



Silvergate Funding, Inc ("SFI")

IN FOCUS BULLETIN

2014-03

January 24, 2014

Rate Lock/Loan Registration

As a reminder, Silvergate Funding requires that all documents submitted for review be preceded with a Rate Lock/Loan Registration form. Please contact Price Desk for a current Rate Lock/Loan Registration form or questions on process at (858) 622-9728.

Appraisal Availability Requirements

Effective for all applications submitted to Correspondents on or after January 18, 2014, Silvergate requires evidence of Correspondent's compliance with Regulation B Appraisal Disclosure, 12 C.F.R. § 1002.14. As of the above date, the new federal regulations require that Correspondents:

- 1) Provide the borrower, within 3 business days of application, with a Notice of Right to Receive Copy of Appraisal [Model Form C-9]; and
- 2) Provide the borrower with a copy of any appraisal or valuation regarding the borrower's property promptly upon completion, but not less than 3 business days prior to the consummation (loan signing) of the loan. Borrowers must receive a copy of the appraisal(s) at least 3 business days prior to consummation, unless the Borrower has waived this timing requirement prior to this 3-day window, in which case the borrower must be provided the copy of the appraisal at the time of closing. Should a borrower choose to waive their timing requirement rights, the file must be documented to this effect, and evidence of this waiver must be provided.

Correspondents may evidence appraisal delivery by providing Silvergate with one of the following as part of the closing package submitted to Silvergate:

- 1) Documentation in the loan file indicating the date and method of delivery for both Form C-9 and the appraisal to the borrower. This documentation should support that Form C-9 was provided within 3 business days of application, and that the appraisal was received by the borrower at least 3 business days prior to consummation (unless borrower waived this timing requirement). Examples of suitable loan file documentation include a copy of the conversation log or the tracking worksheet associated with the loan where deliveries of appraisal notice and appraisal copy dates are noted.
- 2) A copy of Form C-9 sent to the borrower, and a copy of the cover letter that was sent with the appraisal to the borrower. Both documents must be on Correspondent's letterhead, and reflect when (date) and to whom (borrower's name and address) they were sent.
- 3) An acknowledgement of receipt of the appraisal signed by all borrowers at or before closing. The acknowledgment must include the following:
 - o Name(s) of the borrower(s)
 - o Address of the subject property
 - o A statement that the borrower received the appraisal no less than 3 business days prior to closing. This statement must be signed and dated by all borrowers. A Power of Attorney signature is acceptable if other documents were executed in the same manner and are properly documented.

Please contact:

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Thank you for doing business with SFI.

