

Broker Application

Company Name: _____ Wholesale Rep: _____

Address: _____ Phone: _____
_____ Fax: _____

DBA: _____

Email address: _____

Net worth of applicant: _____ as of: ____/____/____

Market areas: _____ (please attach all necessary licenses)

Primary Officers:

Name: _____ Title: _____ SS#: _____

% of ownership: _____

Home address: _____ City/State: _____ Zip: _____

Name: _____ Title: _____ SS#: _____

Home address: _____ City/State: _____ Zip: _____

of employees: _____ # of originators: _____ # of branches: _____*

* If you have additional branches, please attach a list of locations and phone numbers.

Company Information:

Organized and existing under the laws of (State) _____ on (Date) _____

() Sole Proprietorship () Partnership () Corporation * () Limited Liability Co.

Taxpayer ID #: _____ (if applicable) Fiscal year end: ____/____/____

Organization Type: () Broker () Mortgage Banker () Financial Institution

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

If Yes, whom? _____

Is there pending litigation with either Principals or Company? () No () Yes

If Yes, please explain: _____

Agency Approvals:

Date Approved *Lender ID #* *Approval Status*

FHA _____ **Approved** _____ **Direct Endorsed**

CERTIFIED COPY OF RESOLUTION OF

A _____ CORPORATION

RESOLVED, that _____ (the "broker") hereby approves, ratifies, confirms and adopts the term and conditions of the Wholesale Broker Agreement (the "Agreement") by and between First Construction Credit (the "lender") and this Broker and any of the following officers are hereby authorized and empowered in the name of and on behalf of this Corporation and under its Corporate Seal, to execute any and all agreements, contracts, assignments and endorsements and issuance of checks or drafts, reports, mortgage documents and other papers in connection with documents and information required or deemed necessary by Lender.

FURTHER RESOLVED that this Broker authorizes, ratifies, and confirms the performance of the obligations, covenants and agreements of this Broker as set forth in or contemplated by the Agreement.

FURTHER RESOLVED, that the President or any Vice President, together with the Secretary or any Assistant Secretary, of the broker be, and each of them hereby is, authorized to execute and deliver on its behalf of its Agreement.

FURTHER RESOLVED, that the proper officers of the Broker be, and each of them hereby is authorized jointly and severally, to take any and all steps, do any and all things and execute and deliver any and all documents in the name and on behalf of the Broker as maybe necessary or appropriate to carry out the purposes of the foregoing resolutions and perform the obligations of the Broker under the Agreement.

FURTHER RESOLVED, that the Lender may rely upon any certification given in Accordance with these resolutions, as continuing fully effective unless and until Lender shall receive due written notice of a change in or the rescission of the Authority so evidence and dispatched.

- a. A true copy of these resolutions:
- b. A certificate that the Corporation is duly organized and existing, that its charter empowers it to transact business by the resolutions defined, and that no limitation has been imposed upon such powers by the laws or otherwise

FURTHER RESOLVED, that the Lender may rely upon any certification given in Accordance with these resolutions, as continuing fully effective unless and until Lender shall receive due written notice of a change in or the rescission of the Authority so evidence and dispatched.

I, _____, hereby declare the foregoing is a true and accurate copy of a resolution adopted by the Board of Directors of _____ at its meeting regularly held on _____ of _____, _____.

Executed this _____ day of _____, _____ at _____

Secretary

“LOAN FRAUD” ZERO TOLERANCE POLICY

It is the policy and intent of First Construction Credit to support the eradication of loan fraud within the residential lending marketplace.

Wholesale Loan Brokers should be advised that a licensed broker bears responsibility for all actions performed in the course of business, of his or her employees or licensees.

THE SUBMISSION OF A LOAN APPLICATION CONTAINING FALSE OR MISREPRESENTED INFORMATION IS A FEDERAL CRIME!

Common examples of Loan Fraud:

- Submission of inaccurate information, including false statements on loan application (s) and falsification of documents purporting to substantiate credit, employment, deposit and asset information or personal information including identity, ownership/non-ownership or real property, etc.
- Forgery or misrepresentation of partially or predominately accurate information.
- Inaccurate representation of current occupancy or intent to maintain required occupancy as agreed in the security instrument.
- Lack of due diligence or concern by broker, loan officer, interviewer or processor, including failure to obtain or divulge all information required by the application and failure to request further information as dictated by Borrower’s response to other questions.
- Acceptance of information or documentation, which is known or suspected, to be inaccurate or acceptance of information, which should be known to or suspected to be inaccurate. This included:
 - a. Simultaneous or consecutive processing of multiple owner-occupied loans from a single applicant where information differs on each application.
 - b. Permitting an applicant or interested third party to assist with the processing of the loan.
 - c. Failure of the broker to disclose any relevant or pertinent information.

Initials

Wholesale Brokerage Agreement

This Wholesale Brokerage Agreement is entered into as of ____/____/____ by and between First Construction Credit (“Lender”), and _____ (“Broker”),
With reference to the following facts:

NOE THEREFORE, in consideration of the foregoing matters and the mutual covenants hereinafter set forth, the parties hereto agree as follows:

- A. Lender is engaged in, among other things, mortgage lending, and desires to approve, close and fund loans secured by liens on residential real property, which are submitted, to Lender by third-party originators.
- B. Lender hereby approves Broker as a residential loan correspondent and agrees to review applications for residential mortgage loans (“Loans”) submitted to Lender by Broker with respect thereto.
 - 1. **Broker’s Submission of Responsibilities:** Broker shall use its best efforts to solicit and complete loan application packages including credit verifications, an appraisal and all other information and documentation required by Lender (“Loan Application Package”) for submission to Lender. Each loan Application Package, and Broker’s activities hereunder, shall be subject to, and shall comply with, the terms and conditions of this Agreement and Lender’s Loan Submission Guidelines (the “Guidelines”), as the same may be amended from time to time.
 - 2. **Loan Programs:** All Loan Application Packages submitted by Broker to Lender hereunder shall be submitted only for those types of residential mortgage loan programs as are offered by Lender under this Agreement. Lender will publish a list of program guidelines from time to time, which may include provisions for eligible property types, loan limits, loan-to-value ratios, interest rates, points and fees. Notwithstanding the foregoing provisions, Broker acknowledges that the interest rate, points, fees, and other terms of such loan program are subject to change and the Lender reserves the right to modify, add or discontinue loan programs subject to this Agreement.
 - 3. **Submission, Registration and Rate Lock Protection:** The procedures for submission and registration of each loan Application Package and for the protection of the interest rate and points of each Loan to be funded hereunder are set forth in the Guidelines, as amended by Lender in its sole discretion from time to time.
 - 4. **Underwriting:** Notwithstanding any other provision of the Agreement to the contrary, the decision whether any Loan shall be approved for funding, and the terms of such Loan, shall be the sole responsibility, and at the sole discretion of, Lender. Lender will, by written notification, approve or decline each loan application submitted in accordance with the then-current secondary market standards as they pertain to the loan program requested. Lender shall have no obligation, express or implied, to fund any Loan, which is not approved in writing by Lender. Broker shall be responsible for informing each loan applicant of the matters set forth in this Paragraph.
 - 5. **Funding; Service Release:** All loans shall be closed in the name of, and shall be funded by, Lender. Broker hereby releases all interest in the Loans, including without limitation all servicing rights, to Lender. Broker will provide Lender with a fee reconciliation report to supply instruction to Title Company for any and all fees to be reported, credited, or billed at settlement. The Lender will prepare all closing papers in the name of the Lender and will use its funds to consummate closing of all loans.

6. **Non-exclusive Relationship:** In its sole discretion, Lender may use other loan brokers, and Broker may submit loan applications to lenders other than Lender. Nothing contained herein shall be construed as granting to Broker any exclusive right, whether with respect to time, territory or subject matter.
7. **Independent Contractor:** In the performance of its obligations under this Agreement, Broker shall be deemed to be acting as an independent contractor, agent, and representative of the loan applicant and not of the lender. There shall be no partnership, franchise, joint venture or any other association between Lender and Broker arising hereunder.
8. **Limitations on Broker's Authority:** Broker's authority pursuant to this Agreement shall consist solely of offering Lender's approved first and second lien residential mortgage programs and processing Loan Application Packages pursuant to this Agreement at its own expense and risk. Broker has no authority, express or implied, to bind Lender in any matter whatsoever. No statement or representation of Broker shall be binding upon Lender unless such statement or representation is in writing and signed printed or published by an authorized employee of Lender.
9. **Broker's Compliance Obligations:** Broker shall maintain at all times in good standing any and all required business and professional licenses, and shall comply with all business tax requirements and all state and federal laws, rules and regulations which apply to Broker because of Broker's activities as a mortgage broker and its loan applicant clients, including but not limited to, the Fair Credit Reporting Act, the Equal Credit Opportunity Act, the Truth In Lending Act, the Real Estate Settlement Procedures Act, the Home Mortgage Disclosure Act, state-licensing law, the Patriot Act, all regulations promulgated in connection therewith, and government monitoring regulations and disclosure laws in connection with Broker's solicitation and processing of Loan Application Packages.
10. **Broker's Warranties:** Broker hereby warrants and represents to Lender as follows, which representations and warranties shall be deemed to be made as of the date of this Agreement, as of the date each Loan Application Package is submitted to Lender, and as of the date of each Loan is funded:
 - a) Broker is a corporation, duly organized, validly existing and in good standing under the laws of jurisdiction in which it is organized, or is a sole proprietorship, limited liability corporation, or limited liability partnership, validly registered to do business under the name set forth in this Agreement, has all licenses necessary to conduct its business as it is now being conducted, and is licensed and qualified to transact business and is in good standing in the states in which the property to be encumbered in connection with the Loan is located. Broker has the power and authority to own its assets and to carry on its business as it is now being conducted and is in compliance with all applicable laws governing the business of residential mortgage lending;
 - b) This Agreement has been duly authorized, executed and delivered to Lender and constitutes the valid and legally binding obligation of Broker enforceable in accordance with its terms, except as to the effect of bankruptcy, insolvency and other laws affecting the rights of creditors generally;
 - c) The performance by Broker of Broker's obligations hereunder will not violate any provisions of the articles of incorporation or by-laws of Broker, or of any instrument relating to the conduct of Broker's business or of any other instrument or agreement to which Broker is a party;
 - d) There is no action, suit, proceeding or investigation pending or threatened against Broker which, either in any one instance or in the aggregate, may result in any material adverse change in the business, operations, financial condition,

- properties or assets of Broker, or in any material impairment of the right or ability of Broker to conduct its business substantially as it is now being conducted, or which would draw into question the validity of this Agreement, the Loans or any action taken or to be taken in connection with the obligations of Broker contemplated by this Agreement or which would be likely to impair materially the ability of Broker to perform its obligations under this Agreement.
- e) Broker has obtained, and will maintain in full force and effect during the term of this Agreement, all licenses and authorizations necessary to do business and perform its obligations under this Agreement in all appropriate jurisdictions;
 - f) All information regarding Broker which is furnished from time to time by Broker to Lender is true and correct in all material respects as of the date or dates such information is furnished;
 - g) Broker has full right and authority to assign and transfer each Loan Application Package to Lender, and such right to assign and transfer is not subject to any other person's or entity's interest or to an agreement with any other person or entity;
 - h) Each Loan Application Package was taken and processed by Broker, and compensation due Broker, is in compliance with all applicable federal, state and local laws, rules and regulations, including but not limited to state usury laws, state licensing laws, the Fair Credit Reporting Act, The Equal Credit Opportunity Act, the Truth In Lending Act, the Real Estate Settlement Procedures Act;
 - i) To the best of the Broker's knowledge, after due inquiry, there does not exist any circumstance or condition with respect to the Loan Application Package, the property to be encumbered, the loan applicant, or the loan applicant's credit standing which (i) can be reasonably expected to cause private institutional investors to regard this Loan as unacceptable for investment purposes, (ii) may cause the Loan to become delinquent, or (iii) may adversely affect the value or marketability of the Loan;
 - j) Broker shall use its best efforts to insure that each Loan Application Package submitted to Broker to Lender is true and correct in all material respect and does not fail to include any information required to be stated or necessary to make each such Loan Application Package not misleading.
 - k) Broker agrees that in the event of fraud or misrepresentation by Broker in the preparation of documents contained in loan package submitted by Broker to Lender and closed by Lender, Broker will repurchase said loan form Lender.
 - l) Broker further agrees that it will cooperate fully with Lender in curing any defect in processing or in re-supplying any missing or lost document with respect to all loans submitted to Lender.
 - m) Broker shall indemnify and hold harmless Lender from any loss, damage, cost or expense, including all attorneys' fees resulting from breach by Broker of any of its covenants or agreements contained herein.

C. The knowledge of Lender of any breach of any of the foregoing warranties at the time of acceptance of any Loan Application Package or closing of any loan shall not impair or constitute a waiver of any obligation of Broker with respect thereto. The representations and warranties set forth in the Paragraph shall survive delivery to and funding by Lender of the related Loan and shall survive the termination of this Agreement.

1. **Lender's Warranties:** Lender hereby represents and warrants to broker as follows:

- a) Lender is a corporation, duly organized, validly existing and in good standing under the laws of the State of Minnesota, has all licenses necessary to conduct business as it is now being conducted, and is licensed and qualified to transact business and is in good standing in the states in which the property to be encumbered in connection with the Loan is located. Lender has the power and authority to own its assets and to carry on its business as it is now being conducted and is in compliance with all applicable laws governing the business of residential mortgage lending;
 - b) This agreement has been duly authorized, executed and delivered to Broker and constitutes the valid and legally binding obligation of Lender, enforceable in accordance with its terms, except as to the effect of bankruptcy, insolvency and other laws affecting the rights of creditors generally; and
 - c) The performance by Lender of Lender's obligations hereunder will not violate any provisions of the articles of incorporation or by-laws of Lender, or of any instrument relating to the conduct of Lender's business or of any other instrument or agreement to which Lender is a party. The representations and warranties set forth in this paragraph shall survive the termination of this Agreement.
2. **Repurchase:** At Lender's option, Broker shall repurchase from Lender any loan with respect to which there has been a breach of any material term, condition, representation or warranty contained in the Agreement or the Guidelines. Broker shall pay to Lender upon demand the repurchase price for such Loan, which shall be the greater amount as Lender may be required to pay to repurchase the Loan from any subsequent investor. The repurchase remedy contained in the Paragraph shall not constitute Lender's exclusive remedy, and Lender shall have recourse to all other available remedies hereunder, at law and in equity.
 3. **Termination:** Except as otherwise provided herein, either Lender or Broker may terminate this Agreement at any time. Such termination shall be effective upon receipt of written notice of termination, but in no event later than five (5) days following the issuance of written notice. The obligations of the parties with respect to Loan Application Packages, which have been registered, with Lender prior to receipt of such written notice of termination shall survive the termination of the Agreement. Lender may terminate this agreement effective immediately without notice to Broker in the event of a breach by Broker of any Broker's obligations, representations or warranties contained in this Agreement or Guidelines.
 4. **Inspection and Maintenance of Records:** Broker shall permit, at Lender's option, Lender, Lender's regulators, internal auditors or independent auditors chosen by Lender, or any officer of Lender to investigate Broker's operations and business, and to investigate and copy its files pertaining to Loan Application Packages submitted to Lender. Broker shall maintain in its possession, available for such inspection and copying, all documentation and records relating to Broker's compliance with the terms of this Agreement. Broker agrees to retain all documentation and correspondence pertaining to this Agreement and any transactions hereunder for the period required by applicable federal or state laws and regulations or in accordance with Lender's record keeping guideline, whichever provides for the longer retention period.
 5. **Not Third Party Beneficiaries:** This Agreement is made for the sole protection and benefit of the parties hereto, and no other person shall have any right of action under this Agreement as a third party beneficiary or otherwise.
 6. **Notices:** Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given upon actual delivery or upon mailing thereof by registered or certified mail, return receipt

requested, postage prepaid, to the address for each party set forth below or to such other address the Lender or Broker shall specify in writing to the other:

If to Lender: First Construction Credit
6889 Rowland Road
Suite 100
Eden Prairie, MN 55344

If to Broker: _____

7. **Miscellaneous:** Modifications, waivers and approvals required from or given by either party hereto shall be effective only if in writing and signed by such party, provided, however, that nothing set forth in this Paragraph shall affect Lender’s right to revise, amend or revoke the materials described herein as expressly being subject to revise, amend or revoke the materials described herein as expressly being subject to such right. Broker may not assign its rights or obligations under this Agreement. This Agreement shall insure to the benefits of and be binding upon the parties hereto and their successors and permitted assigns. In the event that a court of competent and final jurisdiction shall hold any provision of this Agreement to be invalid, the same shall not affect in any respect whatsoever the validity of the remainder of this Agreement. The captions inserted in this Agreement are for the sake of convenience only and in no way define, limit, extend or interpret the scope of this Agreement or of any particular paragraph hereof. If it is determined in a judicial proceeding that a party has failed to perform under any provision of this Agreement, then the prevailing party shall be entitled to recover from the losing party on demand reasonable attorney’s fees and other reasonable out-of-pocket expenses incurred in connection with such dispute. This Agreement is governed by, and shall be construed in accordance with, the laws of the State of Minnesota. Each of the persons and entities who are shareholder or partners of Broker, if any, also agree to said venue and forum. This Agreement and the Loan Submission Guidelines constitute the entire agreement between the parties and supersede any and all prior written or oral agreements between the parties as to the subject matter thereof.

IN WITNESS WHEREOF, the parties hereto caused this Wholesale Brokerage Application to be executed by their duly authorized representatives as of the date set forth above.

Broker: _____

Lender: First Construction Credit

By: _____

By: _____

Its: _____

Its: _____

Name of Company

Broker Mailing Address

Broker City/State/Zip



FAX CONSENT FORM

Please provide First Construction Credit your written consent so that we may fax to your broker firm as outlined by the Federal Communications Commission (FCC) regulations regarding unsolicited faxes.

Please print the following information...

Your Name: _____

Broker Firm: _____

Street Address: _____

City, State, & Zip: _____

Primary Fax #: _____ - _____ - _____

Secondary Fax #: _____ - _____ - _____

E-mail Addresses: _____

Your First Construction Credit Executive: _____

I understand that by providing the fax number (s), I consent on behalf of my company to receive faxes sent by or on behalf of First Construction Credit (and its subsidiaries and affiliates).

Please sign here...

Signature: _____

Date: _____

Fax your completed consent form to...

Fax #: 952-294-4201

Questions? Please call your account executive at 952-294-4683

Thank you! We appreciate your business!

First Construction Credit

