

# CORRESPONDENT LENDING APPLICATION

## WAREHOUSE CREDIT FACILITY APPLICATION

### Required Documentation

- Correspondent & Warehouse Application
- 2 years FYE audited financial statements and the most recent quarter-end interim financial statements
- Resumes of Key Personnel (owners/president, capital markets, underwriting, compliance, sales, operations)
- Organizational Chart
- Agency Approval Letters, if applicable
- Officers Certificate/Corporate Resolution for all authorized signers for the Company
- Articles of Incorporation/Partnership Agreement/Operating Agreement
- Evidence of Fidelity Bond and Errors and Omissions Insurance
- Investor scorecards representing sold production - last quarter results
- Quality Control Policy and Procedures
- IRS Form W-9
- Most recent quarter post quality control reports with management responses to any significant findings
- Bailee Letter – Sample copy of Bailee Letter for each warehouse lender. Sample letter used to communicate wire instructions and release security instruments.
- Limited Irrevocable Power of Attorney
- Correspondent Loan Purchase and Sale Agreement
- TPO (Third Party Originator) Approval Policy & Procedures, if applicable. Requires specific MBI approval and minimum net worth of \$2.5 million, NA non-delegated.
- TPO Pre-funding and Post-closing QC Policy & Procedures, if applicable, NA non-delegated.
- Aging Report for each current warehouse lender (warehouse credit facility only)
- Personal Financial Statement, Drivers License, and last 2 years tax returns for all owners 10% or greater (warehouse credit facility only)
- 2 years corporate tax returns (warehouse credit facility only)
- Beneficial Owner(s) form (warehouse credit facility only)
- Signed Master Security Release Agreement (financial institutions only)

# CORRESPONDENT LENDING AND WAREHOUSE CREDIT FACILITY APPLICATION

## Company Information

Mortgage Company Name: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Company Phone: \_\_\_\_\_ Federal Tax ID: \_\_\_\_\_  
Company Fax: \_\_\_\_\_ MERS: \_\_\_\_\_  
Website: \_\_\_\_\_ Incorporation Date: \_\_\_\_\_ State: \_\_\_\_\_  
Company NMLS: \_\_\_\_\_ Primary Contact: \_\_\_\_\_  
Parent Company Name: \_\_\_\_\_ Contact Phone: \_\_\_\_\_  
Contact Email: \_\_\_\_\_

## Approval Authority

**Correspondent**       **Warehouse**

Conventional	<input type="checkbox"/> Non-Delegated	<input type="checkbox"/> Delegated
FHA	<input type="checkbox"/> Non-Delegated	<input type="checkbox"/> Delegated
VA	<input type="checkbox"/> Non-Delegated	<input type="checkbox"/> Delegated
USDA	<input type="checkbox"/> Non-Delegated	<input type="checkbox"/> Delegated
Merchants Premium Program	<input type="checkbox"/> Non-Delegated	<input type="checkbox"/> Delegated

## Principal Owners

**Principal Name:** \_\_\_\_\_ Years Mtg Exp: \_\_\_\_\_  
Title: \_\_\_\_\_  
Ownership Percentage: \_\_\_\_\_ % Social Security #: \_\_\_\_\_ DOB: \_\_\_\_\_

**Principal Name:** \_\_\_\_\_ Years Mtg Exp: \_\_\_\_\_  
Title: \_\_\_\_\_  
Ownership Percentage: \_\_\_\_\_ % Social Security #: \_\_\_\_\_ DOB: \_\_\_\_\_

**Company Name:** \_\_\_\_\_  
Ownership Percentage: \_\_\_\_\_ % Federal Tax ID: \_\_\_\_\_

**Company Name:** \_\_\_\_\_  
Ownership Percentage: \_\_\_\_\_ % Federal Tax ID: \_\_\_\_\_

*Note: Date of Birth, Social Security Number, and/or Federal Tax ID is required for approval. All individuals and/or companies with ownership interest greater than 10% must be listed. For additional principal owners, please attach separate list containing the required information.*

# CORRESPONDENT LENDING AND WAREHOUSE CREDIT FACILITY APPLICATION

## State/Agency Licensing

Please indicate if licensed or approved by any of the following, and **submit a copy of Agency Approval Letters.**

- |   |   |
|---|---|
| <input type="checkbox"/> FHA/HUD #: _____ | <input type="checkbox"/> Fannie Mae #: _____  |
| <input type="checkbox"/> VA #: _____      | <input type="checkbox"/> Freddie Mac #: _____ |
| <input type="checkbox"/> USDA #: _____    | <input type="checkbox"/> GNMA #: _____        |

## Insurance

TYPE	INSURANCE COMPANY	AGGREGATE AMOUNT	EXPIRATION DATE
Error & Omission	_____	_____	_____
Fidelity Bond	_____	_____	_____

## Closed Loan Production

LOAN TYPE	MOST RECENT QTR END (AS OF ___/___/___)		MOST RECENT FYE	
	\$ VOLUME	# LOANS	\$ VOLUME	# LOANS
Retail - Traditional	\$		\$	
Retail - Call Center	\$		\$	
TPO - Purchased	\$		\$	
<b>TOTALS</b>	\$		\$	
Conventional	\$		\$	
FHA	\$		\$	
VA	\$		\$	
USDA	\$		\$	
Jumbo	\$		\$	
Other	\$		\$	
Purchase	\$		\$	
Refinance	\$		\$	

Please provide your 12-month projections for total production (from most recent interim date).

Number of Units: \_\_\_\_\_ Volume: \$ \_\_\_\_\_

## Underwriting

Delegated \_\_\_\_\_% Non-Delegated \_\_\_\_\_%

Do you use contract underwriting?  Yes  No

If yes, what %? \_\_\_\_\_

Company Use \_\_\_\_\_

Appraisals ordered through:  AMC  Round Robin Process

UCDP SSR FNMA/FHLMC Documentation:  Company Provided  Merchants Provided

# CORRESPONDENT LENDING AND WAREHOUSE CREDIT FACILITY APPLICATION

## Secondary Marketing

Percentage of loans sold through each execution:

EXECUTION TYPE	PERCENTAGE
Mandatory _____	_____ %
Best Effort _____	_____ %
Other _____	_____ %

## Current Investor Relationships

(Any additional investors must be included in a separate list)

**Investor Name:** \_\_\_\_\_ Monthly Volume (\$): \_\_\_\_\_

Relationship Since: \_\_\_\_\_ Contact Name: \_\_\_\_\_

Contact Phone: \_\_\_\_\_ Contact Email: \_\_\_\_\_

**Investor Name:** \_\_\_\_\_ Monthly Volume (\$): \_\_\_\_\_

Relationship Since: \_\_\_\_\_ Contact Name: \_\_\_\_\_

Contact Phone: \_\_\_\_\_ Contact Email: \_\_\_\_\_

**Investor Name:** \_\_\_\_\_ Monthly Volume (\$): \_\_\_\_\_

Relationship Since: \_\_\_\_\_ Contact Name: \_\_\_\_\_

Contact Phone: \_\_\_\_\_ Contact Email: \_\_\_\_\_

**Investor Name:** \_\_\_\_\_ Monthly Volume (\$): \_\_\_\_\_

Relationship Since: \_\_\_\_\_ Contact Name: \_\_\_\_\_

Contact Phone: \_\_\_\_\_ Contact Email: \_\_\_\_\_

## Warehouse Relationships

**Warehouse Lender:** \_\_\_\_\_ Line Amount (\$): \_\_\_\_\_

Line Expiration: \_\_\_\_\_ Contact Name: \_\_\_\_\_

Contact Phone: \_\_\_\_\_ Contact Email: \_\_\_\_\_

**Warehouse Lender:** \_\_\_\_\_ Line Amount (\$): \_\_\_\_\_

Line Expiration: \_\_\_\_\_ Contact Name: \_\_\_\_\_

Contact Phone: \_\_\_\_\_ Contact Email: \_\_\_\_\_

**Warehouse Lender:** \_\_\_\_\_ Line Amount (\$): \_\_\_\_\_

Line Expiration: \_\_\_\_\_ Contact Name: \_\_\_\_\_

Contact Phone: \_\_\_\_\_ Contact Email: \_\_\_\_\_

## Affiliated Companies

Affiliated Companies include any separate business entity that is fully or partially owned by either the Company or the Company's Principal(s). Please provide the following information for all that apply (list if additional).

1) Affiliated Company Name: \_\_\_\_\_

Affiliated Company Address: \_\_\_\_\_

# CORRESPONDENT LENDING AND WAREHOUSE CREDIT FACILITY APPLICATION

## Affiliated Companies (Continued)

Brief Description of Business Activities: \_\_\_\_\_

Ownership Breakdown (include name and % ownership): \_\_\_\_\_

% Correspondents Production that runs through affiliate: \_\_\_\_\_

% Affiliate's business driven by Correspondent: \_\_\_\_\_

Does Correspondent share employees with affiliate?  Yes  No

Does Correspondent share office space with affiliate?  Yes  No

Does any employee of Correspondent have signing authority at the affiliated company?  Yes  No

If yes, Name: \_\_\_\_\_ Title: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Is the affiliate a title company?  Yes  No

If yes, Title Insurer: \_\_\_\_\_

Main Contact Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Main Contact Email: \_\_\_\_\_

2) Affiliated Company Name: \_\_\_\_\_

Affiliated Company Address: \_\_\_\_\_

Brief Description of Business Activities: \_\_\_\_\_

Ownership Breakdown (include name and % ownership): \_\_\_\_\_

% Correspondents Production that runs through affiliate: \_\_\_\_\_

% Affiliate's business driven by Correspondent: \_\_\_\_\_

Does Correspondent share employees with affiliate?  Yes  No

Does Correspondent share office space with affiliate?  Yes  No

Does any employee of Correspondent have signing authority at the affiliated company?  Yes  No

If yes, Name: \_\_\_\_\_ Title: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Is the affiliate a title company?  Yes  No

If yes, Title Insurer: \_\_\_\_\_

Main Contact Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Main Contact Email: \_\_\_\_\_

## Disclosures

1. Does your company comply with the capital and license requirements of each state and federal regulatory agency with jurisdiction over your lending practices?  Yes  No

2. Has your Company, and/or principals or corporate officers, partners, directors, managers, supervisors, loan processors, loan underwriters or loan originators had a real estate or other professional license suspended or revoked, or received any other disciplinary action from a regulatory agency?  Yes  No

If yes, please explain: \_\_\_\_\_



# CORRESPONDENT LENDING AND WAREHOUSE CREDIT FACILITY APPLICATION

## Disclosures (Continued)

3. Has your Company been suspended from selling or servicing mortgages by an Investor?  Yes  No  
*If yes, please explain:* \_\_\_\_\_
4. Are you aware of Company officers and/or principals, corporate officers, partners, directors, managers, supervisors, loan processors, loan underwriters or loan originators or employees that are or have been on any agency, state or federal exclusionary list?  Yes  No  
*If yes, please explain:* \_\_\_\_\_
5. Has your Company, and/or principals or corporate officers, been named as defendant in a lawsuit for alleged fraud or misrepresentation in connection with any real estate related activity?  Yes  No  
*If yes, please provide the following details surrounding any settled, open or pending litigation:*  
Litigation Explanation: \_\_\_\_\_  
Plaintiff Name: \_\_\_\_\_  
Date Opened: \_\_\_\_\_ Date Resolved: \_\_\_\_\_  
Potential Correspondent Exposure Amount: \$ \_\_\_\_\_  
Company Action Plan to Resolve: \_\_\_\_\_  
\_\_\_\_\_
6. Please provide details surrounding any settled, open, or pending Repurchases and/or Indemnifications within the past 24 months. Include:  N/A  
Investor Name: \_\_\_\_\_  
Note Date: \_\_\_\_\_ Repurchase Amount: \$ \_\_\_\_\_  
Repurchase Explanation (please include with respect to each loan):  
\_\_\_\_\_
7. Has your Company developed a compliance program in accordance with FinCEN's Anti-Money Laundering rules issued pursuant to the Bank Secrecy Act?  Yes  No
8. Is your company in compliance with all relevant Fannie, Freddie, and FHA quality control guidelines?  Yes  No
9. Has your Company developed a compliance program in accordance with the US Patriot Act?  Yes  No
10. Does your Company have procedures for checking all employees against the U.S. General Services Administration (GSA) Excluded Party List, Federal Housing Finance Agency (FHFA) Suspended Counterparty Program (SCP) and HUD Limited Denial of Participation List (LDP List)?  Yes  No
11. Is your Company in compliance with the CFPB's loan originator compensation rules?  Yes  No
12. Is your Company and/or any principals, corporate officers, partners, director, managers, supervisors, loan processors, loan underwriters, or loan originators in compliance of the provisions of the SAFE Mortgage Licensing Act regulations?  Yes  No
13. Is your Company in compliance with FNMA/FHLMC Appraiser Independence Requirements?  Yes  No
14. Has your Company taken steps to meet CFPB Title XIV Mortgage Rules (provisions under Dodd Frank Wall Street Reform and Consumer Protection Act) effective January, 2014?  Yes  No

# CORRESPONDENT LENDING AND WAREHOUSE CREDIT FACILITY APPLICATION

## Disclosures (Continued)

15. Has your Company and/or principals or corporate officers been involved in any legal action that could affect the company's capacity to perform under the correspondent agreement?  Yes  No
16. Do you have formal Direct Endorsement underwriting authority with HUD?  Yes  No  
If yes, have you been FHA Direct Endorsement approved for at least one year and successfully insured at least 50 loans?  Yes  No  
If no, are you still in test cases?  Yes  No

Please explain: \_\_\_\_\_

17. Do you participate in FHA's Lender Insurance Program?  Yes  No

## Respa Transfer Letter Information

In order to correctly identify the previous servicer on our Hello Letter, please provide your Servicer Information from your Goodbye Letter for borrower questions:

Servicer Name: \_\_\_\_\_ Servicer Phone: \_\_\_\_\_  
Servicer Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

## Servicing Portfolio Information

**GNMA:** # of Loans \_\_\_\_\_ UPB \_\_\_\_\_ Servicer/Sub-Servicer \_\_\_\_\_  
**FNMA:** # of Loans \_\_\_\_\_ UPB \_\_\_\_\_ Servicer/Sub-Servicer \_\_\_\_\_  
**FHLMC:** # of Loans \_\_\_\_\_ UPB \_\_\_\_\_ Servicer/Sub-Servicer \_\_\_\_\_

# CORRESPONDENT LENDING AND WAREHOUSE CREDIT FACILITY APPLICATION

## Contact Information

	NAME	PHONE/FAX	EMAIL
Secondary Marketing Manager:	_____	_____	_____
Internal Warehouse Contact:	_____	_____	_____
Operations Manager:	_____	_____	_____
Underwriting/Credit Manager:	_____	_____	_____
Lock Desk Manager:	_____	_____	_____
Servicing Manager:	_____	_____	_____
Collateral Shipment:	_____	_____	_____
Pre-Purchase Review:	_____	_____	_____
Final Documents:	_____	_____	_____
Compliance Manager:	_____	_____	_____
Quality Control Manager:	_____	_____	_____
Government Insuring Manager:	_____	_____	_____

## Vendors

Credit Provider/Network (eg. CBC, MeridianLink) \_\_\_\_\_

Loan Origination System: \_\_\_\_\_

Pricing Engine: \_\_\_\_\_

Document Provider: \_\_\_\_\_

Compliance Vendor: \_\_\_\_\_

Fraud Detection Vendor: \_\_\_\_\_

Hedge Advisor: \_\_\_\_\_

Sub-Servicer: \_\_\_\_\_

Law Firm Texas (a)(6) loans: \_\_\_\_\_

Fulfillment Provider: \_\_\_\_\_



## Certification And Authorization

The undersigned certifies that the statement set forth herein and in any accompanying documents are true and factual to the undersigned's best knowledge. The undersigned hereby authorizes Merchants Bank of Indiana to obtain verification of the information it may deem necessary about the Applicant and its principals from any source including any investor, governmental agency or authority, credit bureau or reporting agency, MI company, Mortgage Asset Research Institute, Inc. (MARI) or any other person or entity including warehouse guarantors.

Additionally, the undersigned and company ("We") represent and warrant that the information provided is complete and accurate in all respects. We understand that this application is made for the purpose of inducing Merchants Bank of Indiana to approve our request as a Correspondent Lender and/or for a warehouse lending facility with Merchants Bank of Indiana. We authorize Merchants Bank of Indiana to make such investigation of our financial condition and the representations contained in the application. We understand that this application shall remain the confidential property of Merchants Bank of Indiana for all purposes. We agree to notify you immediately of any adverse change affecting the company. By this application, we authorize Merchants Bank of Indiana to file a financing statement describing the collateral which will be subject to a security interest in favor of Merchants Bank of Indiana if we approve the request.

The Federal Equal Credit Opportunity Act requires that all creditors, including Banks, Savings and Loans, small loan companies, retail stores and others, make credit equally available to all creditworthy customers without regard to sex, marital status, race, color, religion, national origin, age, the fact that all or part of the applicant's income is derived from a public assistance program, or the fact that this applicant has in good faith exercised any right under the Consumer Credit Protection Act or applicable state law.

**Authorized Guarantor Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_