

Mortgage Operations Department	Procedure	Ordering Payoffs
	Process	Closing
	Date Revised	June 27, 2017
	Date Implemented	April 2017
	Accountable Party	Senior VP Mortgages

Purpose:

To provide information regarding the process of ordering a loan payoff and to identify the location of helpful tools.

General Description:

A loan payoff will be ordered by either the Closer or Processor depending on the company the payoff is coming from and other factors. A description of where to find the resources needed to determine when a payoff should be ordered will be described. This step will also determine who needs to order the payoff.

Procedure:

Non-TCSB Payoffs:

1. Mortgage Lender – when a mortgage loan payoff is going to be needed on a file, ask the client for a copy of the most current statement.
 - a. This ensures accuracy regarding the loan number.
 - b. If contact information is needed for the payoff, the statement is the best resource.
 - c. The statement identifies who is on the loan and the billing address.
2. Processor – from the Mortgage Intranet page go to the smartsheet link – Home – Closing Workspace – Loan Payoff Information.
3. Scroll through the information to find the lender from which the payoff will be requested. Both information for first and second mortgages can be found on this list. The contact information is not always the same for first and second mortgages and the length of time to get each payoff varies.
 - a. If the lender is not on the list, the information you will need can be found by:
 - i. Look for the loan payment statement (this will be the most accurate);
 - ii. Doing a web search for the company.
 - b. If the lender is on the list, the following information will be provided:
 - i. Method to contact lender – fax or phone are most common
 - ii. What the lender will require to identify the loan being paid off
 - iii. When known, the time frame the lender requires to get the payoff back to Traverse City State Bank. If the information indicates it will take more than 48 hours, the processor will need to be the one to order the payoff.
4. Closer – if the Processor did not order a loan payoff, follow the steps 2, 3, 3a & 3b to obtain the information needed to request a payoff.
5. Processor or Closer – if a fax request is needed, a blank Loan Payoff Fax Sheet can be found in the Mortgage Closing documents on the intranet (Mortgage Intranet → Mortgage Closing folder → Loan Payoff Fax Sheet). Always remember to include the borrower’s signed authorization with any written request.

6. Processor or Closer - When requesting a payoff, the good through date should be at least five business days after the date the loan disburses, not from the date of closing.
7. Processor or Closer – If during the course of ordering the payoff it is discovered the current payment is made via ACH, the Mortgage Lender should be informed so they can ensure the borrower discontinues the automated payment.
8. Processor – If the payoff has been ordered prior to sending the loan to closing, be sure to indicate this in the Instructions to Closer and/or provide a copy of the payoff in Blueprint.
9. Closer – Be sure a copy of all payoffs are in BluePrint and labeled “Loan Payoff.” Include them in your first submission of closing information (CD) to the Title Company.

TCSB Payoffs: Closer

1. Payoffs are requested from Midwest Loan Servicing (MLS).
2. If applicable, request the escrows be deducted from the total.
3. Add two business days to the day of disbursement for local closings or three business days for out of town closings.
4. Be sure a copy of all payoffs are in BluePrint and include them in your first submission of closing information (CD) to the Title Company.
5. Refer to Job Aid – Ordering payoffs from MLS.