

**Collateral Verification Review  
Loan Document Checklist**

**HELOC/2<sup>nd</sup> MORTGAGE**

Borrower Name \_\_\_\_\_ Loan Number \_\_\_\_\_  
Date \_\_\_\_\_ Prepared by \_\_\_\_\_

**Collateral Documents:**

- Original Signed Note (with all endorsements, modifications, extensions, and renewals)
- Copy of recorded Assignment and Note Purchase Agreement (if applicable)
- Copy of recorded Mortgage/Deed of Trust/Deed to Secure Debt (with any modifications)
- Final Title Policy (or other acceptable documentation evidencing a 1st or 2nd lien position)
- \*Mortgage Lien Protection Policies are not acceptable evidence of lien position. *If your institution uses these and has not been personally contacted by FHLBank Atlanta, please notify your Collateral Coordinator.*
- Final HUD-1 Settlement Statement (if applicable)
- Final Truth-in-Lending Disclosure or any supporting document showing final APR (if applicable)

**Credit Documents:**

- Copies of the actual documents listed below must be provided during the onsite portion of the review. FHLBank Atlanta cannot accept print-outs from an origination or underwriting system that do not include copies of the source documents. For example, a notation of the credit score in the origination system is not adequate, a copy of the credit report must be provided; an indication of value is not adequate without a copy of the appraisal or other form of valuation; the borrower's DTI is not adequate without the documents supporting the borrower's income.
- Credit memo, Underwriting Transmittal (including DU and LP if applicable) or other evidence of bank underwriting and approval that includes DTI, credit score, loan purpose, occupancy status, loan originating institution and date of origination
- Final dated and signed Loan Application (1003)
- Borrower Credit Report (the report utilized at the time the loan was underwritten)
- All Income Documents utilized in the loan approval process (paystubs, W-2, full tax returns)
- Most recent full Appraisal (or other acceptable valuation evidencing eligible property type and value)
- Flood zone determination (and if applicable, evidence of the current flood insurance coverage in an amount that exceeds the outstanding principal balance or the replacement cost of the improvements up to the maximum, on the "as of" date)
- Copy of Ground Lease (if applicable)
- Evidence of 1<sup>st</sup> lien amount (credit report, payoff statement, or loan statement dated prior to the as of date)
- Power of attorney if applicable (must be recorded if required by state law)

**Other:**

- A 12 month Payment History (to include ***CURRENT interest rate, CURRENT payment amount*** and number of days past due as of the QCR "as of" date)  
**\*Please note the change in this condition from the previous requirement of a 60 day Payment History to a 12 month Payment History.**
- Provide a detailed listing for all loans or screen prints for individual loans that indicate whether or not:
  - o The loan is held for sale
  - o The loan is classified as substandard, doubtful, or loss

- The loan is to an employee, director, officer, or agent (only one copy needed of loan listing/schedule)
  - The loan is pledged to another lender
  - The loan has single-premium credit insurance
  
- The screen prints (or other reports) should be accompanied by a document that defines the codes included on the screen prints or reports; e.g., property code, loan type code.
- The screen prints of loans that may have paid out since the sample was delivered to your institution as proof of closure and zero balance.
- A list of all entities at least 25% owned by the shareholder that might receive fees for the origination of residential first mortgage and HELOC/Second mortgage loans. A single document, one per review, listing of all entities may be provided.
- Evidence that loans collateralized by mobile homes have been converted from personal property to real property under applicable state law. (i.e., ALTA 7 title endorsement)