

**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 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:

	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)	_____	%
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:

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

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. _____

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