



## **How To Originate, Underwrite, and Close Adjustable Rate Mortgages**

**9:00 am to Noon**

**March 22, 2010 (Mt. Vernon, IL)**

**March 23, 2010 (Springfield, IL)**



## **Establishing and Managing Escrow Accounts**

**1:00 pm to 4:00 pm**

**March 22, 2010 (Mt. Vernon, IL)**

**March 23, 2010 (Springfield, IL)**

*Seminar presented by:*



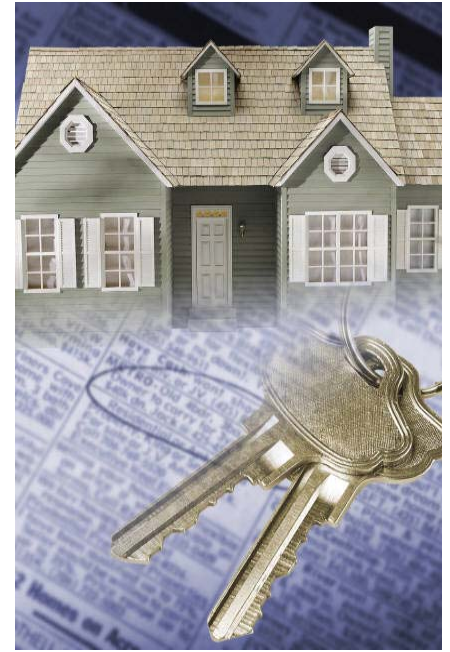
*Seminar sponsored by:*



# How To Originate, Underwrite, and Close Adjustable Rate Mortgages

As the name implies, an adjustable rate mortgages (ARM) loan, is one in which the rate changes on a specified schedule after an initial “fixed” period. Although ARM loans are considered somewhat riskier than a fixed rate mortgage, an ARM loan may benefit many of your current and future borrowers in ways not considered in the past. ARM loans traditionally have an initial rate that is significantly below market rates for 30-year fixed rate mortgage. In today’s economic climate, having a little more cash early in the loan term can help a borrower with reduced income or simply allow extra cash for all the extras that come with anew home purchase.

However, knowing how to qualify a borrower and properly underwrite an ARM loan is essential to successfully adding ARM loans to your bank’s loan programs. Join us and find out how easy it can be to originate, underwrite, and close an adjustable rate mortgage.



## Establishing and Managing Escrow Accounts

If your institution is a Freddie/Fannie Seller/Servicer or has received TARP funds, participation in the Making Home Affordable Program is mandatory. One of the requirements of that program is that escrow accounts for real estate taxes, insurance, mortgage insurance premiums, etc. must be established for each loan. If you are a servicer who does not have this capability, you are required to implement the process within six months of entering into this program with the Treasury.

Additionally, with the new Regulation Z changes dealing with “high-priced” mortgages that take effect April 2010, the capability to establish escrow accounts is mandatory.

Would you like to know how to establish escrow accounts, calculate the Initial Escrow Disclosure and aggregate adjustment, perform the required annual escrow analysis, establish a program to monitor tax and hazard insurance/mortgage insurance premium due dates and handle escrow accounts that become delinquent, have a shortage or a surplus?

### Dates, Times, and Locations

Community Bankers Association of Illinois is please to sponsor these two half-day seminars as follows:

**March 22, 2010 (9:00 am - Noon and 1:00 pm - 4:00 pm)**

Holiday Inn in Mt. Vernon, IL

**March 23, 2010 (9:00 am - Noon and 1:00 pm - 4:00 pm)**

CBAI Headquarters in Springfield, IL

Registration for each half-day seminar will begin 30 minutes prior to start time.

## Who Should Attend?

Attendance at both of these half-day seminars would be beneficial for residential loan department personnel (from origination to closing), loan servicing personnel, operations managers, internal auditors, and compliance personnel.



## Banking Experts

*This seminar is provided by Young & Associates, Inc., a nationally recognized consulting firm specializing in community banks. In total, the consultants at Young & Associates have published more than 30 books and several hundred articles on banking. They provide training to more than 1,000 bankers each year and are speakers at several national conferences. They have also published banking books for organizations such as the Bank Administration Institute, the Bankers Publishing Company, and the Independent Community Bankers of America.*

## Seminar Presenter

**Linda Young**, Consultant. Linda Young is a lending consultant with Young & Associates, Inc. and has more than 28 years of experience in the banking/financial industry. At Young & Associates, Linda performs commercial, mortgage and consumer loan reviews, due diligence reviews, loan officer audits, quality control reviews, Freddie Mac/Fannie Mae training, and writes articles for corporate newsletters. Linda's banking experience includes positions as senior accountant, branch manager, internal auditor, mortgage office manager, construction loan specialist, mortgage loan service manager for an Ohio-based savings and loan, and residential loan manager for a commercial and residential mortgage loan broker.

# AGENDA

## Seminar 1:

### How to Originate, Underwrite, and Close Adjustable Rate Mortgages (9:00 am to Noon)

- Originating Adjustable Rate Mortgages (ARM)
- Initial required disclosures
- Underwriting ARM loans
- Completing the closing documents for an ARM loan

## Seminar 2:

### Establishing and Managing Escrow Accounts (1:00 pm to 4:00 pm)

- Setting up initial escrow accounts
- Completing the initial escrow disclosure and calculating the aggregate adjustment
- Establishing a system to monitor and provide for timely payments of real estate taxes, hazard insurance, flood insurance, and mortgage insurance
- Completing the annual escrow analysis
- How to handle escrow accounts for delinquent and non-performing accounts

***The agenda will be the same for both dates and locations.***

## A Commitment to You

We take pride in knowing that this seminar has been developed to meet the unique needs of the community bank. Therefore, it is through the high standards that the Community Bankers Association of Illinois has developed over the years that we ask you to join us in this program.

# How To Originate, Underwrite, and Close Adjustable Rate Mortgages

9:00 AM to Noon

## Establishing and Managing Escrow Accounts

1:00 pm to 4:00 pm



### Registration Fees:

- \$99 per person for each half-day seminar from members of Community Bankers Association of Illinois (CBAI). (Cost of lunch - \$15.00)
- \$209 per person for both half-day seminars from members of CBAI. (Lunch is included.)
- \$175 per person for each half-day seminar from prospective members of CBAI. (Cost of lunch - \$15.00)
- \$359 per person for both half-day seminars from prospective members of CBAI. (Lunch is included.)

Bank Name \_\_\_\_\_

Attendee Name/Title \_\_\_\_\_

I wish to attend \_\_ Seminar 1 (AM) \_\_ Seminar 2 (PM) \_\_ Both Seminars 1 & 2

Attendee Name/Title \_\_\_\_\_

I wish to attend \_\_ Seminar 1 (AM) \_\_ Seminar 2 (PM) \_\_ Both Seminars 1 & 2

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_

E-Mail Address(es) \_\_\_\_\_

\_\_ I would like to receive lunch at a cost of \$15 per person (1/2 day seminar only).

\_\_ I have special needs, please contact me before the seminar.

Please select your payment method:

\_\_ Check Enclosed \_\_ Pay at Door \_\_ Check in Mail \_\_ Credit Card\*

\* If paying by credit card (Visa & MasterCard accepted), please fill out the following information:

Name as it reads on card \_\_\_\_\_

Company name on card \_\_\_\_\_

Billing address of card \_\_\_\_\_

Card number \_\_\_\_\_ Expiration date \_\_\_\_\_

Visit us online at [www.cbai.com](http://www.cbai.com)

Please check the date and location you wish to attend.

**March 22, 2010**

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**Seminar 1:**

**9:00 AM to Noon**

**and**

**Seminar 2:**

**1:00 pm to 4:00 pm**

For additional information, call:

Tracy McQuinn, Senior Vice President of Education and Vice President of Special Events,

Sandra McAvoy, Vice President of Education and Senior Vice President of Special Events,

Valerie Johnston, Vice President,

Melinda McClelland, Vice President,

Rebecca Ridgeway, Administrative Assistant

Department of Education and Special Events at 1-800-736-2224 for banks in Illinois or (217) 529-2265,

or Terry Griffin, Chicago area Vice President, at (708) 714-3333. Fax number: (217) 585-8738.