



ComplyIO Training

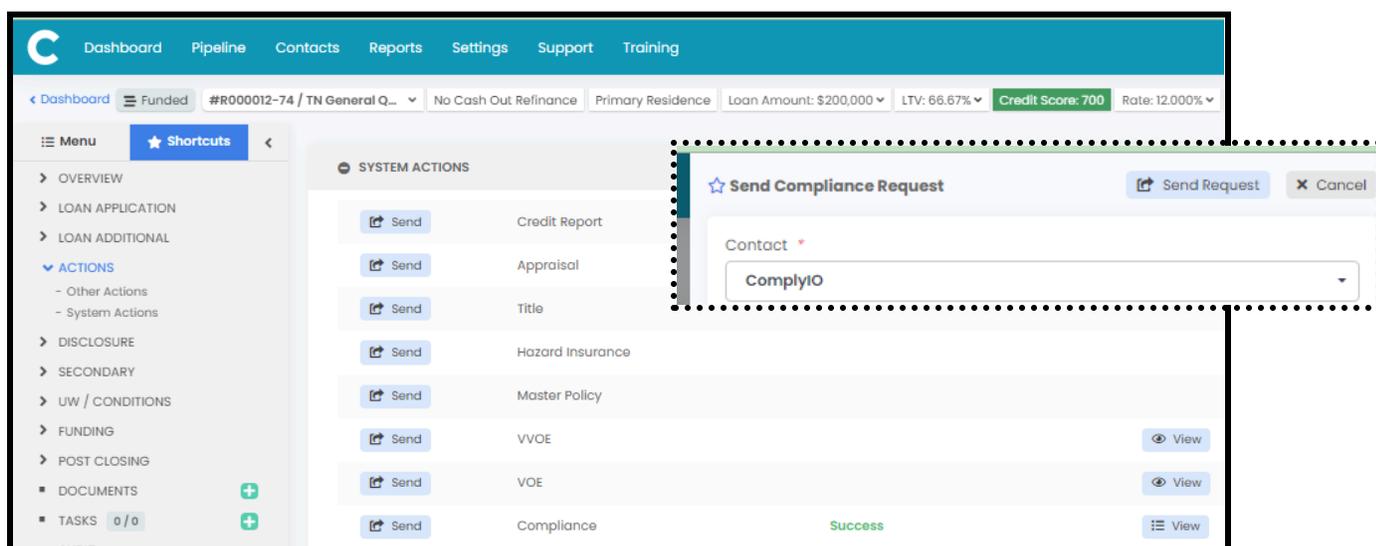
02/27/2024

Goals

1. Steps to Run ComplyIO (CIO)
2. Explain how to read and interact with the CIO Report
3. Highlight common Compliance-related fields
4. Provide Troubleshooting Tips

To Run CIO¹

1. Click on **“Actions”** in Menu
2. Navigate to **Compliance** action
3. Click **“Send”**
4. Choose **ComplyIO** contact from dropdown
5. Click the **“Send Request”** button.



CIO runs, and your CIO Report is available under the **“View”** button.

6. Click the **“View”** button
7. Click the **“pdf”** report



¹ This process can be automated using various triggers with a Business Rule.

Get to Know Your Report

Sections: [Pills, Calcs, Quick View, Explanation]

A. Pills

The pills give you the overall result of each major section in the report. Each report is broken into 5 major sections:

- HOEPA
- HPML
- QM
- TILA
- TRID
- RESPA
- State Law
- Investor Policies

- ✗ Fail in the jurisdiction
- ? Test is missing critical information.
- ✓ No Fails, Incomplete in jurisdiction
- No tests exist in jurisdiction

BETA TEST VERSION. BY USING THIS YOU AGREE TO THE TERMS FOUND AT [HTTPS://WWW.LENDINGPAD.COM/COMPLYIO-BETA-TESTING](https://www.lendingpad.com/complyio-beta-testing)

Client Name:	Dominique Test Co	Loan #:	R000012-44
User:	Dominique Wiest	Borrower:	HUD, VA, FHAIDs Loan
Report Date/Time:	02/23/2024 08:22 AM EST	Property Address:	10836 Credit Union Way, Chesterfield, VA 23838, Chesterfield

HOEPA ✗ HPML ✓ ATR/QM ¹ ✓ TILA ✓ TRID ✓ RESPA ✗

State — Investor Policies ✗

B. Interact with Your Report

PILL

- To move quickly to a specific jurisdiction [click anywhere in the pill]



VIEW DETAILS

- To move to the detailed “Explanation” click on ***[view details]*** link.

FNMA Selling Guide: Origination-thru-Closing			[view details]
Item	Test Result	Loan Data	Comply/O Value
FNMA Seller/Servicer Guide Pre-Test Loan Criteria	YES	true	
ATR/QM Loan Exceeds APR Threshold Test	YES	12.563	1
ATR/QM Loan Exceeds Fee Threshold Test	NO	6434.58	1

BACK TO SUMMARY

- To return to the Quick View click on ***[back to summary]*** link.

FNMA Selling Guide: Origination-thru-Closing		[back to summary]
FNMA Seller/Servicer Guide Pre-Test Loan Criteria The loan meets the Precondition Criteria as an ATR Covered Loan or as a loan that FNMA generally purchases.		YES
ATR/QM Loan Exceeds APR Threshold Test This loan was originated on 7/1/2021 or later and its APR (12.563) set forth in § 1026.43(e)(2)(vi) of Reg Z does exceed the APOR plus applicable threshold which is 7.87.		YES

C. Calculations

The calculation jurisdiction should match your most current disclosure.

12 CFR 1026 - Loan Calculations

[[view details](#)]

CLOSING DISCLOSURE

Date Issued: 10/06/2023

Total of Payments (TOP)	Finance Charge	Amount Financed	Annual Percentage Rate (APR)	Total Interest Percentage (TIP)
Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	The dollar amount the loan will cost you.	Your costs over the loan term expressed as a rate. This is not your interest rate.	Your costs over the loan term expressed as a rate. This is not your interest rate.	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.
\$768,633.54	\$566,103.59	\$174,482.86	13.954%	270.688%

D. Quick View

Gives you a **sneak peek** into the test results for each test CIO ran.

Each jurisdiction contains:

1. Highlights the **Regulation** that applies to the jurisdiction
2. Contains **Test Result, Loan Data, CIO's** regulatory requirement
3. **Pre-Test** - is this jurisdiction applicable for my loan

Possible Test Results

APPLICABLE/NOT APPLICABLE

YES/ NO

PASS/FAIL

ALERT

INCOMPLETE

EXEMPT

Example:

ComplyIO Coverage by Loan and Credit Types (Version 1.0) [view details]			
Item	Test Result	Loan Data	ComplyIO Value
CIO Loan Coverage Pre-Test	APPLICABLE		

12 CFR1026.32 and 34 - Requirements for high-cost mortgages (HOEPA) [view details]			
Item	Test Result	Loan Data	ComplyIO Value
HOEPA Pre-Test Loan Criteria	APPLICABLE		
HOEPA Exceeds APR Threshold Test	YES	13.954%	13.270%
HOEPA Exceeds Fee Threshold Test	YES	\$18,850.00	\$8,800.55
HOEPA Exceeds Prepayment Penalty Threshold Test	NO	False	Exceeds PPP Limits
HOEPA Prepayment Penalty Test	PASS	False	Has PPP
HOEPA Balloon Feature Test	PASS	False	Has Balloon
HOEPA Balloon Payment Test	NOT APPLICABLE		
HOEPA Negative Amortization Test	PASS	False	Has Neg Am
HOEPA Advance Payments Test	ALERT		

Note:

1. There is a ***[view details]*** link to the Test Explanations for the jurisdiction.
2. Some tests will not have a "Loan Data" or a "CIO Value."
(ex. **APPLICABLE**, **NOT APPLICABLE**, **ALERT**, **EXEMPT**, **INCOMPLETE**)
3. Threshold tests always indicate "**YES**" or "**NO**" to indicate if the loan data **exceeded** the threshold. If so, additional tests will trigger.
4. **ALERT** test requires the user to conduct manual testing.
5. **INCOMPLETE** the test result will tell you what value is missing.
6. **EXEMPT** means the loan is subject to the jurisdiction, but the loan has an exemption. Most often the exemption needs to be added.

E. Explanation Section

The jurisdiction provides regulatory and test result information. Each jurisdiction

1. displays a "Heading" with the regulatory citation;
2. displays a Pre-Test to confirm the loan is subject to the testing in that jurisdiction. The explanation will indicate why it is not applicable;
3. displays a detailed loan:
 - a. explanation,
 - b. test result,
 - c. fee stack (if calculation is performed), and
 - d. data values; and

TEST RESULTS WITH DETAILED EXPLANATION (STATE)

Tennessee Home Loan Protection Act of 2006 (TN Code Ann. Title 45, Chapter 20) (TN HCHL) [back to summary]	
TN HCHL Pre-Test Loan Criteria (TNHCHL_0001_P001) The loan meets the Precondition Criteria to be tested as a TN HCHL.	APPLICABLE
TN HCHL Exceeds HOEPA (1026.32) APR Threshold Test (TNHCHL_0002.1_P001) The loan APR (13.926%) exceeds the APR threshold (13.160%), which is calculated using the Average Prime Offer Rate index (6.660%) plus percentage points (6.500%), resulting in a TN HCHL based on the HOEPA APR threshold requirements as amended.	YES

<p>TN HCHL Exceeds HOEPA (226.32) APR Threshold Test (TNHCHL_0002.2_P001)</p> <p>The loan APR (13.926%) exceeds the APR threshold (11.940%), which is calculated using the Treasury Constant Maturity index (3.940%) plus percentage points (8.000%), resulting in a TN Covered Loan based on the 2003 HOEPA APR threshold requirements.</p>	YES																													
<p>TN HCHL Exceeds TN/HOEPA (1026.32) Fee Threshold Test (TNHCHL_0003_P001)</p> <p>The loan fees (\$22,700.00) exceed the fee threshold (\$8,800.55), which is the greater of \$2,400 or 5.000% of the total loan amount (\$176,011.00), resulting in a TN HCHL.</p>	YES																													
<p>TN Points and Fees</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Description</th> <th style="width: 5%;"></th> <th style="width: 35%;">Amount</th> </tr> </thead> <tbody> <tr> <td>OriginationFee</td> <td style="text-align: center;">+</td> <td style="text-align: right;">\$2,700.00</td> </tr> <tr> <td>LoanDiscountPoints</td> <td style="text-align: center;">+</td> <td style="text-align: right;">\$20,000.00</td> </tr> <tr> <td>TNBonaFideDiscountPoints</td> <td style="text-align: center;">-</td> <td style="text-align: right;">\$0.00</td> </tr> </tbody> </table>		Description		Amount	OriginationFee	+	\$2,700.00	LoanDiscountPoints	+	\$20,000.00	TNBonaFideDiscountPoints	-	\$0.00																	
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<p>TN HCHL Refinance Reasonable Benefit Test (TNHCHL_0017_P001)</p> <p>The loan is a TN HCHL, and Tennessee law requires no lender shall knowingly or intentionally make a high-cost home loan that refinances, within thirty (30) months, an existing home loan or high-cost home loan of the borrower, when the new loan does not have a reasonable benefit to the borrower, considering all the circumstances, including the terms of both the new and refinanced loans, the economic and noneconomic circumstances, the cost of the new loan, and the borrower's circumstances.</p>	ALERT																													
<p>TN HCHL Financed Credit Insurance Test (TNHCHL_0004_F001)</p> <p>The loan does not include financed credit insurance.</p>	NOT APPLICABLE																													
<p>Financed Insurance Fees</p>																														

F. Financial Calculations

At the end of your report, you will find the breakdown of the financial calculations.

Note:

- These calculations will always reflect the most recent run of the report.
- The Prepaid Finance Charge is broken down at the very end.

12 CFR 1026 - Loan Calculations

[\[back to summary \]](#)

CLOSING DISCLOSURE 10/06/2023

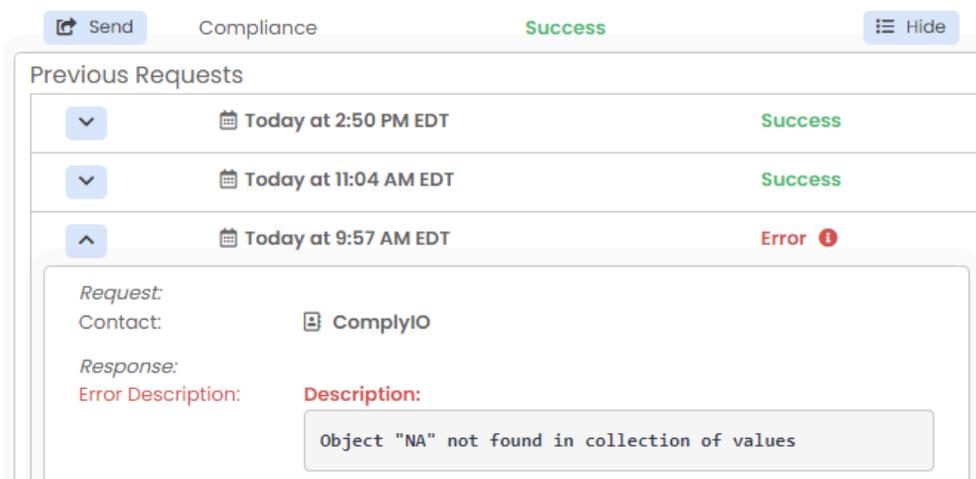
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Troubleshooting

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1. CIO Run Error

When I try to run CIO, I get an "Error." Errors are specific to programming, and you should immediately reach out to Customer Support with the loan number.



2. Test Results are Unexpected

When I run my report, the test results are different from my expectations. Please make sure you have addressed the following compliance areas. Compliance related data is also needed by CIO that might be in addition to your basic LOS requirements.

a) Overview>>Dates & Terms and Mortgage

Loan program

Processing / State disclosure **dates** populated

b) Loan Additional>>Compliance

QM type selected

The screenshot shows a dropdown menu for 'Qualified Mortgage'. The menu is open, displaying several options: 'Agency QM' (highlighted in blue), 'Certain Creditor Balloon Payment QM', 'General/Standard QM', 'Seasoned QM', and 'Small Creditor Portfolio QM'. Above the dropdown, the text 'Qualified Mortgage' is visible, along with a 'Presumption Of Compliance' label and a 'Non Qualified Mortgage' toggle switch set to 'No'.

c) Loan Additional>>Compliance

Pre-Discounted Rate

Bonafide Discount Points “checkbox”

The screenshot shows a form for 'High Cost Mortgage'. The form includes a 'Pre-Discounted Price' field with the value '8.25', a 'Pre-Discounted Rate' field with the value '7%', and an 'Avg. Prime Offer Rate' field with the value '6.66%'. Below these fields, there is a 'State High Cost/HighRisk/Covered Loan' toggle switch set to 'No' and a 'Bonafide Discount Points' toggle switch set to 'Yes' (highlighted in yellow). The form also features a 'Save Changes' button and a 'Cancel' button.

d) ATR type selected that matches the QM type selected

General - Non QM loan OR non-standard to standard mortgage

Qualified Mortgage - all other QM types

Exempt - Indicate to indicate an exemption purpose

e) Ability to Repay Details

Ability To Repay

Type
Exempt

Credit Purpose Exemption
 Yes

Exemption Type
Property Usage

Creditor Exemption

Type	Considered	Verified
Credit History		
Current Employment	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>
Debts / Obligations	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>
DTI (fully indexed)	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>
Income / Assets	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>
Monthly Payment (fully indexed)	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>
Mortgage-Related Obligations (excluding P&I)		
Simultaneous Loan	Yes <input checked="" type="checkbox"/>	No <input checked="" type="checkbox"/>

f) Loan Additional>>Underwriting

CIO uses the following fields to indicate the **documentation type**:

- Asset Documentation Type (verified or stated)
- Employment Documentation Type (verified or stated)

g) Loan Additional>>Underwriting

If the new loan has a **Prepayment Penalty***,

- Prepayment Penalty Plan
- Prepayment Penalty Term

**this will only appear if the program contains a prepayment penalty feature.*

h) Loan Additional>>Prior Liens

- Prepayment Penalty Amount Financed into new loan
- Prepayment Penalty on Prior lien
- Prepayment Penalty Amount

Prior Lien 1		
Lender Name	Remain/Current Loan Amount	Monthly Payment
	\$0.00	\$0.00
Lien Position Type	Lien Relationship To Subject Loan Type	Previous Borrowers
	Unknown	
Related Loan Number	PITI Monthly Payment	MI Monthly Payment
	\$0.00	\$0.00
Interest Rate	Remain Term (months)	Purpose Type
0.000%	0	
Rate Type	Assumability	Non-Standard (Federal)
	<input type="checkbox"/> No	<input type="checkbox"/> No
Non-Standard (State)	Prepayment Penalty Amount Financed	Prepayment Penalty
<input type="checkbox"/> No	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes
Prepayment Penalty Amount	Previous/Investor Loan Number *	
\$0.00		

i) Loan Additional>>**Existing Rights Owned**

Many state have specific rules around requirements on refinances when the current lien holder is refinancing the loan. Be sure and indicate if the current lien holder has existing servicing/ownership rights or its affiliate/subsidiary holds these rights or if the lender was the original lender at purchase.

The screenshot shows a software interface for 'UNDERWRITING'. On the left, there is a star icon and the text 'AUS Type' followed by 'DU' and a dropdown arrow. In the center, there are two toggle switches. The first is labeled 'Existing Loan Servicing Rights Owned' and is currently in the 'No' position. The second is labeled 'Refinanced By Original Lender' and is also in the 'No' position. On the right side of the interface, there are two buttons: 'Save Changes' and 'Cancel'.

NOTE:

While these fields are by no means an exhaustive list that CIO uses to run test results; however, this list is a majority of the fields that are often overlooked and create unexpected or inaccurate test results.