Soft Stops Rules Setup Guide

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Soft Stops – Summary & Common Use Cases

Summary

- Soft Stops are **configurable eligibility rules** that display messages in the pricing table to Users, but do NOT prevent them from performing actions on the pricing table.

- Soft Stop messages **can be configured to ONLY display messages based on specific loan attributes**.

- Soft Stops should be implemented when an investor would like to notify LoanNEX Users of information, but the info is neither configurable as an overlay, nor is the info deemed suitable for Q&A.

Common Use Cases

Property Type eligibility rules that are NOT configurable as an overlay, such as the following:

- Investor Guideline: Acreage must meet 50(a)(6) & 50(f)(2) requirements for urban and rural properties

- Soft Stop Opportunity: LoanNEX can write an eligibility rule for urban properties, but not acreage

Citizenship eligibility rules that are NOT configurable as an overlay, such as the following:

- Investor Guideline: Permanent Resident Aliens must be employed in the US for the past twenty-four (24) months

- Soft Stop Opportunity: LoanNEX can write an eligibility rule off Permanent Resident Aliens, but not employment

Creating Soft Stops

Steps:

1. Navigate to LoanNEX **Manage Credit Screens**
   - Select the **Soft Stops** tab and **Add Soft Stop** button
2. Add details (Min LTV, State, etc.) for when soft stop should fire
3. Add Message that will display
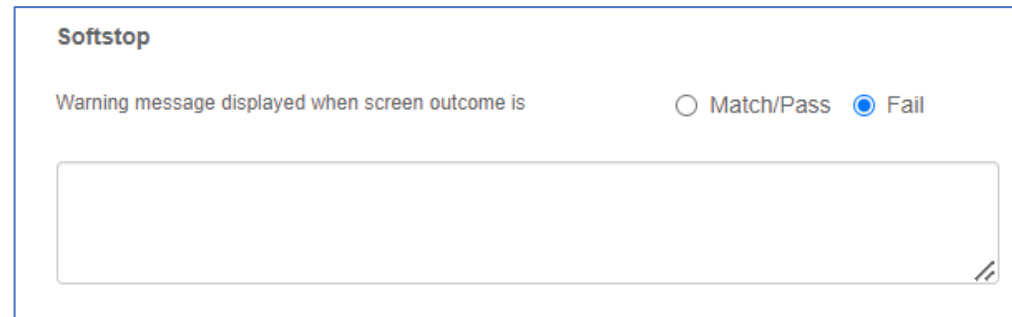4. Configure **Warning message displayed when** screen outcome is

   IMPORTANT NOTE:
   - Selecting the **Match/Pass** radio button means the message will display when rule is MET
   - Selecting the **Fail** radio button means the message will display when the rule is NOT met
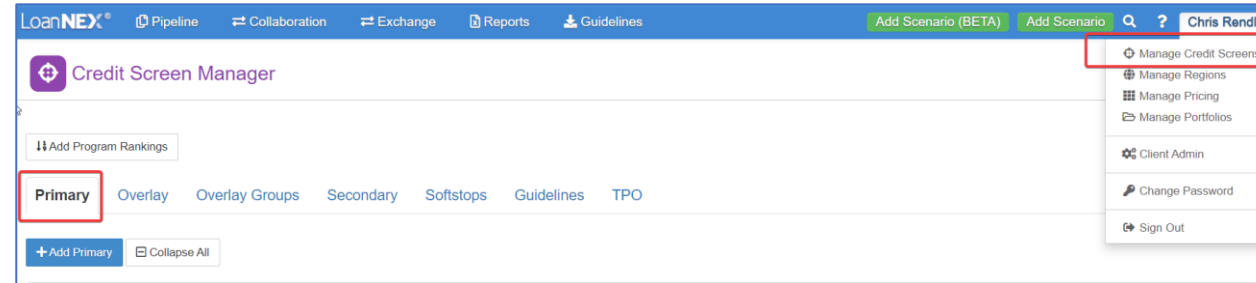
Step 1
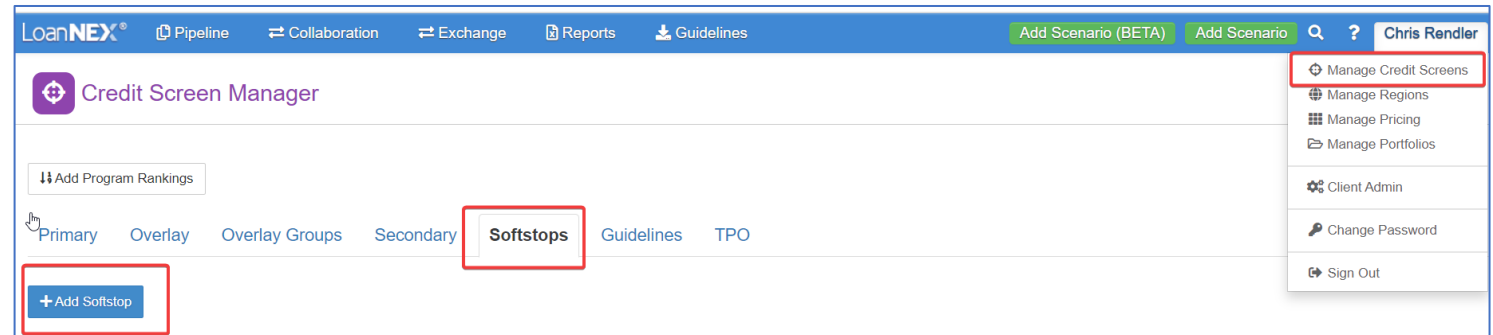
Step 4

Tie Soft Stops to Primary Screens

Steps:

1. Navigate to LoanNEX **Manage Credit Screens**
   - Select the **Primary** tab
2. Select the **Soft Stops** button for the appropriate Primary Screen
3. Find the appropriate Soft Stop under **Assign Soft Stops** and select the checkbox
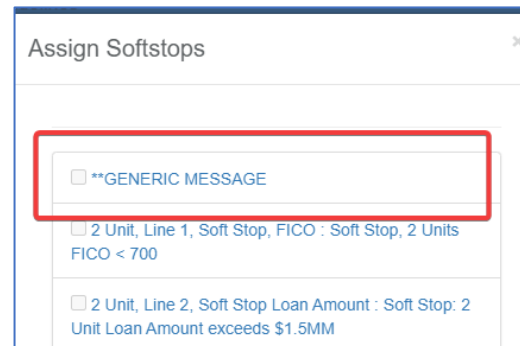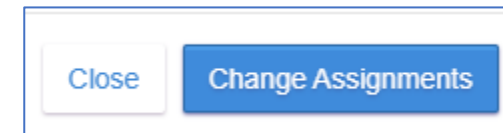4. Select the **Change Assignments** button

Step 1

Step 2

Step 3

Step 4

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Examples

Example 1: Notify users when a FICO is too low for a given LTV range

Message Logic

Softstop

Warning message displayed when screen outcome is ● Match/Pass ○ Fail

FICO min is 700 when LTV > 50%

Rule Logic

Purpose	Occupancy	Property Type																							
Allow All	Allow All	Allow All																							
			Amount		**DSCR (Actual)**		**DSCR Q.**		**Front-End DTI**		**Back-End DTI**		**FICO**		**CLTV**		**LTV**		**LTL**		**Cash Out**		**Cash-in-Hand**		**Months Res (Actual)**		**Months Res Q.**		**Residual Income (Actual)**		**Residual Income**
			min	max	min	max	min	max	min	max	min	max	min	699	min	max	50	max	min	max	min	max	min	max	min	max	min	max	min	max	min	ma
			min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	ma

Examples

Example 2: Notify users when a DTI is too high

Message Logic

Note: *See this message Displayed to User Example on next page*

Softstop

Warning message displayed when screen outcome is   ● Match/Pass   ○ Fail

DTI above 45% requires compensating factors

Rule Logic

Purpose	Occupancy	Property Type
Allow All	Allow All	Allow All

		Amount		DSCR (Actual)		DSCR Q.		Front-End DTI		Back-End DTI		FICO		CLTV		LTV		LTL		Cash Out		Cash-in-Hand		Months Res (Actual)		Months Res Q.		Residual Income (Actual)		Residual Incom
		min	max	min	max	min	max	min	max	45	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min
		min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min	max	min

Soft Soft Display to a User Example

Pricing Table Warning

Evidence Expansion

Note: *This is how Example 2 (previous page) will display to the User*