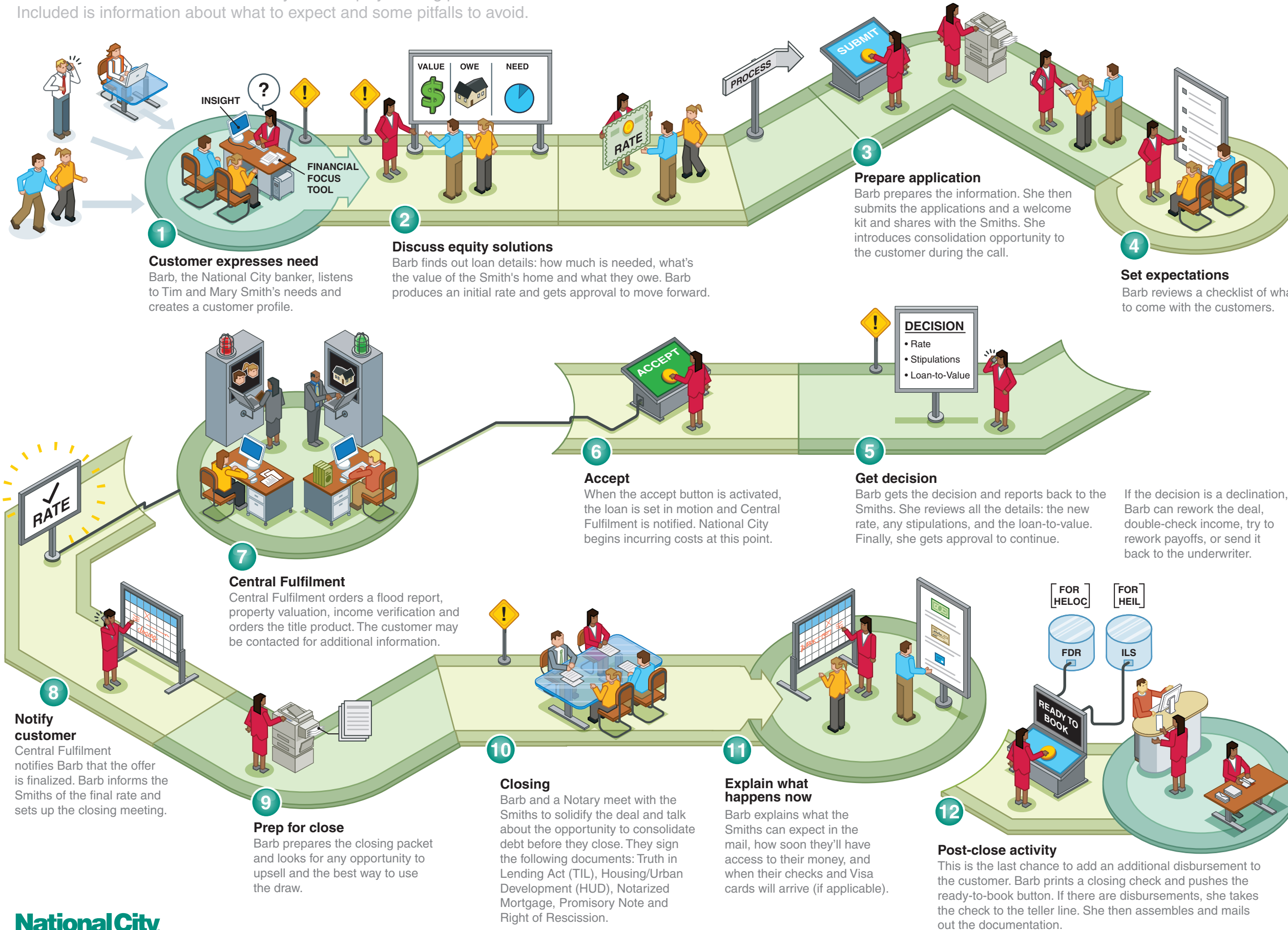


How do I process a National City home equity line of credit or loan?

Here's a walk-thru of the National City home equity lending process. Included is information about what to expect and some pitfalls to avoid.



1 Customer expresses need
Barb, the National City banker, listens to Tim and Mary Smith's needs and creates a customer profile.

2 Discuss equity solutions
Barb finds out loan details: how much is needed, what's the value of the Smith's home and what they owe. Barb produces an initial rate and gets approval to move forward.

3 Prepare application
Barb prepares the information. She then submits the applications and a welcome kit and shares with the Smiths. She introduces consolidation opportunity to the customer during the call.

4 Set expectations
Barb reviews a checklist of what's to come with the customers.

5 Get decision
Barb gets the decision and reports back to the Smiths. She reviews all the details: the new rate, any stipulations, and the loan-to-value. Finally, she gets approval to continue.

If the decision is a declination, Barb can rework the deal, double-check income, try to rework payoffs, or send it back to the underwriter.

6 Accept
When the accept button is activated, the loan is set in motion and Central Fulfillment is notified. National City begins incurring costs at this point.

7 Central Fulfillment
Central Fulfillment orders a flood report, property valuation, income verification and orders the title product. The customer may be contacted for additional information.

8 Notify customer
Central Fulfillment notifies Barb that the offer is finalized. Barb informs the Smiths of the final rate and sets up the closing meeting.

9 Prep for close
Barb prepares the closing packet and looks for any opportunity to upsell and the best way to use the draw.

10 Closing
Barb and a Notary meet with the Smiths to solidify the deal and talk about the opportunity to consolidate debt before they close. They sign the following documents: Truth in Lending Act (TIL), Housing/Urban Development (HUD), Notarized Mortgage, Promisory Note and Right of Rescission.

11 Explain what happens now
Barb explains what the Smiths can expect in the mail, how soon they'll have access to their money, and when their checks and Visa cards will arrive (if applicable).

12 Post-close activity
This is the last chance to add an additional disbursement to the customer. Barb prints a closing check and pushes the ready-to-book button. If there are disbursements, she takes the check to the teller line. She then assembles and mails out the documentation.

What to watch for

Along the way, certain points in the path require particular attention:

1 Customer may not be comfortable with variable rate line of credit - offer Fixed Rate Lock (FRL) or Loan Product (HEIL) as valuable options. Talk about options when customers are sensitive.

2 Present savings and or lower payment options to customers who may be rate sensitive.

5 (for steps 5 and 8) Rates upon approval may be different from as low as rate. Some customers may object. Options would be to select a HELOC or HEIL buy down option. Then phone the customer.

10 During the closing discussion, Barb should speak to the FRL and get a draw on the line at closing.

11 Barb should address the whole loan or line process timing with the customer and note that some customers have their money in about two weeks.