

TPO Approval Checklist For Business Purpose Loans

***** (This Broker Package is for Brokers who will only be Brokering Commercial Real Estate Loans or Residential Business Purpose Loans) *****

NO ALTERATIONS, MODIFICATIONS OR AMENDMENTS ARE ACCEPTED TO THIS AGREEMENT.

***Approval of this application by Athas Capital Group, Inc. is required before TPO Company/Broker may submit loans for consideration.**

Where to Send Completed Package - Please provide the following items indicated below to process the review of your Third Party Origination ("TPO") application for brokering loans to ACG on business purpose loans. Please submit all forms fully completed and in proper form to the following email address:

Should you have any questions please contact your Athas Capital Group Wholesale Account Executive ("AE"): If you are not currently assigned or do not have an established relationship with an Athas Capital Group AE please call 877.877.1477 and ask to speak to one of our dedicated in house AEs.

Athas Capital Group's AE that Represents Your Account:

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- 1) TPO Company Description
 - 2) TPO Disclosures
 - 3) Non-Tolerance Disclosure Regarding Mortgage Fraud
 - 4) TPO Broker Agreement
 - 5) For states where a broker license is required (AZ, ID, KS, MO, MT, NE, OR and UT), provide copies or proof of licenses for each state the TPO Company intends to conduct business with Athas Capital.
 - 6) Entity formation and authority documents for TPO Company. Please provide:
 - i. LLC:
 - o Articles of Organization (filed copy)
 - o Operating Agreement
 - o *one of above documents must clearly show shareholders of the company. Otherwise, provide other documentation that plainly identifies ownership.

- ii. Corporation:
 - Articles of Incorporation (filed copy)
 - Bylaws or Minutes
 - *one of above documents must clearly show shareholders of the company. Otherwise, provide stock ledger/stock certificates or other documentation.

- iii. Partnership (LP, GP, LLP)
 - Filed partnership formation document
 - Partnership Agreement

7) Good Standing Certificate for TPO Company issued by state of organization within last 60 days.
Not required if entity was formed within the past 10 months.

Note: We do NOT require financial information or credit analysis on the TPO Company, Owners, Officers, Agents or authorized representative(s).

TPO Company Description

TPO Company Name:			
TPO Address:			
City:	State:	Zip:	Main Phone:
TPO Company Mailing Address: (if different from Corporate address)			
City:	State:	Zip:	
TPO Company Web Site Address if Applicable:			
Contact information for Oversight of TPO Application: (Name / Title / Phone / Email)			
TPO Company Corporate Phone:		E-mail:	
Company NMLS# _____ (this will be your broker id#)			
<i>If TPO Company does not have and is not required to have a NMLS# a Broker ID will be assigned to you internally.</i>			

GENERAL CERTIFICATIONS:

The undersigned declares that, to the best of his/her knowledge, the statements set forth herein are true.

Officer Signature: _____ Date: _____

Officer Name: _____

Officer Title: _____

Officer Signature: _____ Date: _____

Officer Name: _____

Officer Title: _____

TPO Company Disclosures

1. Has your company ever been suspended from selling or servicing mortgages by an investor?

Yes No If yes, please provide explanation:

2. Has your company and/or principals or corporate officers been named as a defendant in a lawsuit for alleged fraud or misrepresentation in connection with any real estate related activity?

Yes No If yes, please provide explanation:

3. Has your company ever been involved or is currently involved in any litigation?

Yes No If yes, please provide explanation:

4. Has your company and/or principals or corporate officers been named as a defendant in a criminal proceeding, complaint, or have a conviction for fraud or misrepresentation in connection with any real estate related activity?

Yes No If yes, please provide explanation:

5. Has your company and/or principals or corporate officers, filed for protection from creditors under any provision of the bankruptcy code within the past seven years?

Yes No If yes, please provide explanation:

6. Has your company and/or principals or corporate officers ever had a real estate or other professional license suspended, revoked, or received any other disciplinary action from a regulatory agency?

Yes No If yes, please provide explanation:

7. Has any lender enforced, or attempted to enforce, the Hold Harmless or Repurchase clause of their correspondent or broker agreement with your company and/or any principals or corporate officers?

Yes No If yes, please provide explanation:

8. Is your company actively engaged in finance and/or real estate related activity?

Yes No If yes, do the entity documents clearly state this purpose? Yes No

For the purpose of inducing lenders to provide financing for customers of the undersigned, I (we) certify the above information to be true and correct. The undersigned declares that the foregoing information and all accompanying information are true to the best of his/her knowledge and belief

TPO Company Officer Signature

Date

NON-TOLERANCE DISCLOSURE REGARDING MORTGAGE FRAUD

TPO Company must be aware that it is responsible for all actions of its Employees and/or Licensees (if applicable). The TPO Company is responsible for the content and quality of each application taken and each loan submitted to Athas Capital group, Inc. ("ACG"). Submission of a loan application containing false information is a crime punishable by law and grounds for immediate termination of TPO Company approval with ACG.

TYPES OF LOAN FRAUD

1. Submission of inaccurate information including false statements on loan applications.
2. Falsification, alteration or forgery of documents including, but not limited to, credit, employment and income documentation, deposit or asset information, personal information including identity, ownership / non- ownership of real property.
3. Incorrect statements regarding loan applicant current occupancy or occupancy intent.
4. Lack of due diligence by TPO Company, its representatives, agents, processors and other authorized individuals in taking the application including, but not limited to, failure to obtain all material information.
5. Unquestioned acceptance of information or documentation that is known, should have been known or should be suspected to be inaccurate, misleading or false.
6. TPO Company non-disclosure of relevant information.

CONSEQUENCES OF LOAN FRAUD

1. Criminal prosecution
2. Loss of licenses
3. Civil action and penalties by ACG or other parties to the transaction
4. Immediate loss of approval to do business with ACG
5. ACG reporting of any instances of Fraud to CFPB and respective State or Federal Regulatory Agencies

I have read the foregoing and fully understand ACG's stance on loan fraud and the non-tolerance thereof. Neither TPO Company (also defined as "Broker" herein) nor any party acting on its behalf will knowingly, willfully or negligently engage in any practice that amounts to loan fraud and/or that results in the origination of a fraudulent loan submitted to ACG.

Signature of Broker

Date

Signature of Principal Officer

Date

Printed Name & Title of Broker

Printed Name & Title of Principal Officer

TPO BROKER AGREEMENT

THIS AGREEMENT (the "Agreement") is entered into as of this _____ day of _____, 20____ by and between **Athas Capital Group, Inc, its successors and/or assigns ("ACG")**, a California corporation, having its principal office at 27001 Agoura Road #200, Calabasas, CA 91301 and _____ ("Broker"), a _____, having its principal office at _____.

*****Recitals*****

WHEREAS, Broker and ACG wish to establish a non-exclusive relationship, whereby Broker will be allowed to submit loans to ACG on behalf of Broker's customers ("Borrowers") for possible funding of the requested business purpose loans.

WHEREAS, ACG is a mortgage lender that originates and funds residential business purpose mortgage loan as well as commercial loans ("Loans") for portfolio and / or sale to investors in the secondary market;

WHEREAS, Broker assists perspective borrowers in locating mortgage lenders to finance the purchase and refinance of residential or commercial property for business purposes;

WHEREAS, ACG desires to consider making business purpose loans secured by mortgages to such prospective borrowers in accordance with established terms and conditions.

WHEREAS, ACG and Broker each desire to enter into this Agreement in order to clarify the terms of their relationship and set for the terms and conditions of their understandings.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration the receipt, sufficiency, and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

Definitions:

Unless otherwise defined herein, the capitalization terms used herein shall have the meanings set forth in the guidelines.

General Broker Responsibilities:

Broker will, at Broker's sole expense:

- a) Submit to ACG completed loan packages ("Loan Packages") for prospective Borrowers under such programs, procedures and fee schedules as ACG may periodically establish; and
- b) Furnish ACG with all of the prospective Borrower's Credit, Financial and other information as ACG may require; and
- c) Provide such information as ACG may reasonably request
- d) Perform such other services as ACG shall require, in order to close transactions pertaining to individual business purpose Loans;

Duties of Broker:

- (a) Taking of Loan Applications: Broker shall take Loan Applications in its own name through its employees. All Loan Applications must have been originated and processed by Broker.
- (b) Export of Data Feed and Document Images: Broker shall electronically export to ACG such loan information data and loan documentation as set forth in the Guidelines, as stipulated by a conditional loan approval or by way of instructions by an ACG underwriter or account manager and as reasonably required by ACG.
- (c) Performance of Broker Services: In addition to taking the information from prospective borrowers and filling out the Loan Applications. Broker shall perform services including but not limited to all of the following services:
 - (i) Comply with all applicable local, state, and federal laws;
 - (ii) Initiate / order request for mortgage and other loan verifications;
 - (iii) Initiate / order appraisals;
 - (iv) Initiate / order inspections or engineering reports;
 - (v) Assist prospective borrowers in understanding and clearing credit problems;
 - (vi) Maintain regular contact with prospective borrowers, real estate Agents, and ACG, between application and closing to apprise them of the status of the application and to gather any additional information as needed;

Compensation:

ACG will convey to the settlement agent, after its review and approval, Broker's instructions to remit to Broker at closing all qualified expenses and compensation for services provided to borrowers and / or ACG. ACG is not responsible or liable for fees or commissions due to Broker from borrower(s).

Representations, Warranties, and Covenants of Broker.

As an inducement to ACG to enter into this Agreement and to perform its duties hereunder, Broker represents, warrants, and covenants to ACG, as of the date of this Agreement and as of the date each Loan Application is submitted to ACG, as follows:

- (a) Authority and Capacity: Broker has full power, authority and capacity to enter into this Agreement, and to perform its obligations hereunder.
- (b) Compliance with Laws: Broker has complied, and shall comply, both in the conduct of its business generally, and in its origination of each business purpose Loan Application, with all applicable laws and state laws and regulations governing mortgage lending and mortgage brokerage if applicable.
- (c) Dully Licensed: If applicable, Broker possesses all necessary licenses, permits and authority to engage in the activities contemplated by this Agreement and to participate in the business of brokering commercial real estate and/or residential business purpose loans.

- (d) No Untrue or Misleading Statements: No representation, warranty, or written statement made by Broker to ACG in this Agreement or in any business purpose Loan Application, schedule, exhibit, written statement, or document furnished to ACG in connection with the transactions contemplated hereby contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein not misleading.

- (e) Broker agrees that it will never submit a Loan Package to Lender on behalf of a family member, whether related by blood, marriage or other legal means. For the purpose of this Agreement, "family member" shall include (i) individuals and (ii) entities where one or more individuals are members, owners or otherwise hold a beneficial interest of any amount.

Responsibility for Fraud or Negligence:

Broker shall not submit any Loan Application or other Mortgage File document containing false or misrepresented information or failing to disclose material facts necessary to make the statements contained therein not misleading.

Miscellaneous:

- (a) Notices: All demands, notices, and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed by registered mail, postage prepaid, or by a nationally recognized overnight courier service, to the following:

If to Broker:

Attention: _____

or such other address as may hereafter be furnished to ACG in writing by Broker, and If to ACG:

Athas Capital Group, Inc.
27001 Agoura Road, Ste #200
Calabasas, CA 91301
Attention: Sherri Comfort
Compliance Manager

or such other address as may hereafter be furnished to Broker by ACG in writing.

- (b) Choice of Law: This Agreement shall be governed by, construed and interpreted in accordance with the laws of the State of California.

- (c) Counterparts: This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument.
- (d) Litigation: In the event any litigation is to materialize between ACG and Broker both parties agree that said litigation shall be decided in a/the State of California system of jurisdiction and the prevailing party shall be entitled to receive all costs and fees due or incurred as a result of said litigation including but not limited to reasonable attorney fees

IN WITNESS THEREOF, Broker and ACG have caused their names to be signed hereto by their respective officers hereunto duly authorized as of the day and year first above written.

Athas Capital Group, Inc.

Broker

Company Name: _____

By: _____

By (signature): _____

Name: _____

Name: _____

Title: _____

Title: _____