



first community mortgage



## COMPLIANCE ADDENDUM

Any loans submitted by the undersigned Originator must be underwritten to First Community Mortgage’s sole satisfaction. All loans must meet or exceed minimum state and federal compliance requirements, as well as quality control guidelines as prescribed by the Federal National Mortgage Association and/or Federal Home Loan Mortgage Corporation, HUD/FHA/VA and other public and private investors doing business with First Community Mortgage. By signing below, Originator agrees to maintain compliance controls and a quality control system as described below.

- A. Credit reports shall be ordered only from vendors that comply with the Fair Credit Reporting Act, and with HUD/FHA, VA, FNMA, and FHLMC regulations, and all applicable federal and state laws. All credit reports must collect and contain information from at least two (2) national credit repositories and public records. No copy of the credit report is to be released to any person other than the Lender or Borrower. Any discussion pertaining to the credit report by the Borrower is to be referred to the credit reporting agency.
- B. Appraisals shall be performed only by certified appraisers who are licensed by the applicable state licensing authority and in good standing therewith. First Community Mortgage will, at its sole option, determine the need for a new appraisal, field review or desk review.
- C. Originator will not collect payment information or otherwise impose any fee, other than reasonable credit report fees, prior to a borrower’s receipt of a Loan Estimate and a borrower’s indication of an intent to proceed with the transaction.
- D. Originator certifies that it has updated its internal controls, and trained staff to comply with the new TILA-RESPA Integrated Disclosures (TRID) and rules, which became effective October 3, 2015.
- E. All verifications of employment, deposits and other assets shall be mailed directly to the verifying entity. No such verifications shall be hand carried by an employee of Originator.
- F. Telephone verification of employment, banking relationships and asset verifications shall be performed on all alternative and reduced documentation loans. The loan file shall contain the contact name, phone number, contact date and specific data collected in each such telephone verification contact.
- G. All appropriate loan disclosures shall be provided to the Borrower by the Originator within three business days from loan application. This includes, but is not limited to, the Loan Estimate, all Fair Lending notices, and other disclosures as required by state and federal law.
- H. All copies of documentation furnished by the Borrower are to be stamped as a certified copy of the original document.
- I. Upon First Community Mortgage’s decision to approve or deny any loan, the applicant(s) will receive written notice of such disposition.
- J. Business Partner is responsible for establishing a Quality Control and Compliance Policy that ensures compliance with the GSE's, secondary market investors' and State requirements. FCM may request a copy of the Policy at any time and Business Partner must provide a copy of the Policy for review.
- K. Business Partner is responsible for establishing a Red Flags / Identity Theft Prevention Program to detect, prevent, and mitigate identity theft in connection with mortgage loans. Any Red Flags discovered with respect to any loan submitted to FCM shall be reported to FCM as soon as reasonably possible.

By signing below, Originator accepts and agrees to the terms, duties, warranties and representations contained in this Addendum.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

