



ENCOMPASS 18.4 RELEASE SUMMARY

This is not intended as a substitution for Encompass Release Notes as provided by Encompass by Ellie Mae. Parties should use this as a summary of key components and not a replacement for Encompass Release Notes.

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Encompass 18.4 Major Release Notes

This is a Major Release and includes updates to users' Encompass client machines and Server Patch that is applied to the Encompass Server.
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Encompass Release Naming and Timing
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This release will be applied automatically to user's computers. Users will receive the update upon login following the release. Server patch will be applied automatically to the Encompass Server and cannot be controlled manually.

System Requirements & SDK Upgrade Requirements for Encompass

It is required that you upgrade to the latest SDK delivered with this update to ensure the same functionality as in the latest version of Encompass is also available in your SDK.
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Please refer to detailed Encompass Release Notes as provided by Ellie Mae for details on SDK upgrading and automation.
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Admin Action

SDK install files will be available on the [Encompass SDK Install Files](#) page.

New Features & Forms

Dynamic Data Management (DDM) Integration: Dynamic Data Management (DDM) is a scenario-based rule engine that ensures that the values for any fee or field is automatically populated for various loan scenarios as defined by the administrator.

Note: This feature enhancement can assist lenders with automating fees within the itemization as well as other areas. This feature does not need to be configured for 18.4 to function. The enhancement should be reviewed by the Lender to determine viability within their existing configuration.

DDM is a Scenario based rule engine that ensures the values for any fee or field is automatically populated for various loan scenarios.

- **Fee Rules**

- Used to create and manage fee data population to the 2015 Itemization lines 800-1300
- Each fee rule can create multiple fee scenario conditions that are unique.
 - After LE is Sent
 - Custom Condition is executed
- *Example* – Processing Fee based on loan amount
 - Rule Setting – No Condition so applies always to this field

- Within the Rule – Scenario 1 for loan amounts greater than 250K

Field Description	Field ID	Value Type	Value
Fees: Process Fee Borr	1621	Specific Value	1000.00
Fees: Process Fee Seller	1622	No Value Set	
Fees: Process Fee APR	SYS.Y201	No Value Set	

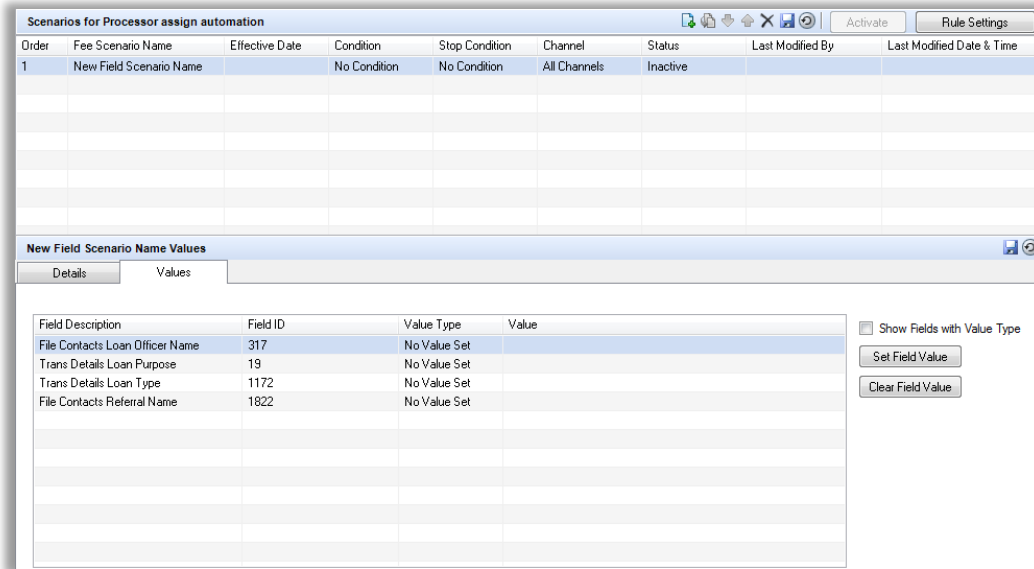
- Within the Rule – Scenario 2 for loan amounts less than or equal to 250K

Field Description	Field ID	Value Type	Value
Fees Process Fee Borr	1621	Specific Value	450.00
Fees Process Fee Seller	1622	No Value Set	

- Field Values are set based on specific Values, Pre-developed data tables, Custom Calculation, & Clear loan value

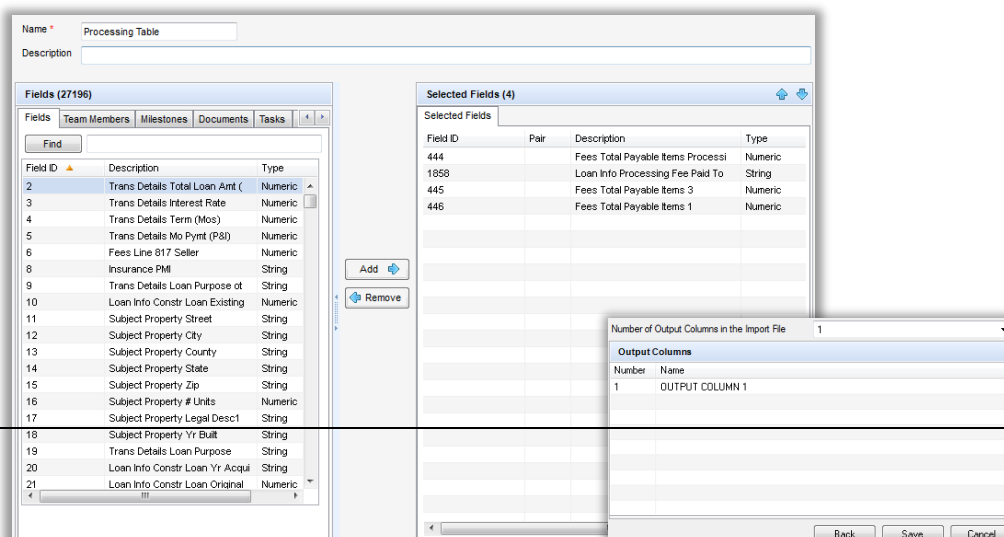
- Field Rules**

- Created same as Fee Rules, a field rule is driven by a collection of fields and creating scenarios to execute those values once the field scenarios are satisfied.
- Fields Managed panel** to add the list of fields for the Field Rule. These fields will populate the loan file when it satisfies your specified Field Scenario.
- Stop Automatically Populating Data panel** to define a stop condition for this Field Rule to auto-populate data in the loan file. If you have unique conditions to stop applying the Field Rule, select the When condition below is met check box and use the options in the Advanced Condition Editor window to define the stop condition.
- The Field Rules interface is similar to Fee Rules when defining scenarios to run against selected fields and advanced conditions.



***Note:**
 *When the DDM rule runs, Encompass executes scenarios from top to bottom order is vital for successful scenarios.
 *Because field triggers run on field change and DDM runs on save, DDM Rule will override any field triggers based on order of operations.

- **Data Tables:** user-defined table structure from which can look-up values for a field. Each row added, will have the ability to define what value should be derived as Output when a loan file satisfies the data row conditions. The derived Output value will then be assigned to the field that is using the respective data table in the Value tab of a fee scenario or field scenario.





- **Global DDM Settings:**

- Includes default and user defined settings to trigger the user defined DDM fee and field rules, these rules apply on creation or saving a loan file. This can also be triggered by a specific field modification, a reference to the number of active and inactive scenarios under which this field is being referenced.
- Global Advanced Conditions can be introduced to stop auto-populating data because of DDM. This default stop condition correlates to the advanced code you set up as part of the condition you configured for a fee rule or field rule. You may modify this default condition when you define the rule – the rule will be applied based on the stop condition that exists at the rule level.

Start applying Dynamic Data Management Rules

When the loan is created or saved

When the user modifies any of the following fields.

Field ID	Description	# Scenarios Referenced
19	Loan Purpose	0

Stop applying Dynamic Data Management Rules

The settings below are default settings that apply when a new DDM Fee rule or Field rule is created. You may override these

After Initial Loan Estimate is sent
 The DDM Rules will stop firing after Initial Loan Estimate is sent and Field ID 3152 is set.

When the condition below is met

[#2] > 1000000

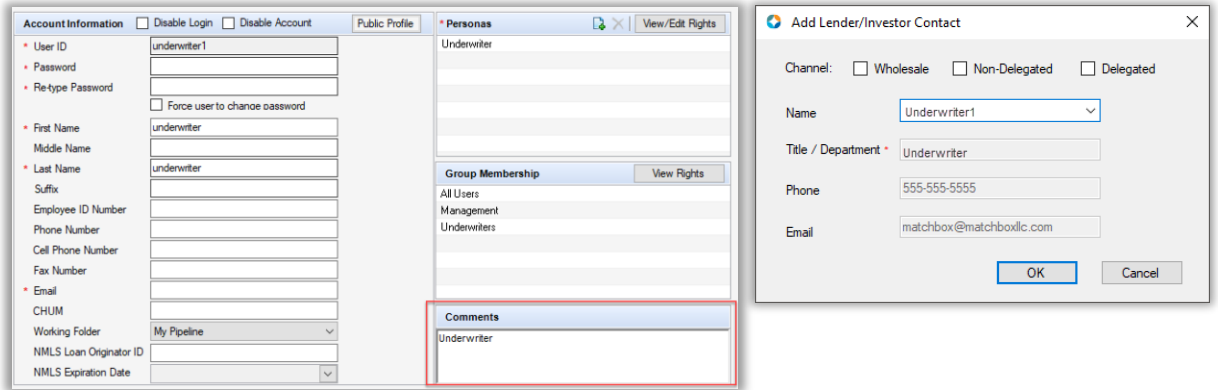
- By default, DDM rules will apply on a Loan Save or Loan Create event. User will not be able to modify this option.
- In addition to loan save, you may choose to trigger DDM rules on a 'Field Change' event, specifically when a user modifies a field. You can use the Add icon in the Fields table to manage your list of impacted fields. Once you add a field, you will have reference to the number of active and inactive scenarios under which this field is being referenced.

Admin Action

- Add form using the documents tool in Encompass Settings

Lender Key Contacts

- Added New TPO Global Lender Contacts Setting
 - Allows admin to establish a list of Lender Key Contacts to populate within the Lender Key Contacts widget in TPO Connect.
 - The Users job title/department must be entered in the Comments field on the User Details setting. The Job title/Department will be truncated to the 1st 30 characters entered.



- The TPO Company level Lender Contacts list is ordered by "Primary" Sales Reps followed by other Sales Reps (alphabetical by name), and then the TPO Global Contacts in the order in which they have been sequenced.

Feature Enhancements

Enhancements to Support HELOC Loans

- New sections have been added to the RegZ-CD, RegZ-LE, Closing, RegZ, and RegZ-TIL input forms to support the integration of HELOC Loans.
- users can define separate bases for both the qualifying payment and the initial payment disclosed to the borrower.

HELOC Initial/Qualifying Payment

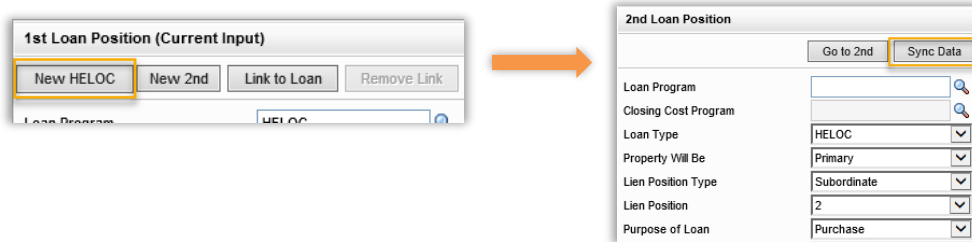
- HELOC Qualifying Payment Basis Section: configure the qualifying payment basis for a HELOC loan by selecting one of the following three check boxes. When you select a check box, the fields associated with the check box are enabled for editing to select the options for the qualifying payment basis.
- The initial payment is calculated based on the option chosen, using the rate option and the selected balance (either maximum balance or initial draw) to calculate the payment.

- qualifying payment will be calculated based on the option chosen, using the rate option and the selected balance (either maximum balance or initial draw) to calculate the payment.

- the HELOC Qualifying Payment section to review and adjust the amounts for the HELOC initial draw and the first and subordinate qualifying payments.

Updates to Piggyback Loan Tool for HELOC Loans

- Piggyback Loan tool has new and updated fields, These updates enable the accurate calculation of LTV and CLTV related to the HELOC amount and the HELOC draw amount, and provide additional flexibility in the synchronization of the HELOC loan amount to the down payment amount on the original loan in the event that only a portion of the loan proceeds are used for this purpose.

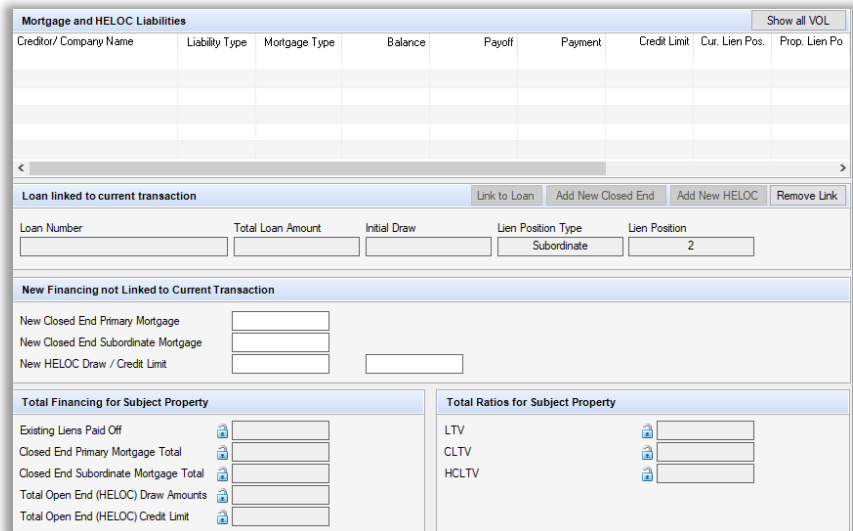


- Once “New HELOC” is activated it will allow for the 2nd loan data to be synchronized across the loan files.

Subordinate Financing: Updates to Mortgage Loan Amounts & Expanded Pop-up Window

- 18.4 identifies verification of liability (VOL) records associated with the subject property prior to creating the associated REO Asset record (VOM). Any Mortgage or HELOC liabilities are automatically factored into the related primary and subordinate mortgage totals without requiring additional data entry to synchronize the amounts.
- The Subordinate Mortgage Loan Amounts window a consolidated and functional view for loan officers and underwriters to access and update the related items from a central location.

- Mortgage and HELOC Liabilities
- Loan linked to current transaction
- New Financing not Linked to Current Transaction
- Total Financing for Subject Property
- Total Ratios for Subject Property



- **Mortgage and HELOC Liabilities:** displays existing mortgages and liabilities associated with the subject property. The columns in the table provide quick access to detailed information from the VOL records.
- **Loan Linked to Current Transaction:** Allows users to link an existing loan to the current transaction or to create a new closed end or HELOC loan that is linked to the current transaction.
- **New Financing Not Linked to Current Transaction:** enables manual entry of loans that are in process with another lender during the origination of the current loan, including new closed end primary and subordinate mortgage amounts, and new HELOC draw and limit amounts.
- **Total Financing for Subject Property:** Allows calculated totals for:
 - Existing Liens Paid Off
 - First Mortgage Total
 - Closed End Second Mortgage Total
 - Total Open-End drawn amounts
 - Total Open-End Credit Limit
- **Total Ratios for Subject Property:** displays the total LTV, CLTV, and HCLTV ratios for the subject property.
- **Additional details on Calculating Ratios on loans w/ Subordinate Financing & calculating Closed End Primary**

Non-Occupant Co-Borrower Housing Expense

- The present housing expenses for a non-occupant co-borrower are now included in the calculation for the co-mortgagor's present housing expenses. This will be factored in when the property will be **Primary** and the “**No**” is selected for “Do you intend to occupy property as primary” for Borrower & Co-Borrower.
- The co-mortgagor's present housing expense is now being properly included in the following ATR/QM Total Debt Ratio calculations for the primary residence
 - Initial Rate Total Debt Ratio
 - Fully Indexed Rate Total Debt Ratio
 - Max Rate During First 5 Years Total Debt Ratio

HMDA Updates

- HMDA Reporting Year: Updates have been made to the logic used to populate the HMDA Reporting Year (HMDA.X27) and the demographic information that displays in the Information for Government Monitoring section on the HMDA Information and 1003 Page 3 forms.
- HMDA Census Tract/County Codes: For purposes of the LAR, the CFPB has mandated that HMDA Census Tract be formatted as a combination of the six-digit Census Tract (field ID 700), three-digit County Code (field ID 1396), and two-digit State Code (field ID 48). The resulting 11-digit code is reported in the LAR. Additionally, the HMDA County Code reported on the LAR is a combination of the State Code and County Code.
- HELOC Teaser Rate Period field has been added to the REGZ-LE, RegZ-CD, and RegZ-TIL input forms. Updates have been made to the calculations for the Intro Rate Period calculation (field ID HMDA.X84) for HELOC loans to comply with HMDA Final Rule Section 1003.4(a)(26), which requires a financial institution to report the number of months from closing or account opening until the first date the interest rate may change.

The screenshot shows a form titled "HELOC" with the following fields:

- Initial Advance: [Text Input]
- HELOC Drawn Total: [Text Input]
- HELOC Credit Limit: [Text Input]
- Draw / Repay Period: [Text Input] / [Text Input] mths
- Teaser Rate / Period: [Text Input] % for [Text Input] mths

- the HELOC Teaser Rate Period is used as the Introductory Rate Period for HELOC loans that have a teaser rate. Loans that don't have a teaser rate, but have an ARM adjustment, the 1st Change (field ID 696) value is used to calculate the Introductory Rate Period.

Additional Calculation Updates

- When there are two borrower pairs for a loan with a Loan Type (field ID 1172) of USDA-RHS and one of the borrower pairs is selected from the Borrowers drop-down list at the top of the loan file, the income amounts for the selected borrower pair are now used to calculate Lines 1 and 6 in the Annual Income Calculation section and Line 13 in the Adjusted Income Calculation section amounts on the Rural Assistance URLA Income Worksheet in the USDA Management input form
- Updates were made to the Intro Rate Period calculation (field ID HMDA.X84) to comply with HMDA Final Rule Section 1003.4(a)(26), which requires a financial institution to report the number of months from closing or account opening until the first date the interest rate may change.
- For standard ARM loans (not construction-to-permanent), the Disbursement Date (field ID 2553) is

subtracted from the 1st Payment Date (field ID 682) and the resulting number is divided by 30. For construction-to-permanent loans, the Disbursement Date (field ID 2553) is subtracted from the 1st Amortizing Payment Date (field ID 1963) and the resulting number is divided by 30.

- If the Loan Status (field ID 1393) is Loan purchased by your institution or the Amortization Type (field ID 608) is Fixed, then the Intro Rate Period is set to NA.

Admin Action

- To configure Loan Program Templates for each of the HELOC loan scenarios that your company supports, and in the Loan Program Templates pop-up window

Encompass Forms and Tools

Loan Amount Field Used by ONRP

- The Loan Amount field used when requesting Overnight Rate Protection (ONRP) has been updated from the Loan Amount (2) field on the 1003 Page 3 to the Total Loan Amount (2965) field on the Lock Request Form.

FMNA Streamlined 1003 Input Form

- new check boxes have been added and the introductory paragraph for the section has been updated to enable Encompass user to identify erroneous bankruptcy, foreclosure, and mortgage delinquency information from the borrower's credit report to be disregarded by DU.

Borrower

- Inaccurate Foreclosure information ("Confirmed CR FC Incorrect")
- Foreclosure due to extenuating circumstances ("Confirmed CR FC EC")
- Deed-in-Lieu of Foreclosure ("Confirmed CR DIL")
- Preforeclosure Sales or Short Sales ("Confirmed CR PFS")
- Inaccurate Bankruptcy Information ("Confirmed CR BK Incorrect")
- Bankruptcy Due to Extenuating Circumstances ("Confirmed CR BK EC")
- Confirmed Mortgage Delinquency Incorrect ("Confirmed Mtg Del Incorrect")

Configurable eSigning Order for eDisclosures

- If the option is enabled, email notifications are sent to borrowers only after the Loan Officer completes eSigning (if required) for the eDisclosure package.

Borrower Signing

- Provide eSigning option - Select Loan Type
- Conv
- FHA
- VA
- Configure signing order with initial disclosures

Select States

Ability to Send Multiple eFolder Documents

- ability for lenders to send multiple, independent documents from the Encompass eFolder to title agents has been added to the Title and Closing Service

Business Contacts to the My Title Companies Tab/Title Company Location to Display in Search Results

- using the Encompass Title & Closing Center portal, the ability to add existing Business Contacts to the My Title Companies tab, a white list of preferred vendors, has been added to the Title & Closing Service.
- The city and state location of title companies has been added as a new column on the title companies search results. This new column, called "City, State", displays the city and state (abbreviation) where a title company is located.
- Additional Fee collaboration available between Lenders & Title Companies to promote more accurate title fees

Importing Items on the Order Status Tab (on pg 56)

- Disabled ability to re-import: After importing title and recording fees or data from the summary of transactions from the title agent, the option to re-import will be made unavailable until the title agent sends new fees.
- New message alert for new items to import - When new fees and documents are available for import, a message

will appear to alert the user that new data is available for import. The message will reflect if the new items to import are documents, fees, or both.

- New Import Documents columns - Two new columns have been added to the Import Documents window (viewed by clicking the Import link): Date Received and Date Imported.

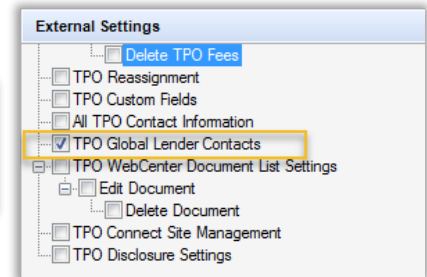
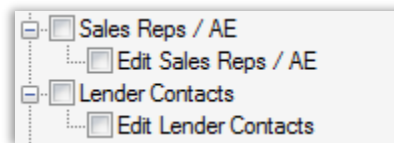
Encompass Settings

Import Geocode and Rate Spread Data

- Geocode and Rate Spread Data configuration option in the Compliance Review Setup has been split into two separate configuration options: one for geocode and one for rate spread. This update recognizes that rate spread and geocode are separate from each other and allows for separate configurations of each.

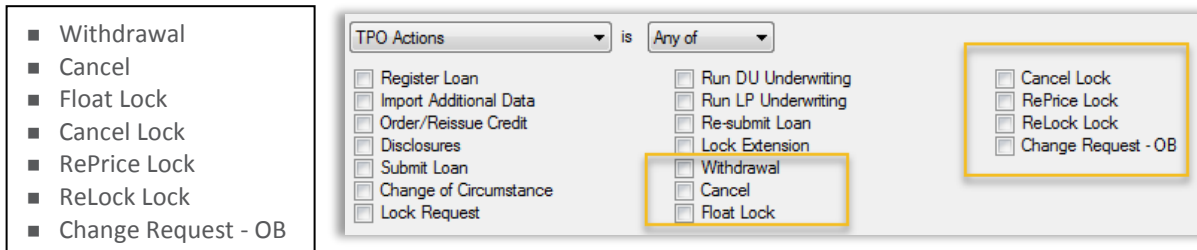
New Persona Settings for TPO Global Lender

- Controls which Personas will have access to the TPO Global Lender Contacts settings and Lender Contacts



Button Access Options Added to the Persona Access to Loan Actions

- The following loan action items have been added to the TPO Actions list that is provided when setting up conditions for the rule. These items have also been added to the Add Loan Actions pop-up list that is provided when setting up a persona's access for the condition.




Rate Spread and Geocode Configuration Options in the Compliance Review

- The rate spread and geocode are now separate from each other and allows for separate configurations of each. Prior to These were tied together

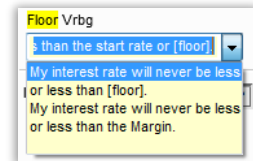
Admin tools

- Allow access from certain IPs Option in Encompass Admin Tools for LO Connect & Encompass Developer Connect

Fixed Issues for Version 18.4	
<ul style="list-style-type: none"> HMDA Updates: <ul style="list-style-type: none"> Lock Icon Added to Initially Payable to Your Institution Field Updated text in section 32 HOEPA Input Form Points and Fees Test Section 	
<ul style="list-style-type: none"> Calculation Updates: <ul style="list-style-type: none"> Total Interest Percentage (TIP) Now Rounding Up for Four-Decimal Values Ending in 5 Estimated Prepaid Items Now Excluded from the Refinance Cash Out Amount Adjustments made to the rounding methods used for the Late Fee (field ID 3876) to avoid situations where the late fee could exceed 4% of the overdue payment of principal and interest Resolved issue that cause incorrect amounts on line 40 VA 26-6393 Loan Analysis input form when a loan status (field ID 1393) was changed to any option other than Active Fixed issue where PMI Coverage Field on Fannie Mae ULDD/PDD Tab No Longer Cleared When Loan Locked Fixed issue where Current Finance Charge (field ID 1206) cleared when a loan was synced using the Piggyback Loans tool. The Issue has been resolved for Total Payoffs and Payments on the Alternate CD Page 3, the error occurred when a payoff was added in the Payoffs & Payments pop-up window and the Loan Estimate was then disclosed. The Did this change? column displayed YES when it should have displayed NO 	
<ul style="list-style-type: none"> Custom Forms: <ul style="list-style-type: none"> 203H Option Now Functions Properly When Selected from the SOA Drop-Down List on a Custom Form 	
<ul style="list-style-type: none"> eFolder Doc Management: <ul style="list-style-type: none"> user can now enter an email address for a co-borrower in the Send Consent window if the co-borrower does not already have an email address entered in the loan file. Updates to the Wording on the eDisclosure Agreement: <ul style="list-style-type: none"> Consent: If You do not consent to receive these Loan Documents electronically, or if You subsequently withdraw consent, You will be provided with paper copies of the Loan Documents for which You did not consent to receive electronically. Withdrawal of Consent Section: If You originally consent to receive eDisclosures, but later withdraw Your consent, You will be provided with paper copies of the Loan Documents for which You did not consent to receive electronically. Application Error Triggered After Tying eFolder Documents to ATR/QM Data Has Been resolved 	
<ul style="list-style-type: none"> Trade Management: <ul style="list-style-type: none"> Updated the Lock Status Logic for Loans Removed from Correspondent Trades Resolved issue where trades (loan or correspondent) and MBS pools with a number of loans (150 – 200) assigned to them took several minutes to save 	
<ul style="list-style-type: none"> Encompass Settings: <ul style="list-style-type: none"> Issues with setting reports generating for Microsoft 365 users (specifically excel), was not displaying the field names at the top of each column as expected. Instead each column header was displayed as Field1, Field2, Field3 Personalized User Security Settings Set up by Administrators for Moving Loans to Loan Folders are now Retained fields that are “not reportable” can be added to the Field Triggers The issue has been resolved where the Access to all loans in the same level setting in the User Details setting was not functioning correctly. If an internal Encompass user was listed as a “TPO Sales Rep” or “Account Executive” on an External Organization, that user had access to all loans associated with that TPO company. 	
<ul style="list-style-type: none"> SDK: <ul style="list-style-type: none"> the Encompass SDK have been updated to ensure that the Loan Open and Loan Lock operations are performed in the proper sequence. When a user opens a loan, the Loan Lock operation is now performed prior to the Loan Open operation. This ensures that when a user successfully opens a loan, they will be working the latest copy and will have their saves succeed. New DLL Files Added to Encompass SDK Installer Package, these files will help prevent Unhandled Exception errors that some users encountered when attempting to attach PDF files (and other file types) to the eFolder via the Encompass SDK. 	

Fixed Issues for Version 18.4.0.1 Server Patch 1

- The client-side update can be controlled manually via the Encompass Version Manager tool.
 - Server Patch included will be applied to the Encompass Server Automatically.
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- Configurable Workflow Templates Setting No Longer Cleared When Encompass is Upgraded from Version 18.3 to 18.4
 - Tolerance Violations for Fee that Cannot Decrease
 - Encompass Forms and Tools:
 - Subordinate Financing Amounts Now Copied from Loan Fields to Lock Request Form:
 - Updates to the Closed End Primary Mortgage Total (field ID 427) on the Subordinate Mortgage Loan Amounts pop-up window now trigger an update to the 1st Mortgage amount (field ID 3035) on the Lock Request tool
 - Updates to the Closed End Subordinate Mortgage Total (field ID 428) on the Subordinate Mortgage Loan Amounts pop-up window now trigger an update to the 2nd Mortgage amount (field ID 3036)
 - Updates to the Total Open End (HELOC) Draw Amounts (field ID CASASRN.X167) on the Subordinate Mortgage Loan Amounts pop-up window now trigger an update to the HELOC Actual Balance (field ID 3846)
 - All Options Now Displaying Properly in the ARM Floor Vrbg Drop-Down List:
 - Updates have been made to the calculation used to populate the Estimated Construction Interest (field ID4088) to address issues for construction loans under the following scenarios
 - Require interest reserve amounts were being understated for construction and construction-to-permanent ARM and fixed-rate loans when A (Half Loan) was selected for the Est. Interest On (field ID SYS.X6) and when the check boxes were selected for Required Interest Reserve (field ID 4086) and Creditor Prohibits Borrower from Making Interest Payments (field ID 4087) were selected.
 - Require interest reserve amounts were being understated for construction ARM loans when B (Full Loan) was selected for the Est. Interest On (field ID SYS.X6) and when the check boxes were selected for Required Interest Reserve (field ID 4086) and Creditor Prohibits Borrower from Making Interest Payments (field ID 4087) were selected.
 - One month of interest was not being included in the required interest reserve amounts for construction and construction-to-permanent ARM loans when the rate did not change during the life of the loan on the Amortization Schedule. This occurred when either A (half loan) or B (Full Loan) was selected for the Est. Interest On (field ID SYS.X6),



Fixed Issues for Version 18.4.0.2

- The client-side update can be controlled manually via the Encompass Version Manager tool.
 - Server Patch included will be applied to the Encompass Server Automatically.
-
- Resolved issue where Incorrect Borrower Pair Information Populated to Input Forms and Disclosures when a second borrower pair via the Manage borrowers' tool.
 - Resolved issue where Non-Admin Users Unable to View or Select Changed Circumstance Reasons on Loan Estimate Page1.
 - Persona Access to Piggyback Loans Tool Now Applies to New Subordinate Financing Buttons
 - Removed blank space printed on Funding Worksheet
 - Number of Days list is now enabled for all loan types in the Construction Mortgage section on the RegZ-CD and RegZ-LE input forms and on the Loan Programs template setting.
 - Able to successfully send eConsent Requests to multiple Borrower pairs without receiving Encompass errors
 - QueryPipeline Now Returns the Correct Number of Loans for Non-Admin Users