

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:

<u>Income Source</u>	<u>Actual</u> <u>Past Year</u>	<u>Estimate</u> <u>Current</u>
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 serviced 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:

	<u>Year</u>	<u>Delinquency Rate</u>
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)    | _____ % |
| Government 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:

<u>Agency</u>	<u>Type of Relationship</u>		<u>Estimate Current Mortgage</u>
Name	Seller	Servicer	<u>Value of Agreement</u>
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	

c) Please attach copies of all approval form.

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?

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 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 is the criteria used for appraiser selection?
  
- 20) Are appraisal assignments offered on a rotating basis? Yes\_\_\_\_No\_\_\_\_ Please explain:
  
- 21) Are in-house reviews of real estate appraisals done? Yes\_\_\_\_No\_\_\_\_Please explain:
  
- 22) Does 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, processing 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.

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Signature of person authorized  
to execute on behalf of  
the Applicant