

Standalone HELOC Step by Step Guide

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Step 1 – Set up an Account for Title Services

Flagstar has joined forces with CoreLogic to give you one platform for ordering Title/Property Reports and Closing requests for Standalone HELOCs. To set up a user, go to [Broker Self-Registration](#). Refer to [TPO Standalone HELOC – Title and Closing Request User Guide](#) for full instructions.

Step 2 - Register Your Loan

1. Save your borrower file to a FNMA 3.4 file on your computer
2. Login to tpo.flagstar.com
3. Click on Register New Loan (top red menu bar)
4. Drag and drop or browse for your FNMA 3.4 borrower file. Click *Register Loan*.
5. You will then arrive at Flagstar’s on-line 1003
6. Complete “Main Registration” page
 - Input estimated closing date
 - Credit Score: Lowest of borrower(s) middle credit scores
 - Purpose: Cash out Refinance
 - Product Type: HELOC
 - Term: 360
 - Lien Type:
 - First Mortgage: For use on a property with no existing first lien or where the existing first lien will be refinanced into a HELOC also in first lien
 - Second Mortgage: Input First Mortgage Balance under Subordinate/Other Financing section. For use behind an existing (not new) first lien; not eligible for concurrent closing behind another lender’s first mortgage
 - Doc Type: Full Documentation
 - Select Interest Only or Principal & Interest from the drop down
 - Input Initial Draw Amount
7. Scroll to bottom of page and click *Save Loan*; correct errors as needed



8. Confirm the Property Address by choosing Standardized Address and click *Confirm*
9. Products offered should be one of the following:
 - HELOC: P&I Pymt (2nd-Standalone)
 - HELOC: I-O Pymt (2nd-Standalone)
 - HELOC: P&I Pymt (1st-Standalone)
 - HELOC: I-O Pymt (1st-Standalone)

Step 3 – Float Rate

1. Select the interest rate from the product box
2. Click *Float* under the rate (HELOC rate cannot be locked until the loan is cleared to close)

Step 4 – Complete the HELOC Amortization Schedule Spreadsheet (Optional)

1. Complete the HELOC Amortization Schedule spreadsheet (link on page 1 of the [Home Equity Line of Credit doc 5561](#) product description).
2. Select the Prime Rate and margin (see *Second Lien* tab under the Price Indication sheet)
3. Provide a printed or PDF copy to the borrower

Step 5 – Order Flood Certificate

1. Click on Loan Information from the Menu bar on the left
2. Click on the + sign by the *Flood* section and click on *Order Flood*.

Step 6 – Reissue Credit

1. Click *AUS* from the Menu bar on the left.
2. Choose the Credit Only option and click Continue
3. Select *Reissue Credit*
4. If first time user, setup “Manage My Preferred Credit Agencies” to input your credit vendor reissue ID and password
5. Input your borrowers’ credit reference number(s)
6. Select “*I Accept*” and click *Submit*

Step 7 – Fee Summary Page

1. Click on the Fee Summary Page from the Menu bar on the left
2. Confirm use of an ABA by answering Yes or No to the “Are any services being provided on this loan from an affiliated business” question and click on the Applied tab.
3. Flagstar fees, including broker compensation paid by Flagstar will auto populate. Remove non-applicable fees if populated from user’s fee template. For a list of fees, see pages 11-12 for the [Home Equity Line of Credit doc 5561](#)
4. Enter your Credit Report Fee and Third-Party Processing Fee (if applicable). Please note brokers are not allowed to be reimbursed for any third-party fees. Title service provider will issue checks directly to the third party.
5. Click *Save and Exit*

Step 8 - Generate Application Disclosures

It is optional to use our system for the additional disclosures however; the following 2 disclosures need to be delivered to the borrower: Important Terms of Your Home Equity Line of Credit, [Doc. #3263](#) (the TILA disclosure for HELOCs) and the Federally-mandated CFPB booklet, What you should know about home equity lines of credit.

1. Click on the Disclosures and click on *Application Disclosures*
2. Select the disclosures you want to generate for the borrower



3. Click on the Generate Package button
4. Select delivery method

Step 9 - Select the Title Company in the Closing screen

Enter the title company in both the Settlement Agent and Escrow Agent fields when applicable.

1. Click on the Closing link from the left Menu
2. Click on Request CD/Closing
3. Scroll down to the Contacts section
4. Click on the Search Closing Agent
5. Input your agent's information and Save

Step 10 - Submit Underwriting/Credit Package to Flagstar

1. Refer to the [Standalone Home Equity Line of Credit Submission Review Checklist doc 3234](#) for initial submission documentation requirements
2. Click *DOCUMENTS* from the Menu bar on the left.
3. Drag and drop your PDF file or click the arrow to select your file from your computer folders
4. Choose FLAGSTAR UNDERWRITING for the Department. Choose MULTIPLE DOCUMENTS/SUBMISSION TO UNDERWRITING for what you are uploading
5. Click *UPLOAD*
6. Follow same steps to submit conditions until a "Clear to Close" status is obtained

Step 11 – Order Your Appraisal or the Collateral Evaluation

1. Determine the valuation type required for your loan by completing [Exhibit A – Standalone HELOC Valuation Decision Matrix](#). (page 10)
 - a. Line amounts over \$250,000 require a full URAR appraisal ordered through tpo.flagstar.com. Enter "Home Equity" in the instructions box.
 - b. Line amounts at or under \$250,000 and no characteristics listed in the [Exhibit A – Standalone HELOC Valuation Decision Matrix](#) (page 10) order collateral Evaluation
2. Go to Appraisal Management link from the left Menu to order the appraisal or collateral evaluation (see [Appraisal Quick Reference Guide](#)). From the Appraisal Type drop down, select Evaluation if you only need a collateral evaluation. If you need a full appraisal, select 1004 SFR. HELOCs do not require an Intent to Proceed acknowledgement prior to ordering the appraisal.

Step 12 – Place Title Order

1. Follow the ordering instructions under [TPO Standalone HELOC – Title and Closing Request User Guide](#)
2. Upload the Property Report to your loan under Documents
3. Property Report is required prior to Final Approval Clear to Close

Step 13 – Review the lock after Final Approval Clear to Close status

1. Loan will be locked once the loan is in Final Approval Clear to Close status
2. The lock period will be 15 days and loan will be priced at par (100.00). If an extension is required following the rate lock please contact the Lock Desk at (866) 945-9872 option 2.
3. The interest rate is set based on the margin from application registration date and the index (Prime) at the time of lock. If the index is updated prior to closing the system will update the locked interest rate to include the most recent change to Prime.

Step 14 – Schedule Closing with the Title Company

1. Loans will be table funded and will close in the name of Flagstar Bank
2. Once the loan is in Final Approval Clear to Close and locked, schedule the closing with the title company



3. Follow the ordering instructions under [TPO Standalone HELOC – Title and Closing Request User Guide](#)

Step 15 – Request Closing from Flagstar

1. Once you receive confirmation from title, request closing services by going to the Closing section on the left Menu
2. Click on Request CD/Closings and complete the information requested
3. Settlement agent selected during the Closing Services request should be one of our vendors (see step 9)
4. If you are not able to select your desired closing date, go ahead and select the first available date. Then, you can coordinate with the closer the correct date.
5. Upload any third-party invoices under Documents by selecting Closing as the department. Funding VOE required within 10 days of closing. Please note brokers are not allowed to be reimbursed for any third-party fees. Title services provider will issue checks directly to the third party.
6. The loan will be assigned to a closer, you can click on the Contacts and Support link from the left menu to find out the closer's info.
7. Please let the closer know if closing cost will be paid with the HELOC.

Useful Documents/Resources

- ✓ Home Equity Line of Credit product description [doc 5561](#)
- ✓ [TPO Standalone HELOC – Title and Closing Request User Guide](#)
- ✓ [Standalone Home Equity Underwriting Guidelines](#)
- ✓ Standalone Home Equity Line of Credit Submission Review Checklist [doc 3234](#)
- ✓ HELOC Loan Products Recorded Training

To access the recorded class:

1. Login to Flagstar's [website](#)
2. Click on Resources
3. Click on the Training tile
4. Type HELOC on the search bar (top right)
5. Click Launch

