

MORTGAGE BANKERS SUPPLEMENTAL APPLICATION

- 1) What is the applicant's net worth? \$ _____.
- 2) Does the applicant participate in any projects or developments as a lender in its own right? ☐ Yes ☐ No

Please explain, _____

- 3) Does the applicant make any direct investments in real estate or other property? ☐ Yes ☐ No
- Please explain, _____

- 4) Please indicate percentage and amount of applicant's gross income attributable to each of the following sources based upon the past fiscal year and the latest consolidated fiscal year audited reports:

Income Source	Actual Past Year	Estimate Current
Origination Fees	\$	\$
Servicing fees	\$	\$
Net Interest from Warehouse Loans	\$	\$
Profit or (Loss) from Sale of Loans	\$	\$
Insurance Commissions	\$	\$
Real Estate Commissions	\$	\$
Property Management Fees	\$	\$
Real Estate Appraisal Fees	\$	\$
Real Estate Consulting Fees	\$	\$
Other (describe)	\$	\$
Total Gross Income	\$	\$

- 5) Number and dollar value of loans originated during last year:

Residential Properties:

Number _____ Dollar Value \$ _____

Income Producing Properties:

Number _____ Dollar Value \$ _____

- 6) Number and dollar value of loans served during last year:

Residential Properties:

Number _____ Dollar Value \$ _____

Income Producing Properties:

Number _____ Dollar Value \$ _____

- 7) Is the applicant a member of the Mortgage Bankers Association? ☐ Yes ☐ No
- If yes please attach evidence.

- 8) Is the applicant approved by HUD? ☐ Yes ☐ No
- If yes please attach evidence.

- 9) Delinquency rate of the servicing portfolio?

	Year	Delinquency Rate
a		
b		
c		

- 10) a) What percentage of loans were sold during the past fiscal year to?

Individuals	%
Insurance companies	%
Pension funds	%
Federal National Mortgage Assoc. (FNMA)	%
Governmental National Mortgage Assoc. (GNMA)	%
Commercial Banks	%
Savings and Loan Associates	%
Other Describe	%
	100 %

b) Please indicate the federal sponsored agencies your organization has relationships with:

Agency Name	Type of Seller	Relationship Servicer	Estimate Current Mortgage Value of Agreement

c) Please attach copies of all approval forms.

- 11) Does the applicant use warehousing lines? ☐ Yes ☐ No
Please explain: _____
- 12) Does the applicant participate in any pools, syndicates or other arrangements as part of any projects or developments, either as a lender in their own right, or indirectly on any property for which mortgages are placed by the applicant? ☐ Yes ☐ No

QUALITY CONTROL PROCEDURES

- 13) Describe supervisory and precautionary measures used to foster quality control. (Please attach a copy of the written criteria & procedures.)
- 14) Describe procedures implemented to ensure proper compliance with regulatory agencies.

- 15) Describe procedures implemented to ensure that proper insurance is in place on a loan to protect the lender. _____

- 16) Does the applicant fund loans without having an advance written commitment from an investor in the form of an agreement to purchase a given volume of loans at a certain price? ☐ Yes ☐ No
Please explain, _____

- 17) Describe how the internal audit function is performed. Include detailed description of audit process used for loan origination and mortgage servicing operations. _____

- 18) What source does the applicant use to check the financial status and credit history of the borrower?

- 19) What are the criteria for appraiser selection? _____

- 20) Are appraisal assignments offered on a rotating basis? ☐ Yes ☐ No
Please explain, _____

- 21) Are in-house reviews of real estate appraisal done? ☐ Yes ☐ No
Please explain, _____

- 22) Do the applicant's institutional investors periodically confirm unpaid balances of their loans directly with mortgagors? ☐ Yes ☐ No
Please explain, _____

- 23) Describe in detail your procedures regarding the receiving and disbursing of funds. _____

- 24) Does the applicant use loan brokers or correspondents? ☐ Yes ☐ No
If yes, Please explain the selection process and list the qualifications required. _____

- 25) What was the percentage of sub prime loans placed/originated? _____

It is understood and agreed that this supplemental application shall become a part of the application for Professional Liability Errors & Omissions Insurance.

Date _____

Name of Applicant

*Signature of a person authorized to execute
on behalf of the Applicant.*

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THE PERSON TO CRIMINAL AND [NY: SUBSTANTIAL] CIVIL PENALTIES. (Not applicable in CO, DC, FL, HI, KS, MA, MN, NE, OH, OK, OR, VT or WA; in LA, ME, TN and VA, insurance benefits may also be denied)

IN THE DISTRICT OF COLUMBIA, WARNING: IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR ANY OTHER PERSON. PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS, IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT.

IN FLORIDA, ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

IN KANSAS, ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD, PRESENTS, CAUSES TO BE PRESENTED OR PREPARES WITH KNOWLEDGE OR BELIEF THAT IT WILL BE PRESENTED TO OR BY AN INSURER, PURPORTED INSURER, BROKER OR ANY AGENT THEREOF, ANY WRITTEN STATEMENT AS PART OF, OR IN SUPPORT OF, AN APPLICATION FOR THE ISSUANCE OF, OR THE RATING OF AN INSURANCE POLICY FOR PERSONAL OR COMMERCIAL INSURANCE, OR A CLAIM FOR PAYMENT OR OTHER BENEFIT PURSUANT TO AN INSURANCE POLICY FOR COMMERCIAL OR PERSONAL INSURANCE WHICH SUCH PERSON KNOWS TO CONTAIN MATERIALLY FALSE INFORMATION CONCERNING ANY FACT MATERIAL THERETO; OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT.

IN MASSACHUSETTS, NEBRASKA, OREGON AND VERMONT, ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, MAY BE COMMITTING A FRAUDULENT INSURANCE ACT, WHICH MAY BE A CRIME AND MAY SUBJECT THE PERSON TO CRIMINAL AND CIVIL PENALTIES.

IN WASHINGTON, IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES, AND DENIAL OF INSURANCE BENEFITS.