



## **CORRESPONDENT CRITERIA**

### **Your own warehouse line without the restrictions or costs!**

- We can do USDA and Conventional in a correspondent manner
- You do need to have a MERS # (see below)\*
- You do not need to show any significant net worth.
- No additional Bonding or Insurance is required
- The only cost is \$200, plus \$895 underwriting fee for closed loans
- You will be given a warehouse line to fund USDA and conventional loans underwritten by RAC
- Loans fund and close in your name
- RAC will complete closing docs and request wire of your behalf
- RAC will do all compliance testing at closing and afterwards
- We will buy your loans in about 48 hours
- No additional fees except the above

\*If you do not have a MERS # you can go to this site for information  
<https://www.mersinc.org/>  
or call Ron Crowe Southern Regional Rep for MERS – (205)477-5643

### **RAC is able to manually underwrite FHA - VA - USDA Referred files**

We offer **24 hour underwriting** and the seller can pay the U/W fee or you have the option to include the underwriting fee in the pricing.

### **ALREADY CORRESPONDING?**

We can purchase your FHA – VA – USDA – FNMA closed loans

**Contact your AE or Customer Service – 877-722-6840**

## MERS PROCEDURE

Please ensure that your investor(s) advise what type of Membership your company needs; also, please provide me with your point of contact at RAC as I need to speak with them about how we can help them and their clients going forward, Nick Ball and April Burkett with RAC have been copied on this as well as our membership group as RAC is in the process of refining its processes and procedures for their use of the MERS System.

- TPO (defined in the attached “Fact Sheet”) – <http://www.mersinc.org/join-mers-docman/10-tpo-application-june-2013/file> must have the Investor Letter also executed and sent in
  - <http://www.mersinc.org/join-mers-docman/7-final-investor-letter-for-tpo-applications-2013-06/file>
- Lite Membership (defined in the attached “Fact Sheet”) – <http://www.mersinc.org/join-mers-docman/1003-final-mers-residential-marketing-kit-2015-03/file>

Here is an overview for membership Lite, General or Patron:

There are three phases of beginning the MERS Membership Process, they are -

1. Application – Validation of who the Member is
2. Phase I – Knowing how the processes will be managed
3. Phase II – Documenting procedures, obtaining tools and completing training

At Application the prospective member completes the membership application and provides data & documentation including contacts, licenses, written references and either E&O or Bond copies noted on the “instructions” which is Page 5 of the referenced Kit here: – <http://www.mersinc.org/join-mers-docman/1003-final-mers-residential-marketing-kit-2015-03/file> as noted above in bullet #2

Once the application is approved (10 – 15 Business days), we send a Phase 1 e-mail that tells the company they have an Org ID (Member Number) that is not activated yet; has an “Integration Action Items” attachment that asked them to determine essentially how they will manage MERS Documents (Security Instruments – Deed of Trust or Mortgage with MERS language in it referred to as “MOM”), Generation and affixing of MINs (Mortgage Identification Numbers) and that they know how they will meet their investor and or warehouse bank requirements for those items in addition to registrations, transfers and confirmation of transfers by the investors. NOTE: Many investors/warehouse banks have varying requirements that they (the prospective member) must manage. Once they know these things, they are to set up a call with our membership folks to review them and set a prospective date for closing their first MERS loan.

After the Phase I meeting, let’s say if it was held today; the prospective member would be referred to our integration team and have a resource designated to work with them. Again, using today as an example the resource would be designated on Monday and either Monday afternoon or Tuesday morning (depending on our volume, weather etc. this could push later into the week) the prospective member would be advised as to whom, is working with via e-mail notification and then a conference call would be scheduled. In the Phase II conference call, a review of a procedures questionnaire (a procedures template) would be conducted and that prospective member would need to fill it out and provide an QA plan (another template that we provide) in addition to sample MOM Security Instrument with them listed as the Lender and have a valid MIN on it as well as an example of an assignment from MERS to non-MERS status. Upon completing those items and commensurate with their first loan closing; training is provided on how to manage 1. Setup of users/contacts etc. in the system, 2. How to conduct transactions and 3. Management of reports etc. in the system.