

---

# Determining Closing Disclosure Eligibility

## Procedure

### TABLE OF CONTENTS

Document Information	2
Overview	2
Getting Started	2
Validate Loan Eligibility	2
References	5
Revision History	5

---

## Document Information

Scope	All loan team members
Governing Policy	<a href="#">Compliance   TILA-RESPA Integrated Disclosures (TRID) Policy</a>
Tools and Systems	<a href="#">Octane</a>

## Overview

Cardinal Financial Company, Limited Partnership (“Cardinal”) does not allow a Closing Disclosure to be released in the system of record ([Octane](#)) until the requirements below are met. Once the criteria have been met, Octane adds the CD Clear Date, which makes it eligible for Closing Disclosure Delivery.

The easiest way to identify the completion of a workflow and the addition of the tag is by searching the **Activity** screen.

- If the tag is present, the specific criteria have been met
- If the search returns no results, the tag has not been applied and the loan is not Closing Disclosure eligible

The CD Clear Date can also be verified by reviewing the **Key Dates** tab on the **Compliance** screen.

## Getting Started

Log into [Octane](#) and search by the loan number to ensure the closing disclosure eligibility criteria is met so Octane can automatically add the CD Clear Date which allows for the Closing Disclosure delivery.

## Validate Loan Eligibility

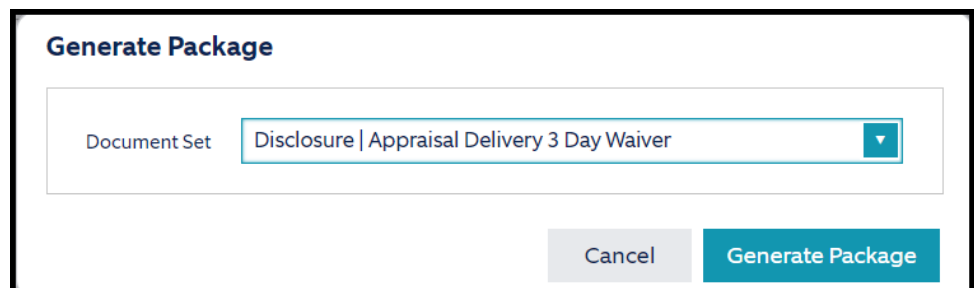
Complete the steps outlined below to determine loan eligibility for the Closing Disclosure.

1. From the **Overview** screen, review the following:
  - **Lock Section:** Ensure the lock is valid.

- If **Valid Lock** states **No**, a reason will be provided (i.e., lock mismatch or lock expired)

**Note:** Refer to the [Clearing a Loan-to-Lock Mismatch](#) procedure for additional steps.

- Effective Lock Expiration: This date must not expire before the effective funding date.
- **Appraisal section:** Verify if an appraisal is required for the transaction.
  - If **Appraisal Required** is **Yes**, appraisal retrieval must be completed or Smart Document entitled Appraisal Delivery 3 Day Waiver is Approved
    - Smart Document Appraisal Delivery 3 Day Waiver is eligible for Ad-Hoc generation and electronic signature by navigating to **Documents, Generate Package, Disclosure | Appraisal Delivery 3 Day Waiver**. This document, once electronically signed, will allow the CD eligibility to be met without the appraisal retrieval being completed if all other requirements are met.



The screenshot shows a web interface titled "Generate Package". It features a dropdown menu labeled "Document Set" with the selected option "Disclosure | Appraisal Delivery 3 Day Waiver". Below the dropdown are two buttons: a grey "Cancel" button and a teal "Generate Package" button.

- **Underwriting Section:**
  - Ensure the Underwriting Disposition is **Approved with Conditions** or **Approved**.  
**Note:** The disposition cannot be **Decision Pending** or **Suspended**.
  - Ensure the Decision AUS is either **Approved/Eligible** or **Accept**

---

**Note:** Automated underwriting findings must be **Approved** or **Accepted** unless the program permits manual underwriting.

2. From the **Loan Context Menu**, navigate to the **Compliance** screen, **Key Dates** tab, and verify the following:

- **Loan Estimate Delivered:** Ensure the Loan Estimate was delivered at least one day before the CD Clear date.

**Note:** The delivery date of the Loan Estimate is determined by the most recent signature of any borrower.

3. From the **Loan Context** menu, navigate to the **Borrowers** screen and ensure the following:

- **Dashboard Access:** Verify all titleholders (for Electronic Transaction (eTrans) files) have a valid email address entered on the **Borrowers** screen and have been invited to the Borrower Dashboard.
  - If yes, the Dashboard Access will state **Yes**.
  - If not, the Dashboard Access will state **No, not invited**. The access invitation will be sent to the email on file along with the required disclosure(s) or the dashboard access invitation can be sent manually by someone with proper authorization.

4. From the Loan Context Menu, navigate to the **Activity** screen, **Events** tab, and ensure the following workflows have been completed:

- **Title Retrieval:** Ensure the title documents are received and the title retrieval workflow is completed.
  - In the search bar, type **wc\_title\_retrieval** to verify the tag has been added.

Activity			
Stages	Events	wc_title_retrieval	Date Range Last 90 Days, Categories All...
Category	Description	Who	When
Tuesday 11/23/21			
Tag	Tag 'wc_title_retrieval' was added to the transaction.		11/23/21 2:29 pm ET 62 days 21 hrs ago

**Note:** The closing preparation workflow will not begin until the underwrite disposition is approved or approved with conditions, the lender lock status is confirmed or updated, and the title retrieval workflow is complete.

- Closing preparation and Fee Validation:** All loans must have the steps related to final fee validation and closing preparation completed for the Closing Disclosure Eligibility to be met. Refer to the below table to review the steps for the respective divisions.

Workflow	Description
Closing Preparation	For Retail, Wholesale, and Consumer Direct transactions, the Closing Preparation workflow must be completed, indicating an authorized member has performed all quality control requirements, or the transaction is a refinance through a preferred settlement partner.
Broker CD Fee Validation	Third-Party Originated loans must have the Broker CD Fee Validation workflow completed, indicating an authorized member has performed all the quality control requirements or the transaction is a refinance through a preferred settlement partner.

## References

Reference List
<a href="#">Clearing a Loan-to-Lock Mismatch</a>

## Revision History

*Revision History is to be used as a reference only and will only provide a summary of document changes. For complete versioning, refer to the Google Docs versioning functionality, which is the system of record. Versioning has been captured as of 10.1.20.*

Date	Revision	Description	Approver
11.15.23	V4	Off-cycle Request <ul style="list-style-type: none"> <li>• Added details regarding the Closing preparation and Broker CD Fee Validation workflow in the <b>Validate Loan Eligibility</b> section.</li> <li>• Removed details regarding Subordination Complete workflow in the <b>Validate Loan Eligibility</b> section.</li> </ul>	Angela Klauk Erica Price
10.20.22	V3	Off-cycle request to update the <b>Validate Loan Eligibility</b> section. Added a new third-level bullet under the <b>Appraisal</b> bullet with a new screenshot.	Angela Klauk Erica Price
2.2.22	V2	Annual certification	Erica Price Angela Klauk
5.20.20	-	See Google Version History for previous updates	