

New Jersey Housing & Mortgage Finance Agency Participation Application

THE UNDERSIGNED APPLICANT HEREBY OFFERS TO PAY THE NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY (the "NJHMFA") a Participation Fee in consideration for the NJHMFA's approval to participate in the Agency's Single-Family programs. If approved, the Applicant may sell mortgage loans to the Agency under the Single-Family Mortgage Programs and is required to execute the NJHMFA Mortgage Purchase Agreement. A \$2,000 annual participation fee is required to be paid by the lender upon acceptance of the approval. The fee will be used by the Agency to advance the program, including system and process enhancements, website improvements, program expansion, and other tools which will make the program more efficient for Participating Lenders, homebuyers, and the Agency.

This participation Application is and shall be incorporated as part of the Mortgage Purchase Agreement between the NJHMFA and the Applicant.

PLEASE FURNISH THE INFORMATION REQUIRED ON EXHIBIT A OF THIS PARTICIPATION APPLICATION.

IN WITNESS THEREOF, the undersigned has caused this Participation Application to be duly executed on the _____ day of _____, 20_____.

Name of Applicant: _____

Address: _____

City: _____

State: _____ Zip: _____

Phone: _____

Fax: _____

e-mail: _____

I certify that I am authorized to act on behalf of the Applicant and to enter into agreements and contracts for the same. I further certify that the foregoing information and attachments are, to the best of my knowledge, true and complete. It is understood that the NJHMFA is relying upon this information. It is further understood that any false statements or misrepresentations may subject me and/or the undersigned entity to termination of participation in this or other NJHMFA programs and other sanctions, as may be provided by law.

It is understood and agreed that as a condition to participating in the NJHMFA's programs, Lender/Seller must meet and continue to meet NJHMFA guidelines and qualifications.

LENDING INSTITUTION

Attesting Witness: _____

Signature

Name (print)

Title

(Corporate Seal)

For a corporation or limited liability corporation.

STATE OF _____)

ss.:

COUNTY OF: _____)

BE IT REMEMBERED, that on _____, 20_____, before me, the subscriber, personally appeared _____(signee) who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction that he/she is the Secretary of the lending corporation named in the within certification; that

_____ is the _____

of said Corporation; that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the Board of Directors of said Corporation; that deponent well knows the corporate seal of said Corporation, and that the seal affixed to said Instrument is the proper corporate seal and was thereto affixed and said Instrument signed and delivered by the signer as and for the voluntary act and deed of said Corporation, in the presence of deponent, who thereupon subscribed his/her name hereto as attesting witness.

SWORN and subscribed before me on the Date Aforesaid.

(Notary or Attorney)

Secretary

Seal

Exhibit A

Please fill out the following information:

1. Applicant was organized on _____ under the laws of _____.

2. Check if applicant is:

- A mortgage banker licensed by the state of New Jersey.
- A correspondent mortgage banker licensed by the state of New Jersey.
- N.J. bank, savings and loan or other registered entity.
- A federally chartered lending institution.
- Other (specify) _____

3. Provide a copy of your company's current licenses to originate loans in New Jersey or, if not, governed by the New Jersey Department of Banking & any such other authority to originate mortgage loans and to do business in the state.

4. Provide a copy of your New Jersey Business Registration Certificate.

If out-of-state organization, address & contact person in a New Jersey office:

Branch Address: _____

Contact: _____

Phone: _____ Fax: _____

5. Check if the applicant is:

- Fannie Mae approved seller
- Freddie Mac approved seller
- FHA approved mortgagee
- VA approved mortgagee
- USDA (U.S. Dept. of Agriculture) approved mortgagee

Provide appropriate approvals as indicated.

6. Provide proof that the lender's FHA Neighborhood Watch comparison ratio does not exceed 120% of that agency's national, state or local regional office.
7. Attach two copies of the most recent independent audit on the Lender. If financial reports have been prepared for an accounting period since the most recent audit, also attach a copy of each such financial report marked "Unaudited". (Lenders new to our programs need to include the past three years' financials.)
8. Provide proof that net worth is equal to or in excess of requirements mandated by FHA or Fannie Mae, whichever is higher.

9. Please check all boxes that are applicable:

- First Time Home Buyer Program
- Homeward Bound Program
- HFA Advantage Conventional Program
- PFRS – Police and Firemen's Retirement System Mortgage Loan Program
- Deliver Third Party Originated (Brokered) Loans

10. The Agency produces a list of Participating Lenders on our website This list is disseminated at outreach events throughout the State of New Jersey and may be posted on the HMFA website. Please provide the office and phone number information to where a borrower may speak to a licensed loan officer. This contact information should not be in a call center.

Corporate Office

Address: _____
 City, State & Zip: _____
 Branch Phone #: _____
 Phone # (Consumers): _____
 800 # (if applicable): _____
 Website address: _____
 Email: _____

Main Branch (If different from Corporate Office.)

Address: _____
 City, State & Zip: _____
 Branch Phone #: _____

Phone # (Consumers): _____
800 # (if applicable): _____
Website address: _____
Email: _____

Branch 1 *(If there are more than two branches, please use additional copies of this form.)*

Address: _____
City, State & Zip: _____
Branch Phone #: _____
Phone # (Consumers): _____
800 # (if applicable): _____
Website address: _____
Email: _____

Branch 2

Address: _____
City, State & Zip: _____
Branch Phone #: _____
Phone # (Consumers): _____
800 # (if applicable): _____
Website address: _____
Email: _____

11. Please list information below for your Lender Portal System Administrator.

This individual will be responsible for granting and managing loan officers' access to the Lender Portal.

Name: _____
Title: _____
Phone: _____ Ext: _____
Email: _____

12. Please identify the main person and a secondary backup at your institution to which general correspondence, bulletins and revisions to the Seller's Guide should be addressed. This main contact is responsible for getting all information disseminated to your staff at all your branches.

Name: _____
Title: _____
Phone: _____ Ext: _____
Email: _____

Name: _____
Title: _____
Phone: _____ Ext: _____
Email: _____

Please identify any other persons you would like to receive general correspondence and e-mails.

Name: _____
Title: _____
Phone: _____ Ext: _____
Email: _____

Name: _____
Title: _____
Phone: _____ Ext: _____
Email: _____

13. Submit resumes of all FHA Direct Endorsement Underwriters along with their CHUMS #.
 14. Provide a quality control plan for loan origination, along with approvals from applicable insurers and guarantors.
 15. Lender must have fidelity bond and mortgage errors and omissions coverage in an amount at least equal to \$500,000 and provide a certificate from the insurance carrier naming the New Jersey Housing and Mortgage Finance Agency as a party in interest to the bond, or the policy shall name the New Jersey Housing and Mortgage Finance Agency as one of the parties insured.
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1. Provide a copy of the lender's hiring procedures for checking all employees, including management, involved with the origination of mortgage loans against the GSA Exclusionary List and the HUD LDPlist.
 2. Provide a copy of the lender's policy regarding compensation of all staff considered as loan originators under CFPB regulations.
 3. Provide a copy of the lender's appraiser independence policies and procedures which

shall, at a minimum, satisfy Fannie Mae Appraiser Independence requirements.

4. Mortgage Loan Origination and Servicing Information.

The following information should be supplied only on 1 to 4 family mortgages originated and serviced by the Lender during the applicable periods. (Please list dates for each quarter, e.g., 3/01, 6/01, etc.)

Mortgage Loans Originated		Previous Four Quarters			
		/ /	/ /	/ /	/ /
FHA	#				
	\$				
VA	#				
	\$				
USDA	#				
	\$				
Conventional Privately Insured	#				
	\$				
Conventional Uninsured	#				
	\$				
Total #:	0	0	0	0	0
All Types \$:	0.00	0.00	0.00	0.00	0.00

NOTICE

Attached please find a copy of the NJHMFA form WAREHOUSE LENDER REPRESENTATIONS AND CONVENANTS REGARDING BAILEE LETTERS, HMFA #725.

Please sign below, check off whether you use a warehouse bank and return this notice. We must have a response from you whether you use a warehouse bank or not.

If you use a warehouse bank(s), we will need a signed-unaltered copy of the HMFA #725 from each one. Once you have received a signed HMFA #725 from each warehouse bank you use, please forward them to the SF Business Development Team at SFLenders@njhmfa.gov. You must notify us, if at any time, you stop using a particular warehouse lender. Should you begin using a new warehouse lender, they are required to execute the HMFA #725 and send us the original.

Name of Lender (print)

Signature

Title

Date: _____

- No, we do not use a warehouse lender.
- Yes, we use warehouse lender(s) and will forward executed HMFA #725 forms.

List warehouse lenders below:

**WAREHOUSE LENDER REPRESENTATIONS & COVENANTS
REGARDING BAILEE LETTERS**

Warehouse Lender: _____

Warehouse Lender Address: _____

Hereinafter the "Warehouse Lender".

In order to induce the New Jersey Housing & Mortgage Finance Agency ("HMFA") to accept and agree to be bound by the terms of the Warehouse Lender's Bailee Letter, the Warehouse Lender, by its duly authorized representative, whose signature appears below, represents and covenants to the HMFA as follows:

- 1) As a condition of the HMFA's acceptance of the Warehouse Lender's Bailee Letters, the Warehouse Lender agrees that any claims asserted against the Agency shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et. seq. (except for N.J.S.A. 59:13-9 thereof.) While this statute is not applicable by its terms to claims arising under this agreement with the Agency, the Warehouse Lender agrees that it shall be applicable to claims arising under any Bailee Letter. It is acknowledged by the Warehouse Lender that the HMFA is a public entity covered by the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et. seq.
- 2) The Warehouse Lender shall indemnify and hold the HMFA harmless from, and shall reimburse the HMFA for, any losses, damages, liabilities, deficiencies, claims, causes or action or costs and expenses of any nature, including attorneys' fees and cost, incurred by the HMFA that result from any act or omission of the HMFA taken at the direction of the Warehouse Lender.
- 3) The representations and covenants of the Warehouse Lender contained herein are continuing and of general and binding applicability to all Bailee Letters that the Warehouse Lender shall submit to the HMFA.
- 4) The Warehouse Lender acknowledges and agrees that the HMFA may at any time and without cause or explanation refuse to accept future Bailee Letters. In such event, the HMFA will notify the Warehouse Lender and return the Bailee Letter and the mortgage loan documents delivered by the Warehouse Lender in anticipation of bailment.

Signature _____

Name: _____
(print)

Date: _____

Title: _____
(print)