



**MK LENDING CORP.**  
**MORTGAGE BANKER**

# **Wholesale Broker Package**

## Broker Application

**Broker Approval Criteria**

- Be properly licensed and authorized within the state it operates in to originate and broker loans.
- Have been in business for at least two (2) years. In cases of newer firms, principals should have at least five (5) years' experience in mortgage brokering or lending.
- Have a good reputation in the industry with proven references, and a high level of professionalism and strong ethical standards.
- Maintain at all times a minimum tangible net worth equal to a minimum of twenty-five thousand dollars and no cents (\$25,000.00) for approval unless state requirements are greater. Net worth must be determined in accordance with Generally Accepted Accounting Principles (GAAP).
- Have a 'good standing' rating with all governmental licensing and revenue collection agencies and have a public record clear of any civil or criminal judgments. A Broker whose firm has been suspended, is currently under investigation by any agency or has an open judgment in excess of twenty percent (20%) of their Net Worth will not be approved or may not be renewed to do business with the Company.
- Have a personal credit profile of "A-" or better (*minimum 620 credit score*) for all sole proprietors and partners. In the case of corporations, the Company may request personal credit reports from the corporate officers if the corporation's credit report is not satisfactory. Past credit difficulties will be reviewed on a case-by-case basis. A letter from the Broker explaining the derogatory item(s) will be required.

**Broker Application****Broker Application & Agreement  
Required Support Documentation****MK Lending Account Executive:****Enclosed Broker Package**

- Completed and executed Broker Application and Broker Agreement
- Completed and executed Fax/E-mail Authorization Form
- Completed and executed Consumer Release Authorization Form
- Signed Loan Fraud and Zero Tolerance Statement
- Completed Authorization to Release Information from Broker of Record for Business and Principals
- Resolution of Board of Directors
- Anti-Money Laundering and Bank Secrecy Act Compl

**Supporting Documents**

- Credit Report (Principals, Broker of Record) no more than 60 days old. (If not provided, MK Lending will pull credit)
- Completed and executed W-9 Form from licensed broker.
- Interim Year-to Date Financial Statements. (Balance Sheet and Profit and Loss)
- Copy of Articles of Incorporation / Organization or Partnership Agreements / Fictitious Name Statement
- Copy of all applicable Lending Licenses
- Quality Control Plan/Procedures
- Copy of Resumes (Broker of Record, Principal Officer(s) and key employees)
- Sample Credit Report (If broker wants to use the broker credit report. Please see Exhibit B.)

## Broker Application

**General Information:**

How did you find out about MK Lending's Wholesale Lending Services? (check One):

 Print Ad    
  Trade Show    
  E-Mail    
  Referral    
  Other: 

 Legal Name of Firm: 

(as shown on Articles of Incorporation, Articles of Organization, and Partnership Agreement(s) (as applicable))

 Doing Business as (DBA): 

(As shown on DBA registration statement files)

 Business Address: 

 City / State / Zip : 

(Attach additional sheets if needed for all other locations. Approval is necessary for each location with documentation)

 Company Phone #:                       Fax Number: 

 Primary Contact Person:                       Primary Contact Phone #: 
**Company Information:**

 Type of Business (Check One):                       Loan Brokerage                       Real Estate Brokerage

 Business Classification (Check One):                       Sole Proprietorship                       Partnership                       Limited Liability Company

 C-Corporation                       S-Corporation                       Other: 

 If a corporation, is it a subsidiary of, or controlled by, another entity? (check one):                       Yes                       No

 If yes, by whom: 

 Company organized and existing under laws of  on 

 Federal Tax ID     
 Years in Business     
 Number of Employees     
 Number of Loan Originators

## Broker Application

Principal Officers, Directors, General Partners (Including all Principals with 10% or more ownership)  
(Attach separate sheet for additional principals if necessary)

Name:  Title:  Years in Industry:

Percentage of Ownership:  SSN:  Involved in Day-to-Day Activity (check one):  Yes  No

Name:  Title:  Years in Industry:

Percentage of Ownership:  SSN:  Involved in Day-to-Day Activity (check one):  Yes  No

Name:  Title:  Years in Industry:

Percentage of Ownership:  SSN:  Involved in Day-to-Day Activity (check one):  Yes  **No**

Name:  Title:  Years in Industry:

### Broker Application

**Company (BRE/DBO):**

<input type="text"/>				
State	BRE/DBO	Issue Date	Expiration Date	License Number
<input type="text"/>				
State	BRE/DBO	Issue Date	Expiration Date	License Number
<input type="text"/>				
State	BRE/DBO	Issue Date	Expiration Date	License Number
<input type="text"/>				
State	BRE/DBO	Issue Date	Expiration Date	License Number

**Licensing Information (NMLS):**

<input type="text"/>				
State	NMLS	Issue Date	Expiration Date	License Number
<input type="text"/>				
State	NMLS	Issue Date	Expiration Date	License Number
<input type="text"/>				
State	NMLS	Issue Date	Expiration Date	License Number
<input type="text"/>				
State	NMLS	Issue Date	Expiration Date	License Number

**List of Key Operation Individuals:**

(Attach separate sheet for additional individuals if necessary)

(Please circle the Admin user)

Name:	<input type="text"/>	email:	<input type="text"/>	Position:	<input type="text"/>
Name:	<input type="text"/>	email:	<input type="text"/>	Position:	<input type="text"/>
Name:	<input type="text"/>	email:	<input type="text"/>	Position:	<input type="text"/>
Name:	<input type="text"/>	email:	<input type="text"/>	Position:	<input type="text"/>

The email receiving lock confirmation:

## Broker Application

Volume of Business:

	Year:		Year:		Current Year:	
	Unit	\$Amount	Unit	\$Amount	Unit	\$Amount
Conventional						
FHA						
VA						
Others						
Fixed						
ARM						
Purchase						
R/T Refinance						
C/O Refinance						

**Broker Application**

## Lender References:

(List at least Three companies that you have submitted the most loans to in the last six months. Attach additional sheets if necessary.)

1. Company Name:  Years Approved: Address:  City / State/ Zip: Phone Number:  E-mail: Types of Loans Submitted: 2. Company Name:  Years Approved: Address:  City / State/ Zip: Phone Number:  E-mail: Types of Loans Submitted: 3. Company Name:  Years Approved: Address:  City / State/ Zip: Phone Number:  E-mail: Types of Loans Submitted: 4. Company Name:  Years Approved: Address:  City / State/ Zip: Phone Number:  E-mail: Types of Loans Submitted: 5. Company Name:  Years Approved: Address:  City / State/ Zip: Phone Number:  E-mail: Types of Loans Submitted:

**Broker Application**

## Other Information:

(Check appropriate box for each question)

1. Has the Applicant or any of its officers or principals ever been rejected, suspended or terminated by any lender or agency?  
 Yes  No
2. Has the Applicant or any of its officers or principals declared bankruptcy in the past seven years?  
 Yes  No
3. Has the Applicant, any of its officers or principals or employees ever had a formal complaint filed against it/them, been reported or subject to disciplinary action by any State or Federal agency (including FBI, OTS, OCC FDIC, VA or any other law enforcement or regulatory agency) regarding any actual or alleged unfair business practice, fraud, forgery, misrepresentation or bank crime?  
 Yes  No
4. Have any claims, suits or pending litigation been made or filed during the past five years against the Applicant, any of its officers, principals or employees?  
 Yes  No

Attention: If any of the answers for the above questions were marked Yes, Please attach an explanation of circumstance, reasons for occurrence and action taken to prevent a recurrence of similar claim or action. If applicable, describe resolution and case number.

5. Has the applicant ever submitted loans to MK Lending or any of its affiliate companies?  
 Yes  No

If Yes, When?  Reason for not stopping:

6. Is the applicant an approved FNMA / FHLMC Seller Servicer?  
 Yes  No

If Yes, Provide FNMA / FHLMC Seller Servicer #'s:

7. During the past five years, has the name of the Applicant been changed or any other business been purchased, merged or consolidated with the Applicant?  
 Yes  No

If Yes, identify on a separate sheet of paper the year, type of change and names and relationships between all entries involved.

8. Does the Applicant or any of the principals now own or control or have they in the past five years owned or controlled a real estate company, real estate development company, construction company or financial services company such as: title company, escrow company, tax preparation, financial counseling, or stock brokerage company?  
 Yes  No

If Yes, please list names and addresses below.

Company Name:  Company Address:

Company Name:  Company Address:



**Broker Application**

## Certification and Authorization:

The undersigned certifies to MK Lending and its successors and assigns that the foregoing information and all accompanying documents are true and complete. The undersigned hereby authorizes MK Lending to obtain verification of any information or documentation provided in connection with this Application from any source (including, but not limited to both business and personal character or credit references provided by Applicant or any owner, principal, officer, employee, member, partner or representative of Applicant.) Applicant hereby releases and holds harmless MK Lending and third party vendor assisting with verification of information or documentation provided (including, without limitation, and background search) from and against all liability for claims, damages, losses, costs and expenses of any kind whatsoever that may arise from such verification efforts or the use or reporting of any information obtained in the course of such verification efforts.

Signature:  Date: Print Name:  Title: Company Name: Signature:  Date: Print Name:  Title:

**Disclosure to Broker Candidate**  
**Regarding procurement of a consumer Report**

In connection with your application to broker loans, we may procure a consumer report on you as a part of the process of considering your candidacy as a broker. In the event that information from the report is utilized in whole or in part of making an adverse decision with regard to your potential affiliation, before making the adverse decision, we will provide you with a copy of the consumer report and a description in writing of you rights under the law.

Please be advised that we may also obtain an investigative report including information as to your character, general reputation, personal characteristics, and mode of living. This information may be obtained by contacting your previous employers or references supplied by you. Please be advised that you have the right to request in writing, within a reasonable time, that we make a complete and accurate disclosure of the nature and scope of the information requested. Such disclosure will be made to you within 5 days of the date on which we receive the request from you or within five days of the time the report was first requested.

By your signature below, you hereby authorize us to obtain a consumer report about you in order to consider you for our broker program.

Applicant's Signature:

Printed Name:

Applicant's Address:

City / State / Zip:

Social Security #:

**Authorization / Release for Businesses and Individuals**

, (the "Applicant") acknowledges that it is in the best interest of both Applicant and MK Lending, Corp. ("Mortgage Lender") for Mortgage Lender to perform due diligence concerning Applicant's background and experience. Applicant further acknowledges that Applicant benefits from the efficiencies in the due diligence process that are possible when Mortgage Lender and other similarly-situated entities in the mortgage industry exchange information about their experiences in doing business with individuals and companies such as Applicant. Therefore, Applicant hereby consents and gives Mortgage Lender permission to submit the name of Applicant's company and any and all employees of that company for screening through any and all mortgage industry background databases, including, without limitation, databases operated by Mortgage Asset Research Institute, Inc., such as the Mortgage Industry Data Exchange ("MIDEX"). Applicant understands that Mortgage Lender performs quality control reviews of the loans that Applicant submits to Mortgage Lender for registration, review, underwriting, and/or purchase. Applicant understands and hereby consents to the release of information about any loan application that is believed to contain misrepresentations and/or irregularities. Applicant agrees and gives its consent that it and its employees may be named as the originating entity or loan officers on such loans, whether or not Applicant or its employees are implicated in the misrepresentations and/or irregularities. Applicant hereby releases and agrees to hold harmless Mortgage Lender, Mortgage Asset Research Institute, Inc., all MIDEX subscribers, and any trade associations that endorse the MIDEX system from any and all liability for damages, losses, costs, and expenses that may arise from the reporting or use of any information submitted by Mortgage Lender or any other MIDEX subscriber to Mortgage Asset Research Institute, Inc., recorded in the MIDEX system, and used in any way by Mortgage Lender or any other MIDEX subscriber.

Signed for Applicant

Signed for Mortgage Lender

(Printed or Typed Name)

(Printed or Typed Name)

Title: Title: 

Company:

Company:

MK Lending, Corp.

Address:

Address:

11023 McCormick St. #100

North Hollywood, CA 91601

Date: Date:

**Authorization to Fax and / or E-mail**

MK Lending Corp. is committed to serving your information needs by keeping you informed of business and event updates through fax and e-mail broadcasting. We will use this information to keep you informed of new product lines and market changes.

New rules governing Fax and E-Mail solicitations require us to obtain your signed permission to send updates to you when we use broadcasts. Your information and signature below will permit us to keep you up-to-date with the most recent information.

Company Name Individual Name Phone Number Fax Number E-mail Address 

I hereby consent to receive information relating to the mortgage business from MK Lending Corp.

Please deliver information as follows:

- Send via Fax to fax number above.
- Send via E-mail to above e-mail address.
- Send using both methods listed above.

MK Lending Corp. will not send you information pertaining to product updates, and market changes. I

declare I am authorized to grant this consent on behalf of the above named company.

Signature Printed Name Date

## Resolution of Board of Directors

RESOLVED that,

President:

Corporate Secretary:

of this corporation, or any one or more of them or their duly elected or appointed successors in office, be and each of them is hereby authorized and empowered in the name of and on behalf of this corporation and under its corporate seal, from time to time while this resolution is in effect, to execute any and all agreements, contract, assignments, endorsement and issuance of checks or drafts, reports, mortgage documents, and other papers in connection with documents, and furnish any information required or deemed necessary or proper by in connection therewith.

I HEREBY CERTIFY that the foregoing is true and correct copy of a resolution adopted by the adopted by the Board of Directors of  on the  day of , at which a quorum was present and voted, and that such resolution is duly recorded in the minute book of this corporation; that the officers named in said resolution have been duly elected or appointed to, and are the present incumbents of, the respective offices set after their respective names.

Corporate Secretary



LENDER PAID COMPENSATION AGREEMENT

Company Name: \_\_\_\_\_

I, the authorized signer for and on behalf of the Broker, here by elect the following percentage of loan amount for determining Broker’s Lender-Paid Compensation amount in compliance with the Board of Governors of the Federal Reserve System’s Regulation Z to the Truth in Lending Act, for all loans where borrower(s) have chosen to have MK Lending Corp. (“Lender”) pay the Broker’s Compensation. Please select only one compensation percentage option by checking box below.

Table with 9 columns: TIER 1 (0.500%), TIER 2 (0.750%), TIER 3 (1.000%), TIER 4 (1.250%), TIER 5 (1.500%), TIER 6 (1.750%), TIER 7 (2.000%), TIER 8 (2.250%), TIER 9 (2.500%)

If MK Lending Corp. does not receive a completed Lender Paid Compensation Agreement from the Broker/ Owner, then MK Lending Corp. will place the compensation Tier 5 (1.5%) with maximum amount of \$12,000 which is the Default Compensation.

Broker certifies that when compensation is paid by Lender, such amount is and will be their sole source of compensation. Broker will not charge of in any way assess borrower(s) any additional fees or charges.

Broker will not receive or accept any compensation in any form, at any time, from any party other than the Lender.

Broker’s compensation is subject to all applicable federal, state and local laws and regulations.

Business Name \_\_\_\_\_

Authorized Signature (Broker/ Owner) \_\_\_\_\_ Date: \_\_\_\_\_

Name \_\_\_\_\_ Effective Date: \_\_\_\_\_

Title \_\_\_\_\_

E-Mail \_\_\_\_\_

MK Lending Corp. Confirmation;

Signature \_\_\_\_\_ Date: \_\_\_\_\_

## FHA Sponsorship Program

This is an addendum (“Addendum”) to the Mortgage Broker Agreement (“Agreement”) entered into by and between MK Lending Corp and \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, such Agreement incorporated herein by this reference. This Addendum is supported by mutual consideration, the adequacy and receipt of which is hereby acknowledged by the Parties.

**WHEREAS**, Mortgage Broker wishes to originate mortgage loan application packages for mortgage loans insured by The Department of Housing and Urban Development (“HUD”) through the Direct Endorsement Program under Sections 203(b), 203(k), and 234(c) of Title 24 of the Code of Federal Regulations, and provisions relating to Home Equity Conversion Mortgages (collectively, “Insured Mortgage Loans”); and

**WHEREAS**, Lender is considering, at its sole option, acting as Sponsor of Mortgage Broker as a 3rd party originator for the origination and processing of applications for such Insured Mortgage Loans; and

**WHEREAS**, Lender and Mortgage Broker wish to define the conditions pursuant to which Lender is willing to sponsor Mortgage Broker and make available the funds necessary to finance Insured Mortgage Loans submitted to and accepted by Lender pursuant to this Addendum.

**NOW THEREFORE**, Lender and Mortgage Broker hereby agree to the following:

**Section 1 – Definitions.** All terms not otherwise defined herein *shall* have the meaning specified in the Agreement. To the extent that this Addendum may conflict with any provisions of the Agreement, the terms and conditions of this Addendum shall control and supersede any conflicting provision in the Agreement.

**Section 2 – Previous Training and Experience.** Mortgage Broker shall submit to Lender, for consideration of sponsorship approval, a Letter of Explanation (“LOE”) certifying and detailing Mortgage Broker’s FHA experience, along with supporting documentation. Such LOE shall include a restatement of current Net Worth, any training certificates from FHA course(s) and/or evidence of FHA loan approvals from other wholesale lenders. To originate Home Equity Conversion Mortgages (“HECM” Loans), Mortgage Broker must be approved for such originations and enter into the agreement with ReverseVision as set forth in Addendum G(R).

**Section 3 – Mortgage Broker Representations and Warranties.** In addition to the Mortgage Broker’s representations and warranties in the Agreement, Mortgage Broker hereby makes the following representations and warranties to Lender as of the date of execution hereof and throughout the term of this Addendum. Lender shall be deemed to have conclusively relied on the representations and warranties, regardless of any independent investigation Lender may have made or may hereafter make.

**A.** Mortgage Broker has the power, authority, and legal right to make, deliver and perform under this Addendum, and all of the transactions contemplated hereunder; and has taken all necessary action to authorize and execution, delivery and performance of this Addendum. The execution of this Addendum has been duly authorized and executed by Mortgage Broker and is, or upon delivery will be, legal, valid and binding obligation of Mortgage Broker enforceable in accordance with its terms, subject only to applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditor rights generally.

**B.** Neither this Addendum nor any statement, report, or other document furnished or to be furnished pursuant to this Addendum or in connection with the Lender’s approval or any transactions contemplated hereby, contains any untrue statement of fact or omits to state a fact necessary to make the statements contained therein not misleading.

**C.** To the extent that the mortgage activities contemplated in this Addendum require Federal, state or local licensing, registration or other approval, Mortgage Broker has obtained such license, registration or approval and will maintain them in good standing at all times during the term of this Addendum.

**D.** Mortgage Broker shall perform all loan origination functions with respect to processing applications for Insured Mortgage Loans to be underwritten by Lender, other than those which are authorized by HUD to be performed by third parties. Mortgage Broker shall comply in all respects with all lending requirements of FHA and all requirements of FHA.

**E.** For each Insured Loan originated, an FHA Approval Letter shall be obtained and all conditions for FHA approval met.

**F.** If Mortgage Broker has any association or affiliation with a real estate services company, there is no dual employment.

**G.** If Mortgage Broker is a HUD-approved lender, the only loans to be submitted to Lender will be those for loan programs not offered by Mortgage Broker.

**Section 4 – Funding Agreement.** Mortgage Broker shall process and submit to Lender applications for Insured Mortgage Loans to be underwritten by Lender, all in accordance with the provisions specified in the Agreement. Lender agrees to fund Insured Mortgage Loans which meet Lender's then-current underwriting criteria and which meet all requirements for insurance under HUD's Direct Endorsement program. Approved Insured Mortgage Loans must only be underwritten by Lender and closed in Lender's name, in accordance with Federal, State, and Local requirements. At the closing of the Insured Mortgage Loan, Lender shall advance to the closing agent the amount necessary to fund the Insured Mortgage Loan.

**Section 5 – Lender Representations and Warranties.** Lender, is a mortgagee which holds a valid origination approval agreement with HUD, is approved to participate in the Direct Endorsement program and meets the applicable net worth requirements established by HUD.

**Section 6 – Quality Review.** Lender shall have the right to perform a quality control review of Mortgage Broker's business activities related to the origination and processing of applications for Insured Mortgage Loans pursuant to this Addendum. Mortgage Broker will, upon request, provide Lender with any documentation, including but not limited to financial records and audit reports, which Lender considers necessary to verify Mortgage Broker's compliance with Federal and state requirements for loan brokers. Lender may, upon providing five (5) days' notice, conduct periodic on-site audits of Mortgage Broker's business activities related to this Addendum. The audit will be conducted in compliance with normal and customary procedures and policies outlined by HUD.

**Section 7 – a)** For any FHA loan originated by Mortgage Broker and funded by Lender where the borrower fails to pay any of the first six (6) payments to Lender (or its successors or assigns) within sixty (60) days from such payment being due, Mortgage Broker shall, within thirty (30) days of Lender's written demand, pay to Lender an amount equal to all compensation paid to Mortgage Broker on the loan transaction from any source. For purposes of this section: any payment made on any loan by a person other than the borrower named on the note shall be ignored for purposes of determining whether a monthly payment is thirty (30) days or more delinquent.

**b)** For purposes of HECM/Reverse Mortgage loans, any loan that is substantially prepaid (20% or more of Unpaid Principal Balance) on or before one hundred twenty (120) days following the applicable Closing, Mortgage Broker agrees to pay Lender within thirty (30) days after the Broker is notified by Lender of the prepayment, an equal percentage of any premium paid for or in connection with such loan (e.g. for a loan in which the Borrower prepays 20% of the unpaid principal balance within one hundred twenty (120) days of Closing, the refunded premium shall be 20% of the premium). In addition to any other remedy otherwise available under the terms of this agreement, and at Lender's sole discretion, upon discovery of any evidence of misrepresentation of any material fact in the origination of a Loan funded by Lender, Lender shall notify Mortgage Broker of such finding and Mortgage Broker shall have the opportunity to clarify, explain or

otherwise cure such loan deficiency within the time prescribed by Lender, and to the full and complete subjective satisfaction of Lender. If, after receiving such notice, Mortgage Broker fails to so clarify, correct or otherwise cure such deficiency to the complete subjective satisfaction of Lender within the prescribed time, then Mortgage Broker shall, upon 30 days' written notice by Lender, purchase such deficient Loan from Lender.

c) For purposes of HECM/Reverse Mortgage loans where the qualifying borrower dies within one hundred twenty (120) days of the loan funding, Mortgage Broker shall, within ten (10) days of Lender's written demand, reimburse Lender for all fees, commissions and other compensation that Mortgage Broker received from Lender in connection with said loan, plus any premium ("Premium") and any amounts credited to Mortgage Broker, whether or not credited to Borrower.

**Section 8 – Withdrawal of HUD Approval.** Mortgage Broker agrees to promptly notify Lender in the event that a Loan Originator agreement entered into between Mortgage Broker and another Sponsor is terminated for any reason.

**Section 9 – Agreement.** This Addendum shall be deemed to supplement and, to the extent it is inconsistent with the Agreement, to modify the Agreement. The Agreement shall remain in full force and effect, the rights of the parties under this Addendum shall otherwise be governed by the Agreement and the terms and conditions thereof are incorporated herein by reference.

**Section 10 – Termination.** The termination of the Agreement shall automatically terminate this Addendum. This Addendum may, in addition, be terminated in writing at any time by either party upon ten (10) days prior written notice; provided, however, that in the event that Lender, in its sole discretion, deems Mortgage Broker to be in breach of any of the representations and warranties made herein, Lender may immediately terminate this Addendum without prior notice to Mortgage Broker. However, the termination of this Addendum shall not automatically terminate the Agreement. In the event of a termination of this Addendum, Lender and Mortgage Broker shall promptly notify HUD of such termination.

**Section 11 – Assignment.** Mortgage Broker may not assign this Addendum. Lender may assign this Addendum without the consent of, or prior notice to, Mortgage Broker.

**Acknowledged and Agreed:  
Authorized Representative of Mortgage Broker:**

By: \_\_\_\_\_ Print

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

Date: \_\_\_\_\_

Legal Company Name: \_\_\_\_\_

EIN:   -

NMLS: \_\_\_\_\_

Corporate Address: \_\_\_\_\_

Email: \_\_\_\_\_