

KHC Lender Requirements

Requirements	Correspondent Lender	Third Party Originator
Financials	Audited Financials \$1 Million Net Worth or Meet FHA's Single-Family participant requirements	Compiled Financials \$63,000 Net Worth
Insurance	\$300,000 Errors & Omissions	Errors & Omissions or \$50K Bond
Registered with Kentucky Secretary of State	Licensed <u>Exceptions:</u> Registered with FDIC Nationally Chartered Bank	Licensed for at least 1-year <u>Exceptions:</u> Registered with FDIC Nationally Chartered Bank
Registered with Kentucky Department of Financial Institutions	All Branches <u>Exceptions:</u> Registered with FDIC Nationally Chartered Bank	All Branches <u>Exceptions:</u> Registered with FDIC Nationally Chartered Bank
Board Resolution	Authorizing the Signor of the KHC Lender Agreements to sign on behalf of the company	Authorizing the Signor of the KHC Lender Agreements to sign on behalf of the company
Agency ID (FHA, VA, RHS)	All Applicable	All Applicable
EIN	Required	Required
Company NMLS	Required	Required
Compare Ratio	120% or Less	N/A
MERS	ID Required	N/A
Power of Attorney	Required	N/A
Quality Control Plan	Required	Required
Resumes for Executive Management	Required	Required
Resumes for Underwriters working on KHC Mortgages	Required	N/A
Hiring Procedures	Required	Required
Non-Public Personal Information Policies and Procedures	Required	Required
Security Breach and Investigation Procedures	Required	Required
Consumer Complaint Policies and Procedures and Log	Required	Required
Business Resumption and Contingency Plans	Required	Required
Patriot Act Policy	Required	Required
Bank Secrecy Act/Anti-money Laundering Act Policy	Required	Required
<p>KHC requires a brick-and-mortar office location in state of Kentucky. A case-by-case exception can be made for a Correspondent Lender that serves Kentucky from a border city. No offices in personal residences allowed for either lender relationship.</p> <p>KHC requires lender to produce at least ten (10) loans each year to remain a KHC approved lender.</p>		