



Lender/Seller Participation Application Required Documents Detailed Requirements

1. **Application Fee:** \$500.00 check payable to Utah Housing Corporation, reference on the check must state *New Lender Application, attention of Pamela Shinsel* (checks and application packages without this reference may be delayed in processing). Additional fees may be required for incomplete applications.
2. **Lender/Seller Participation Application:** One (1) completed and original signed Lender/Seller Participation Application
3. **UHC Recitals and Signature:** Review and execute (by a person authorized to enter into a contract) UHC's Participation Recitals and Signatures, (located in the UHC Participation Agreement)
 - a. Two (2) originals signed by an authorized officer of the Lender/Seller (one will be signed by UHC and returned to Lender/Seller upon approval)
4. **Evidence of Authority to Execute:** Signed by a corporate officer of the Lender/Seller authorizing the signer of UHC contracts to sign for and behalf the company (UHC Form 124)
5. **New Lender/Seller Operations Contact Information:** A completed New Lender/Seller Contact Information form (Exhibit A to the Participation Application)
 - a. Resumes, Contact and Manager information, and location of Lender/Sellers branches and mortgage net branches
6. **Wiring Instructions or Bailee Agreement:**
 - a. Wire Instructions: For Lender/Sellers funding their own loans and not using a Warehouse Lender: A completed original wiring instructions form on your company letterhead in substantially the format provided in Exhibit C to the Participation Application signed by an authorized Officer of the Lender/Seller. NOTE: Contact person and signatory must be two different individuals.
7. **Financial Statement:** Most recent two (2) years audited Financials **and** YTD Quarterly Financials
 - a. Net Worth: Each Lender/Seller must maintain a minimum net worth of \$1,000,000 or FHA, VA, GSE, or other Investor required amount, whichever is greater
 - b. For FHA lenders that meet the size standards for a small business as defined by the Small Business Administration (13 CFR 121.201, Section 52, Subsection 522). The adjustment will be in accordance to the FHA Single Family lending guideline in affect at the time of the Lender/Seller Application
 - c. If parent corporation is not a Utah corporation, financial statements representing all Utah operations must be submitted in addition to corporate financials
 - d. Lender/Seller must maintain the liquid, financial ability to repurchase any loan sold to UHC
8. **Resumes:** Resumes for the persons designated as principal officers and resumes for Underwriter, Closing, Shipping, Post Purchase, Compliance, Quality Control and Production Managers who will oversee the UHC loan processes
 - a. NOTE: Underwriter designated as UHC underwriter must have a minimum of three years FHA and Fannie Mae underwriting experience and at least one year experience underwriting bond loans

9. **Quality Control Plan:** A copy of the Lender/Seller's most current Single Family Quality Control Plan for Underwriting and Origination. The plan must include policies and procedures including but not limited to:
 - a. Fair Lending , Avoiding Predatory Lending, and avoiding unfair, deceptive or abusive acts and practices
 - b. Qualified Residential Mortgage (QRM) and Ability To Repay (ATR)
 - c. Gramm-Leach-Bliley Act (GLBA)
 - d. Fraud detection process and procedures, including those for red flags and alert messages
 - e. Appraisal Independence Requirements
 - f. Hiring procedures for checking employees involved in the origination of mortgage loans against the General Service Administration (GSA) and HUD's Limited Denial of Participation List of ineligible parties
 - g. Pre-funding Quality Control process and procedures
 - h. Loan Officer Compensation Plan
 - i. Anti-Money Laundering Policy

10. **Internal Audits:** Copy of three (3) most recent monthly Single Family QC audits

11. **MER's:** Copy of MER's most recent annual audit

12. **Scorecard:** Copy from 2 Investors purchasing loans from Lender/Seller

13. **Default Compare Ratio:** Copy of FHA current default ratio. If ratio exceeds 100%, approval will not be granted.

14. **Certificate of Insurance:** Copy of Lender/Seller's Fidelity Bond and Errors and Omissions coverage
 - a. Lender/Seller must maintain a minimum coverage of 5% of entire dollar volume of previous year of Utah loan production or \$3 million whichever is greater

15. **Loan Volume:** Evidence Lender/Seller has closed (recorded) at least 60 first mortgage loans closed in Utah within the past twelve months (do not include refinances). At least 30 of these mortgages must be FHA-insured loans. Consideration may be given to smaller Lender/Seller for slightly lower number of loans sold.

16. **Utah Offices** authorized to originate UHC loans (Exhibit B)

17. **Mortgage Net Branches** authorized to originate UHC loans (existing mortgage broker firm, staff are employees and receive pay from Lender/Seller) (Exhibit C):
 - a. Business license from the state of Utah for any Mortgage Net Branches of Lender/Seller that are authorized to originate loans in Utah
 - b. Verification the date the Mortgage Net Branch was approved to originate loans in Utah and under what name.
 - c. Documentation all Mortgage Net Branches in Utah (if applicable) are licensed to do business in Utah, and have been a Mortgage Net Branch of Lender/Seller for a minimum of two of the most recent consecutive years.

18. **Additional Documentation:**
 - a. Copy of approval from MERS, Fannie Mae, FHA and VA
 - b. Copy of Utah license and all Utah Offices PLM License (from the Utah Department of Commerce)
 - c. Copy of NMLS License/Registration Number - Note: Organization NMLS # should be provided, not branch office NMLS#
 - d. Copy of at least two broker or correspondent Investor References (Exhibit #D)