buydown Deposit Agreement		All	Closing Document	AU, BM, CL, CU,...	Ready for Docs	Re-reques...	07/31/25
	Closing Conditions	Flood Cert.	Mark Allen Smith	Needed	AU, BM, CL, CU,...	Submittal	Received	07/17/25
	Closing Disclosure - Prelim from Title		Mark Allen Smith	Needed	AU, BM, CL, CU	Processing	Received	07/25/25

Double check your sales price and confirm it is accurate.

Verify your Interested Party Contributions/Seller Credits have not been exceeded.

Make sure that you are not unchecking previous items in the eFolder that are still pertinent. Uncheck only if the new revised document is uploaded to replace the previous document. In this example, all three ID's should be checked.

Files

Name	Date	Current Version
Spouse DL Exp: 5/25/25, Temp. DL Exp:	07/22/25 07:49 PM	☐
B1 DL Exp: 2/18/26	07/22/25 07:49 PM	☐
Elmekawy EAD.pdf	07/29/25 10:38 AM	☑

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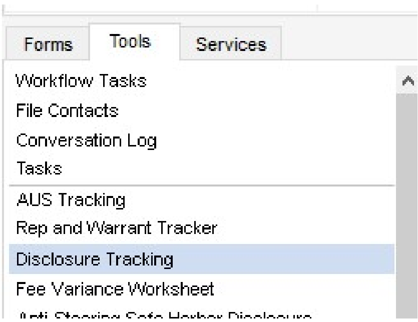
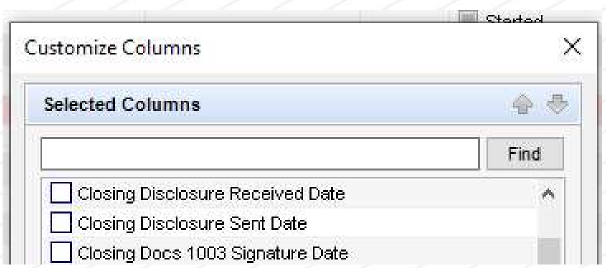
Sending the CD

How you can check that the CD has been sent:

Go into, Tools, Disclosure Tracking:



You can customize your pipeline views to reflect the same information:



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Interactive Demonstration:

Processing a loan & Ready for CD

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Submitting to UW: Branch & Corp UW

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Submitting to UW: Steps

- Now that you've completed the initial **review** of your loan, issued a **commitment letter** and **requested** any additional documents needed, it's time to process the loan.
- **Retrieve** & **review** additional documentation
- Run **Vendor Services**
- Prepare loan for **closing**
- Finalize loan **documentation**
- Submit for **10-day review &** final **clear to close**

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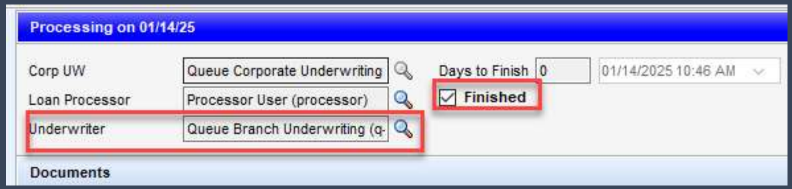
Submitting to UW: Conditional Review

- To submit to your Branch UW for Conditional Review (10-day) please ensure you have completed the following steps:
  - Linking documents to your **UW conditions**
  - Run updated **AUS/Transmittal** and **compliance**
  - Reviewed and address all **vendor conditions** (DRIVE, Income Analyzer)
  - Add notes to your **conversation log** (as needed)
  - Clean up the **eFolder** (*Mark current version & make sure your Misc./Trash folder is being utilized for old documents*)

Once you have completed these steps, select "Branch UW" and complete the Processing Milestone



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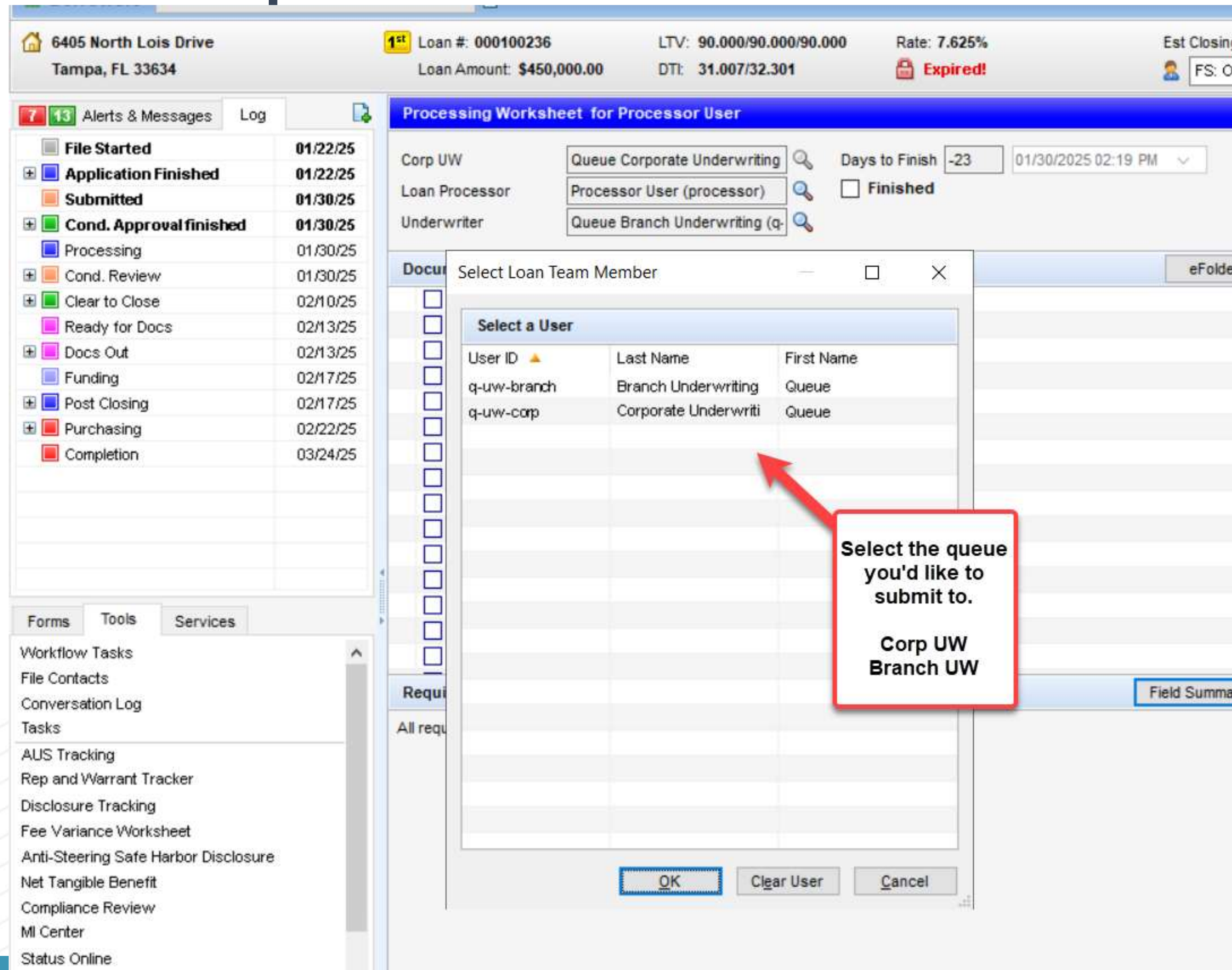
Submitting to UW: Corporate UW

If items are needed to be cleared or documents need to be reviewed by Corporate Underwriting, you will need to Finish the Processing milestone. Use the magnifying glass to select **Corp UW** and Finish the milestone.

You will need to make notes in the conversation log of what is to be reviewed.



Interactive Demonstration:

Submitting to UW

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Thank you

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