



## **IMPORTANT ANNOUNCEMENT: HTL's Coronavirus (COVID-19) Response & Business Continuity Plan**

**3/20/2020**

### **Updates From Your Management Team**

HighTechLending, Inc. is closely monitoring the escalation of COVID-19 and are taking all necessary measures to ensure our employees are safe. We are providing an update on Temporary Operational changes.

As part of our Business Continuity Plan, we have provided all Corporate Employees with the ability to work remotely from home with full access capability. **Effective Monday 3/23/20, much of our Operations team will be working remotely.** Both Irvine and Citrus Heights offices will remain open but will have limited key personnel working from the office (ie: Funders, Accounting, Insuring, etc). Please understand that during this time, we may experience unexpected delays that can increase turn-times &/or delay communication; however, managers are working closely together with each other and their teams on a daily basis to try and mitigate any delays.

These are unprecedented times and your HTL staff remains available and dedicated to move the loans through the pipeline. As our response to the ongoing spread of the virus evolves, we will continue to monitor the situation and notify you when we need to implement additional protocols and processes.

### **IMPACT:**

#### **Funding VOE's:**

We are experiencing delays with employers trying to verify employment as well as ensuring that borrowers are still gainfully employed. As many of you are aware, several employers during this time are adhering to the Governor of CA's Stay at Home Order announcement on 3/19/20. We are all doing our best to fund your loans, however please bear with us by staying patient as we navigate through these unprecedented times. We are also taking into consideration all of those borrowers affected by the closures to specific industries and will address them on a case by case basis. At this time, we are awaiting an announcement by FannieMae on additional guidance of employment verifications done through The Work # and other approved vendors.

#### **Notaries for Closing Docs:**

We are in constant communication with our Escrow / Title / Closing Agent partners to address the lack of Notaries who are willing to visit borrowers for signings during this time. Please note that all States have different guidelines for notarizing documents. For example, in the State of CA, a virtual notary is Not allowable as a thumbprint must be obtained by the borrower. We are working through this with our partners in each State. We ask for your patience and understanding as this will affect loan signings.

#### **Non-QM:**

We have started to receive updates on the liquidity of Non-QM loan products by certain investors, which have suspended locks at this time. We have been reaching out to all of our investors this morning and thus far, we know Deephaven has suspended locks at this time and several others are in the midst of updating their guidelines to pull back on the higher LTV's. We have not received an update with regards to when they will resume locking, however we will continue to update you as we know more.

### **Turn-Times:**

With employees working remote effective 3/23/20, we may experience delays in turn times by department. However, each Manager will be working with their department employees to bring to light any concerns that may affect turn times & closings. Rest assured that we All remain fully committed to ensuring your pipelines move forward as efficiently as possible.

### **County Recorder Offices:**

Due to the inability for several counties (noted below) to e-Record, HTL will be unable to fund loans where the counties do not participate in e-Recordings. Currently the following counties being affected by recording delays **Or** inability to record are as follows. We will continue to keep in touch with our Escrow / Title partners on a loan by loan basis:

➤ **Alameda / Contra Costa / Marin / Santa Cruz / San Francisco / San Mateo / Santa Clara**

### **Locks:**

We are working with our investors to see if there will be any issues with respect to Lock Extensions and we will do the very best we can to protect your locks. We strongly encourage you to lock your loans for a **much** longer period of time. There are several factors that will have a negative effect on locks, such as appraisal turn times that need to be taken into consideration. Short term locks are highly discouraged and may cause serious reputational risk.

### **Property Inspection Waiver (PIW):**

Due to the recent increases in Appraisal turn-times, please ensure you are reviewing your DU's for PIW's. If Your DU Approves a PIW, you will Not need to order an Appraisal. This can save Time & Money. The PIW can be seen under DU Section "Property and Appraisal Information".