



Application to Originate CalHFA Loans

The following information outlines general requirements for originating loans sold to the California Housing Finance Agency (CalHFA). In evaluating the application, CalHFA will use certain criteria to assess the Applicant to ensure the quality of the loans sold to CalHFA and to verify that the Applicant is capable of handling the responsibilities associated with originating loans on our behalf. CalHFA encourages the Applicant to review the general criteria to determine eligibility for becoming a CalHFA-approved loan originator.

The Applicant is required to complete this application together with all attachments and have it signed by an authorized officer. When the application is received, CalHFA will review the application, and required attachments for determination of eligibility as a CalHFA-approved loan originator.

When all requirements have been satisfied and a conditional approval has been issued, a CalHFA Mortgage Purchase and Servicing Agreement (MP&SA) and a CalHFA Service Release Addendum (SRA) will be forwarded to the Applicant for full execution and return to CalHFA along with the Form Opinion of Counsel. Once all conditions of approval have been satisfied and legal contracts/documents have been received by CalHFA, mandatory training by CalHFA will be scheduled with the Applicant prior to the Applicant originating CalHFA loans.

The Applicant will be required to bear the travel costs of CalHFA's Lender Training staff for travel to and from the lender's location. Travel costs include all out-of-pocket expenses such as air fare, auto rental, lodging, meals and incidental expenses per visit.

CalHFA's Training includes 3 training sessions. 1) A 4 hour in-person General Session class for Underwriters, Processors, Operations and Sales, 2) A 1 hour in-person or webinar Post-Closing Training class for Doc Drawers, Shippers and Funders, and 3) A 1 hour in-person or conference call MAS System training to set up your company administrator and any Secondary/Lock Desk staff.

Mandatory Qualifications to become a CalHFA-approved Lender:

- Be approved by CalHFA's Master Servicer, when applicable
- Be a Fannie Mae-approved Seller. Fannie Mae approval must be documented prior to final CalHFA approval
- Be a HUD-approved Mortgagee with Direct Endorsement status
- Have as one of its principal business purposes the origination, selling, and/or servicing of residential mortgages and demonstrate capacity and experience
- Be a direct lender and fund loans from its own resources or maintain a warehouse line of credit of at least \$1 million
- Be duly organized, validly existing, properly licensed and in good standing, as a Mortgage Banker, Bank, Savings and Loan or Credit Union or otherwise authorized to conduct business in each of the jurisdictions in which it originates, sells, and/or services residential mortgages, including California
- Have a minimum of one year in business
- Be an active Mortgage Electronic Registration System (MERS) member
- Have and maintain an adjusted net worth of \$2.5 million
- Have in effect a fidelity bond and errors and omissions insurance policy that meets Fannie Mae requirements
- Maintain adequate internal audit, quality assurance/control and management control systems that conform to insuring and guaranteeing agencies and Fannie/Freddie Mac requirements
- Have written policies and procedures which conform to Fannie Mae requirements for each of the following areas: Underwriting, Secondary Marketing, Quality Assurance/Control, Appraisal Independence Requirements (AIR) and Loan Servicing
- Have Master Servicer TPO approval to if offering CalHFA programs to brokers
- Must not be (to include parent company) on any form of "Watch List" or be subject to a cease and desist order, suspended, debarred, under a limited denial of participation, or otherwise restricted under provisions of HUD or other governmental agency in the last five (5) years or at any time during its working relationship with CalHFA
- The company or its officers must not be under indictment for, or have been convicted of any offense that reflects adversely upon the Applicant's integrity, competence or fitness to meet the responsibilities of a lender

- Must execute a CalHFA Mortgage Purchase and Servicing Agreement (MP&SA) and CalHFA Service Release Addendum (SRA) *after* CalHFA's conditional approval of the Applicant's complete application package. A sample version of the MP&SA and SRA is available on the CalHFA web site
- Must provide a Form Opinion of Counsel from the Applicants' legal counsel *after* CalHFA's conditional approval of the Applicant's complete application package. A sample version of the Form Opinion of Counsel is available on the CalHFA web site and a "Word" version may be provided upon request
- Provide other documentation and information that may be requested by CalHFA

NOTES:

- (1) CalHFA may, at its discretion, amend or supplement these eligibility requirements. We approve or disapprove an Applicant based on our assessment of its total circumstances; therefore, an Applicant that satisfies our general eligibility requirements does not have an absolute right to be approved and should not expect our approval to be automatically forthcoming
- (2) CalHFA may, at its discretion, terminate an application if the Applicant has not submitted all required documentation within six (6) months of receipt by CalHFA of the initial application package
- (3) Submission of a fully completed and executed CalHFA Application to Originate and Service Loans along with all required supporting documentation shall constitute a representation by the Applicant that it meets all of the requirements specified above

Required Attachments:

- Application fee of \$1,000.00 (Non – Refundable)
- Fully Completed and executed CalHFA Application to Originate CalHFA Loans with all required supporting forms and documentation
- Certificate of Authority and Specimen Signatures Form
- Completed ACH Credit Transfer Authorization Form (maximum of two accounts)
- Narrative describing the history and general scope of the Applicant's operations
- Organizational Chart listing corporate officers and management names, title's and departments overseen including loan origination, loan production, underwriting, secondary marketing, quality assurance/control and loan servicing
- List of branch office in California to include:
 - Branch manager name
 - Branch physical address
 - Branch telephone number
 - Branch fax number
 - Branch manager email address
- Completed IRS Form W-9 Request for Taxpayer Identification Number and Certification
- Copies of approval(s) by Fannie Mae, Freddie Mac, FHA, VA, USDA, and CalHFA Master Servicer

APPLICANT PROFILE

Applicant Information

Company Name: _____

Under the name of, doing business as (dba): _____

Physical Address: _____

City: _____ State: _____ Zip: _____ Main Phone# _____

Mailing Address: _____

City: _____ State: _____ Zip: _____ Main Phone# _____

Company Web site Address: _____

Contact for Application Process: _____ Title: _____

Phone: _____ Fax: _____ Email: _____

Company Liaison for CalHFA: _____ Title: _____

Address: _____

City: _____ State: _____ Zip: _____ Main Phone# _____

Phone: _____ Fax: _____ Email: _____

Legal Status of Applicant

Company established on (Date): _____

Under the laws of: _____

Mortgage Banker, company headquarters located in: _____

Commercial Bank, company headquarters located in: _____

Thrift, company headquarters located in: _____

Credit Union, company headquarters located in: _____

Partnership, company headquarters located in: _____

Other (specify): _____

Statements of Financial Condition

Is your company listed by the Security Exchange Commission? Yes No

If yes, which board? _____

Is Applicant or Parent a Bank, Thrift, or Credit Union? Yes No

If yes, provide the published information as listed by IDC Financial Publishing Inc.:

Abbreviated Name _____

City, State of Headquarters Location _____

Active Affiliates

Provide information for all parent companies and subsidiaries (attach additional sheets if necessary):

Company Name and Mailing Address

Company Name and Mailing Address

Fannie Mae Yes No

Fannie Mae Yes No

Freddie Mac Yes No

Freddie Mac Yes No

HUD Yes No

HUD Yes No

Fictitious Business Names

Does your company do business under any other names (as a "dba")? Yes No
All dba's must be identified in Opinion of Counsel Letter

Name of dba

Officer Certifications

Disclose whether any of the principal officers, partners, owners or directors:

Have been employed by an institution at the time of or within the two (2) years preceding its debarment by the Department of Housing and Urban Development?

Yes No Describe (in detail): _____

Have been denied an operating license or otherwise sanctioned by any licensing or regulatory body?

Yes No Describe (in detail): _____

Have been convicted of a crime or named in a pending criminal proceeding (excluding traffic violations and other minor offenses)?

Yes No Describe (in detail): _____

Have been subject to an order, judgment, or decree enjoining him or her from engaging in any activities in connection with any type of business transaction (including the purchase or sale of a security) or acting as (or as an associated or affiliated person of) an investment adviser, underwriter, broker, dealer, financial institution, or another business?

Yes No Describe (in detail): _____

Lender Certifications

Is your institution the subject of any litigation, assessments, or contingent liabilities (attach additional sheets if necessary)?

Yes No Describe (in detail): _____

Is your institution the defendant in any class action suit (attach additional sheets if necessary)?

Yes No Describe (in detail): _____

Has a judgment been entered against your institution, or have you entered into a settlement in any class action suit (attach additional sheets if necessary)?

Yes No Describe (in detail): _____

Has your company ever been suspended or terminated by FHA, VA, Fannie Mae, Freddie Mac, Private Mortgage Insurer, or other investor?

Yes No Describe: _____

Has your company been declared insolvent, made a general assignment for the benefit of creditors, declared bankruptcy, suffered or permitted the appointment of a receiver for its business or assets, liquidated, or denied fidelity insurance coverage or mortgagee's errors and omissions insurance coverage?

Yes No Describe: _____

Has your company (including parent company) on any form of "Watch List" or be subject to a cease and desist order, suspended, debarred, under a limited denial of participation, or otherwise restricted under provisions of HUD or other governmental agency in the last five (5) years or at any time during its working relationship with CalHFA?

Yes No Describe: _____

Has your company had a principle officer or any other partner has been removed from Fidelity Bond or Errors and Omissions insurance coverage, and, if so, a direct surety bond has been obtained for such officer or partner?

Yes No Describe: _____

Does your company have written policies and procedures which conform to Fannie Mae requirements for each of the following areas: Underwriting, Secondary Marketing, Quality Assurance/Control, Appraisal Independence Requirements (AIR) and Loan Servicing?

Yes No Describe: _____

Does your company maintain adequate internal audit, quality assurance/control and management control systems that conform to insuring and guaranteeing agencies and Fannie/Freddie Mac requirements?

Yes No Describe: _____

Does your company comply with all applicable state and federal regulations pertaining to the origination, selling and/or servicing of mortgage loans, including financial privacy requirements?

Yes No Describe: _____

Are you a Lakeview Loan Servicing approved Lender? Yes No # _____

Are you a Fannie Mae approved Lender? Yes No # _____

Are you a Freddie Mac approved Lender? Yes No # _____

Are you a HUD (FHA) Single Family Lender? Yes No # _____

Are you a HUD (FHA) Single Family Servicer? Yes No # _____

Are you a HUD (FHA) Direct Endorsement Lender? Yes No # _____

Are you a VA Approved Lender? Yes No # _____

Are you a USDA Approved Lender? Yes No # _____

Are you a MERS Approved Lender? Yes No # _____

Are you a Single Family Servicer? Yes No

Do you fund from your own resources to close loans in your name? Yes No

Do you have a warehouse line of credit to close loans in your name? Yes No

List warehouse line(s) of credit used for funding CalHFA loans, if applicable (attach additional sheets if needed):

Warehouse Bank's Name

ABA#

Account#

Address, City, State, Zip Code

Line of Credit Amount (\$)

Contact Person & Phone Number

Provide required insurance coverage:

Insurance Type	Coverage Amount	Expiration Date
Fidelity Bond		
Errors & Omissions		
Forgery		
Money & Securities "All Risk"		

Financial Summary

Time Period	Net Income	Equity/Net Worth	Assets
FY ending: _/_/___			
FY ending: _/_/___			
Fiscal YTD _/_/___			

List personnel in the following areas:

TITLE	NAME	PHONE NUMBER	EMAIL ADDRESS
Operations Manager			
Production Manager			
Underwriting Manger			
QC/QA Manager			
Secondary Marketing Manager			
MERS Manager			
Shipping/Closing Manager			
Interim Loan Servicing Manager			
Loan Servicing Manager			

ACKNOWLEDGEMENT

I affirm that all information submitted with and attached to this application is true and correct. I hereby authorize CalHFA, at its discretion, to verify the information with any other sources, and I hereby waive any cause of action or claim I may have against such sources with respect to any information they may provide.

By: _____
 Authorized Signature

Name and Title: _____

Company: _____

Date: _____

Certificate of Authority and Specimen Signatures

I, _____, _____, of _____
(Counsel or Secretary's Name) (Title) (Seller Name)
("Seller"), which is a _____ organized and existing
(Type of organization)

under the laws of _____, hereby certify that pursuant to a duly adopted resolution(s) by the Board of Directors or similar governing body of Seller, the individuals listed below are fully authorized and empowered to execute agreements, contracts and similar documents legally binding Seller with regard to the sale of mortgage loans to the California Housing Finance Agency (CalHFA). I also certify that the authority thereby conferred is not inconsistent or in conflict with the Certificate of Incorporation, Charter, By-Laws or other applicable governing documents of Seller's power and authority.

Signature	Name	Title

I also hereby certify that the specimen signatures set forth above next to each name are the true and genuine signatures of such persons and the CalHFA may conclusively rely on the accuracy, genuineness, and good faith of any written communication bearing any of the signatures set forth above. I also certify that the persons who signed the Certificate of Authority and Specimen Signatures set forth above were at the time of such signing and delivery and are now duly elected, qualified and acting as such officers.

This Certificate of Authority and Specimen Signatures supersedes all prior Certificate of Authority and Specimen Signatures.

In witness whereof, I have hereunto signed my name and affixed the seal of Seller this _____, day of _____, _____.
(Day) (Month) (Year)

Name Title

Signature

ACH Credit Transfer Authorization Form

Complete the information below to authorize an ACH Credit Transfer.

Beneficiary Lender Information			
Name		Telephone Number	
Street Address			
City		State/Province	Zip
ACH Bank Information (Set 1)			
Bank Name			
Street Address			
City		State/Province	Zip
ABA Number:		Account Number:	
ACH Bank Information (Set 2)			
Bank Name			
Address			
City		State/Province	Zip
ABA Number:		Account Number:	
Special Instructions			
Originator Authorization			
By signing below, I authorize CalHFA to execute the above funds transfer instruction.			
Authorized Signature and Date		2 nd Authorized Signature and Date	
Print Name	Title	Print Name	Title
Phone	Email	Phone	Email
CALHFA USE ONLY:			
Authorized Signature and Date		2 nd Authorized Signature and Date	
Print Name	Title	Print Name	Title
Phone	Email	Phone	Email
ACH 1 Code #		ACH 2 Code #	