



***SIGNING-UP TO DO BUSINESS WITH BANC MAC IS EASY...
AS A FEDERALLY OR STATE CHARTERED FINANCIAL
INSTITUTION, YOU'RE ALMOST THERE!***

CLIENT APPROVAL PROCEDURES

The approval process of (BancMac) includes a pre-screening of the client bank (Financial Institution) to ensure that the Financial Institution has the ability, experience, and intent to provide both high quality service and investment quality home mortgage loans for delivery to BancMac.

The following approval procedure and documentation requirements are, in part, adapted from the Freddie Mac Seller/ Servicer guidelines regarding evaluations and approval of Correspondents/ Wholesale-Brokers, and are applicable to all Correspondents/ Wholesale-Brokers and every residential mortgage loan originated and sold to BancMac.

**APPROVAL DOCUMENTATION REQUIRED FROM
CORRESPONDENT/WHOLESALE-BROKER**

- BancMac Client Application
- Resumes of key bank officers and key mortgage lending officers
- Appraiser Selection: Provide a minimum of 3 Appraisers to be approved by UCB and added to your Appraisal Selection Rotation in Mercury Network.
- Title Companies: Provide list of Title Companies utilized
- Resolution of Board of Directors
- Correspondent Loan Purchase Agreement (DocuSign document to be completed)
OR
- Wholesale/ Broker Agreement (DocuSign document to be completed)
- Wholesale/ Broker Agreement - Exhibit "A" & Exhibit "B" - Performance of Origination Services performed by Financial Institution
- Wholesale/ Broker Agreement - Compliance Attestation/ Certification Paid Compensation Agreement

- Addendum to Wholesale/Broker Agreement for Sale of FHA Loans – FHA Sponsorship Request

CRITERIA FOR APPROVAL

ENTITY

- A state-chartered bank, national bank, or savings and loan / thrift;
- FDIC insured;
- Not under any agreement, order, or memorandum from a regulatory agency; and
- In compliance with all applicable laws related to licensing, qualification, or approval to originate home mortgages.

FINANCIAL INFORMATION

BancMac will review current financial information that shall be obtained by BancMac through a service provider of bank financial information, or by a review of current call reports or audited financial statements of the Correspondent/Wholesale-Broker. The acceptable criteria includes, but is not limited to:

- Leverage Ratio's
- Risk Base Ratio's
- Capital Ratio's
- Tangible Equity/Tangible Assets Ratio's
- All other pertinent ratios must be, in Banc Mac's opinion, acceptable.

APPRAISER QUALIFICATIONS

Prior to the acceptance of any residential appraisal report from a fee appraiser, all appraisers will be reviewed by BancMac.

It is the philosophy and policy of BancMac to obtain a qualified appraisal for the properties for which it is purchasing and selling secondary market mortgage loans. In order to ensure high quality loans, a quality real estate appraisal is a vital element.

In general, an approved appraiser must have the requisite experience, education, and facilities to competently perform required collateral assessment and valuation assignments. Standards and qualifications include:

- The appraiser must be a state-certified or licensed real estate appraiser in the state in which the subject property is located.
- The appraiser must be experienced in the appraisal of properties similar to the property being appraised or inspected.

- The appraiser must be actively engaged in appraisal work.
- The appraiser must have knowledge of current real estate market conditions and financing trends in the subject area.
- The appraiser must be impartial and unbiased. The appraiser may not have any present or contemplated future interest in the subject property. In addition, neither current nor future employment nor compensation for performing the collateral assessment may be contingent on the collateral assessment results reported by the appraiser.
- The appraisal report must be of professional quality and support all of the appraiser's assumptions, data, analyses, rationale, and conclusions that were relied on in estimating the value and addressing the marketability of the mortgaged premises.
- The information in the appraisal report must be accurate, internally consistent, written in clearly understandable language, fully supported, and sufficiently documented.

COMPLIANCE WITH REGULATIONS AND LAWS

Correspondent/Wholesale-Broker warrants to BancMac that all mortgage loans will be originated and processed in compliance with all applicable federal, state, and local laws, and all FDIC, OCC, OTS, or Federal Reserve regulations applicable to real estate lending.

OTHER

BancMac reserves the right to make on-site inspections of other pertinent data as necessary.

NON-APPROVAL

Correspondent/Wholesale-broker and/or appraiser/appraisal entity will not be approved if it or any of its officers are referenced on the ANY Exclusionary list. Correspondent/Wholesale-Broker may not be approved if it is under any regulatory agreement such as a memorandum of understanding or cease and desist issued by any regulatory agency. The Agreement provides a certification from the financial institution that they are not under any regulatory order.

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