

**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:

<b>Income Source</b>	<b>Actual Past Year</b>	<b>Estimate Current</b>
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) _____	\$ _____	\$ _____
<b>Total Gross Income</b>	<b>\$ _____</b>	<b>\$ _____</b>

- 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:

	<b>Year</b>	<b>Delinquency Rate</b>
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:

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

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 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. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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 person authorized  
to execute on behalf of the Applicant