

# Bondcorp Realty Services, Inc.

1200 Quail Street # 160  
Newport Beach, CA 92660  
TEL: 949-250-8911

SAN DIEGO WHOLESALE DIVISION  
777 South Highway 101, Suite 206  
Solana Beach, CA 92075  
Tel: 858-759-7770 Fax: 858-759-4177

## WHOLESALE BROKER/CONTRACTOR AGREEMENT

**THIS WHOLESALE BROKER/CONTRACTOR AGREEMENT** is entered into as of by and between Bondcorp Realty Services, Inc. ("Lender"), and \_\_\_\_\_, A CORPORATION ("Broker/Contractor"), and / or \_\_\_\_\_ INDIVIDUALLY (and as guarantors), ("Broker/Contractor"), who's address is \_\_\_\_\_, with reference to the following facts:

- A. Lender is engaged in, among other things, mortgage lending, and desires to approve, close and fund loans secured by a lien on residential real property, which are submitted to Lender by third-party originators (Broker/Contractors).
- B. This Agreement is entered into by the parties in order to establish the terms and conditions for the origination and funding of residential mortgage loans and the relationship and responsibilities of Lender and Broker/Contractor with respect thereto.

NOW, THEREFORE, in consideration of the foregoing matters and the mutual covenants hereinafter set forth, the parties hereto agree as follows:

- Approval of Broker/Contractor. Subject to the terms, conditions and limitations hereinafter set forth, Lender hereby approves Broker/Contractor as a residential loan originator and agrees to review applications for residential mortgage loans ("Loans") submitted to Lender by Broker/Contractor.
- Broker/Contractor's Submission Responsibilities. Broker/Contractor shall use its best efforts to solicit and complete loan application packages, including credit verifications, verification of employment, appraisals, asset verification, and all other information and documentation required by Lender for submission to Lender. Each Loan Application Package, and Broker/Contractor's activities hereunder, shall be subject to, and shall comply with, the terms and conditions of this Agreement, as the same may be amended from time to time.

Nothing will be owed to the Broker/Contractor by Bondcorp Realty Services, Inc. on any proposed loan, which is not closed and funded by Bondcorp Realty Services, Inc. Upon the closing of any loan for which the Broker/Contractor has submitted a loan package to Bondcorp Realty Services, Inc. Bondcorp Realty Services, Inc. will remit to the Broker/Contractor an amount for origination compensation, goods purchased, services rendered and/or facilities provided, as applicable. The price paid for any loan(s) and all other issues related to pricing would be determined by Bondcorp Realty Services, Inc. pricing policy, which may change at the sole discretion of Bondcorp Realty Services, Inc. *Payment of and acceptance of any compensation to "Broker/Contractor" for any loan constitutes acceptance and enforceability of this contract in it's entirety regardless of the amount of compensation paid, or in any manner in which the loan was originated, processed or funded.*

Nothing in this agreement prohibits the Broker/Contractor if permissible under applicable federal and state law, from imposing reasonable fees upon borrowers for services rendered. All compensation shall be disclosed on the Good Faith Estimate of Closing Costs and the HUD-1/1A settlement statement in accordance with applicable law. If state or federal law requires a written agreement between the Broker/Contractor and borrower(s), a copy of the executed agreement shall be included in each completed loan package delivered to Bondcorp Realty Services, Inc. for funding. Bondcorp Realty Services, Inc. in its sole discretion, reserves the right to determine what may constitute reasonable fees associated with each loan transaction.

- Loan Programs. All Loan Application Packages submitted by Broker/Contractor to Lender hereunder shall be submitted only for those types of residential mortgage loan programs as are offered by Lender under this Agreement from time to time. Lender will publish a list of program guidelines from time to time, which may include provisions for eligible property types, loan limits, loan-to-value ratios, interest rates, points and fees. Notwithstanding the foregoing provisions, Broker/Contractor acknowledges that the interest

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Rate, points, fees and other terms of such loan programs are subject to change and the Lender reserves the right to modify, add or discontinue loan programs subject to this Agreement.

4. Submissions, Registration and Rate Lock Protection. The procedures for submission and registration of each Loan Application Package and for the protection of the interest rate and points of each Loan to be funded hereunder are set forth in the Guidelines as amended by Lender in its sole discretion from time to time.

5. Appraisal: Credit Reports. Broker/Contractor shall provide an appraisal for each Loan Application Package. Appraisal shall be performed by an appraiser (a) who holds a valid certification or registration from the applicable state authority with oversight of appraisers' activities, (b) who has no interest, direct or indirect, in the real property subject to the appraisal, and (c) who will not receive compensation that is affected by the approval or declination of the applicable loan. Lender may from time to time, in its sole discretion, maintain a list of appraisers who shall be excluded from performing appraisal work in conjunction with Lender's quality control processes and investor relationships. All credit reports submitted in connection with Loan Application Packages must be provided by a reputable credit bureau and must conform to the standards of FNMA/FHLMC credit reporting guidelines. The cost of all appraisals and credit reports submitted in connection with any Loan Application Package shall be borne by Broker/Contractor. Lender shall have no responsibility for such cost.

6. Underwriting. Notwithstanding any other provision of this Agreement to the contrary, the decision whether any Loan shall be approved for funding, and the terms of such Loan, shall be the sole responsibility, and at the sole discretion of, Lender. Lender will, by written notification, approve or decline each loan application submitted in accordance with Lender's then-current lending and underwriting policies. Each Loan Application Package shall be underwritten in accordance with the then-current secondary market standards as they pertain to the loan program requested. Lender shall have no obligation, express or implied, to fund any loan, which is not approved in writing by Lender. Broker/Contractor shall be responsible for informing each loan applicant of the matters set forth in this Paragraph.

7. Funding: Service Release. All Loans shall be closed in the name of, and shall be funded by, Lender. Broker/Contractor hereby agrees to sell and release all interest in the Loans, including without limitation all servicing rights, to Lender.

**8a. Early Pay-Off Provision. The Broker/Contractor will reimburse to Bondcorp Realty Services, Inc. any yield spread premium and or rebate paid to the Broker/Contractor by Bondcorp, if any loan is paid-in-full for any reason, with or without the knowledge of said Broker/Contractor, within the 180 calendar days after such loan is funded by Bondcorp Realty Services, Inc. If Broker/Contractor refinances a borrowers loan that was funded by Bondcorp within 180 days of the original funding, Broker/Contractor shall owe Bondcorp additional compensation equivalent to the compensation required to be paid back by Bondcorps investor. This amount is in addition to the ysp/rebate paid to the Broker/Contractor.**

**8b. Early Borrower Payment Default: The Broker/Contractor will re-purchase any loan if the first ,second, third, or fourth payment due Bondcorp, its assignees or designees, is not received or received 30 days or more past the due date. The only exception is the event of death to the borrower.**

9. Non-Exclusive Relationship. In its sole discretion, Lender may use other loan Broker/Contractors, and Broker/Contractor may submit loan applications to lenders other than Lender. Nothing contained herein shall be construed as granting to Broker/Contractor any exclusive right, whether with respect to time, territory or subject matter.

10. Independent Contractor. In the performance of its obligations under this Agreement, Broker/Contractor shall be deemed to be acting as an independent contractor, agent and representative of the loan applicant and not of Lender. There shall be no partnership, franchise, joint venture or any other association between Lender and Broker/Contractor arising hereunder. As such, the broker/independent contractor is responsible for all state and federal taxes.

11. Limitations on Broker/Contractor's Authority. Broker/Contractor's authority pursuant to this Agreement shall consist solely of offering Lender's approved first and second lien residential mortgage loan programs and processing Loan Application Packages pursuant to this Agreement at its own expense and risk. Broker/Contractor has no authority, express or implied, to bind Lender in any manner whatsoever. No statement or representation of Broker/Contractor shall be binding upon Lender unless such statement or representation is in writing and signed, printed or published by an authorized employee of Lender.

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Loan Origination Agreement

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12. Broker/Contractor's Compliance Obligations. Broker/Contractor shall maintain at all times in good standing any and all required business and professional licenses, and shall comply with all business tax requirements and all state and federal laws, rules and regulations which apply to Broker/Contractor because of Broker/Contractor's activities as a mortgage Broker/Contractor for its loan applicant clients, including, but not limited to, the Fair Credit Reporting Act, the Equal Credit Opportunity Act, the Truth in Lending Act, the Real Estate Settlement Procedures Act, the Home Mortgage Disclosure Act, state licensing laws, all regulations promulgated in connection therewith, and government monitoring regulations and disclosure laws in connection with Broker/Contractor's solicitations and processing of Loan Application Packages.

13. Broker/Contractor's Warranties. Broker/Contractor hereby warrants and represents to Lender as follows, which representations and warranties shall be deemed to be made as of the date of this Agreement, as of the date each Loan Application Package is submitted to Lender, and as of the date each Loan is funded:

(a) **Broker/Contractor** is a corporation, duly organized, validly existing and in good standing under the laws of jurisdiction in which it is organized, **or Broker/Contractor** is sole proprietorship validly registered to do business under the name set forth in this Agreement, **or Broker/Contractor** is an individual acting as an independent contractor. Broker/Contractor has the power and authority to own its assets and to carry on its business as it is now being conducted and is in compliance with all applicable laws governing the business of residential mortgage lending;

(b) This Agreement has been duly authorized, executed and delivered to Lender and constitutes the valid and legally binding obligation of Broker/Contractor, enforceable in accordance with its terms, except as to the effect of bankruptcy, insolvency and other laws affecting the rights of creditors generally;

(c) If incorporated, the performance by Broker/Contractor of Broker/Contractor's obligations hereunder will not violate any Provisions of the articles of incorporation or by-laws of Broker/Contractor, or of any instrument relating to the conduct of Broker/Contractor's business or of any other instrument or agreement to which Broker/Contractor is a party;

(d) There is no action, suit, proceeding or investigation pending or threatened against Broker/Contractor which, either in any one instance or in the aggregate, may result in any material adverse change in the business, operations, financial condition, properties or assets of Broker/Contractor, or in any material impairment of the right or ability of Broker/Contractor to conduct its business substantially as it is now being conducted, or which would draw into question the validity of this Agreement, the Loans or any action taken or to be taken in connection with the obligations of Broker/Contractor contemplated by this Agreement, or which would be likely to impair materially the ability of Broker/Contractor to perform its obligations under this Agreement;

(e) Broker/Contractor has obtained, and will maintain in full force and effect during the term of this Agreement, all licenses and authorizations necessary to do business and perform its obligations under this Agreement in all appropriate jurisdictions;

(f) All information regarding Broker/Contractor, which is furnished from time to time by Broker/Contractor to Lender, is true and correct in all material respects as of the date or dates such information is furnished;

(g) Broker/Contractor has full right and authority to assign and transfer each Loan Application Package to Lender, and such right to assign and transfer is not subject to any other person's or entity's interest or to an agreement with any other person or entity;

(h) Each Loan Application Package was taken, processed, and underwritten by Broker/Contractor, and any compensation due Broker/Contractor, is in compliance with all applicable federal, state and local laws, rules and regulations, including but not limited to, state usury laws, state licensing laws, the Fair Credit Reporting Act, the Equal Opportunity Act, the Truth in Lending Act, the Real Estate Settlement Procedures Act;

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- (i) **The Loan Application Package submitted by Broker/Contractor to Lender is true and correct in all material respects and does not fail to include any information required to be stated or necessary to make each such Loan Application Package not misleading. The loan application package and supporting information and documentation shall contain no misrepresentation or misstatement of any material fact, whether by act, statement, concealment or omission by the Broker/Contractor, the consumer, the appraiser or any other party in connection with the loan submitted by Broker/Contractor to Lender. No undertaking to verify or failure to verify information by Lender relieves Broker/Contractor from this representation and warranty. Broker/Contractor warrants that all documents or instruments submitted by Broker/Contractor in connection with a Mortgage Loan, are, in every respect, valid and genuine, being what on their face they purport to be, and all information ( appraisal, credit, income, tax returns, W-2's, written verifications, escrow instructions, purchase contracts, HUD-1's or estimated HUD-1's, or otherwise) submitted in connection with such Mortgage Loans package is true and accurate.**
- (j) **"Broker/Contractor" warrants that there are no circumstances, information, or conditions with respect to each loan, the mortgagers, or the mortgaged property, that might adversely affect the value or marketability of the Loan or to cause the Mortgage Loan to be unacceptable to Bondcorp investors.**
- (k) **"Broker/Contractor" warrants that it has underwritten the loan file in it's entirety, and performed due diligence in insuring that all information contained in the loan package is true, correct, accurate, and does not omit information that may be crucial to making a loan decision. "Broker/Contractor" is solely responsible for validating and warranting the validity, accuracy, completeness of all aspects of the loan package.**

The representations and warranties set forth in this Paragraph shall survive delivery to and funding by Lender of the related Loan and shall survive to Bondcorp and or it's assigns for the life of the loan.

14. Lender's Warranties. Lender hereby represents and warrants to Broker/Contractor as follows:

- (a) Lender is a corporation, duly organized, validly existing and in good standing under the laws of the State of California, has all licenses necessary to conduct its business as it is now conducted, and is licensed and qualified to transact business and is in good standing in the states in which the property to be encumbered in connection with the Loans is located. Lender has the power and authority to own its assets and to carry on its business as it is now being conducted and is in compliance with all applicable laws governing the business of residential mortgage lending;
- (b) This Agreement has been duly authorized, executed and delivered to Broker/Contractor and constitutes the valid and legally binding obligation of Lender, enforceable in accordance with its terms, except as to the effect of bankruptcy, insolvency and other laws affecting the rights of creditors generally; and
- (c) The performance by Lender of Lender's obligations hereunder, will not violate any provisions of the articles of incorporation or by-laws of Lender, or of any instrument relating to the conduct of Lender's business or of any other instrument or agreement to which Lender is a party.

The representations and warranties set forth in this Paragraph shall survive the termination of this agreement.

15. No Third Party Beneficiaries. This Agreement is made for the sole protection and benefit of the parties hereto, and no other person shall have any right of action under this Agreement as a third party beneficiary or otherwise.

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16. **Indemnification.** Broker/Contractor agrees to indemnify, defend and hold harmless Lender and its directors, officers, agents and employees from any and all costs incurred by Lender or its assigns, any liability, or any loss whatsoever (including but not limited to damages, penalties, fines, costs, expenses and attorneys' fees) incurred at any time arising out of or connected with (a) any material breach of representation, warranty or obligation of Broker/Contractor contained in this Agreement, the Guidelines or any other documentation delivered in connection with this Agreement, (b) any material negligent or willful act or omission by Broker/Contractor in the performance of Broker/Contractor's obligations under this Agreement, (c) any violation by Broker/Contractor of any federal, state or local law or regulation pertaining to the activities contemplated by this Agreement, or (d) any breach of any part of this Agreement. All rights and remedies provided in this Agreement to Lender shall inure to the benefit of Lender, its successors and assigns and any assignee of or participant in any Loan and shall survive the termination of this Agreement, or the repurchase of any Loan by Broker/Contractor. *Broker/Contractor is responsible for any costs incurred by Bondcorp in resolving any post funding/purchase issues that may arise. Bondcorp at it's sole discretion will determine the cost of such resolution.*

17. **Repurchase.** Broker/Contractor shall repurchase from Lender any Loan with respect to which there has been a breach of any material term, condition, representation or warranty contained in this Agreement or the Guidelines. Broker/Contractor shall pay to Lender upon demand the repurchase price for such Loan, which shall be the funding amount advanced by Lender plus any unpaid accrued interest less any principal reductions received by Lender. The repurchase remedy contained in this Paragraph shall not constitute Lender's exclusive remedy, and Lender shall have recourse to all other available remedies hereunder, at law and in equity.

In addition to other rights and remedies that Bondcorp Realty Services, Inc. may have, in the event there exists a basis to demand indemnification under paragraph's fifteen (15) and sixteen ( 16 ) above, and the Loan in question is closed and funded by Bondcorp Realty Services, Inc., Bondcorp Realty Services, Inc. may demand that the Broker/Contractor cure the breach in all material respects. In the event the breach cannot be cured to Bondcorp Realty Services, Inc. satisfaction, Bondcorp Realty Services, Inc. may require the Broker/Contractor to repurchase the Loan from Bondcorp Realty Services, Inc. or designee at the higher of the following prices.

(a) [1] The original principal amount of the Loan, less principal reductions, plus [2] all interest accrued but unpaid on the principal balance of the Loan from the Date of the funding, plus [3] Any premium pricing paid to the Broker/Contractor, plus [4] All costs and expenses incurred by Bondcorp Realty Services, Inc. in enforcing the Company's obligation to repurchase the Loan, including reasonable attorney's fees and cost of the suit; or

(b) The price Bondcorp Realty Services, Inc. must pay to repurchase the loan from the applicable investor.

18. **Termination.** Except as otherwise provided herein, this Agreement may be terminated at any time by either Lender or Broker/Contractor. Such termination shall be effective upon receipt of written notice of termination, but in no event later than five (5) days following the issuance of written notice. The obligation of the parties with respect to Loan Application Packages which have been registered with lender prior to receipt of such written notice of termination shall survive the termination of this Agreement. Lender may terminate this Agreement effectively immediately without notice to Broker/Contractor in the event of a breach by Broker/Contractor of any of Broker/Contractor's obligations, representations or warranties contained in this Agreement or the Guidelines.

19. **Inspection and Maintenance of Records.** Broker/Contractor shall permit, at Lender's option, Lender, Lender's regulators, internal auditors or independent auditors chosen by lender, or any officer of lender to investigate Broker/Contractor's operations and business, and to investigate and copy its files pertaining to Loan Application Packages submitted to Lender. Broker/Contractor shall maintain in its possession, available for such inspection and copying, all documentation and records relating to Broker/Contractor's compliance with the terms of this Agreement. Broker/Contractor agrees to retain all documentation and correspondence pertaining to this Agreement and any transactions hereunder for the period required by applicable federal or state laws and regulations or in accordance with Lender's record keeping guidelines, whichever provides for the longer retention period.

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20. Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given upon actual delivery or upon the mailing thereof by registered or certified mail, return receipt requested, postage prepaid, to the address for each party set forth below or to such other address as Lender or Broker/Contractor shall specify in writing to the other:

If to Lender: Bondcorp Realty Services, Inc.  
1200 Quail Street # 160  
Newport Beach, CA 92660  
TEL: 949-250-8911 FAX: 949-250-1499

If to Broker/Contractor: \_\_\_\_\_  
\_\_\_\_\_

21. Miscellaneous. Modifications, waivers and approvals required from or given by either party hereto shall be effective only if in writing and signed by such party, provided, however, that nothing set forth in this Paragraph shall affect Lender's right to revise, amend or revoke the materials described herein as expressly being subject to such right. Broker/Contractor may not assign its rights or obligations under this Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and permitted assigns. In the event that a court of competent and final jurisdiction shall hold any provision of this Agreement to be invalid, the same shall not affect in any respect whatsoever the validity of the remainder of this Agreement. If it is determined in a judicial proceeding that a party has failed to perform under any provisions of this Agreement, then the prevailing party shall be entitled to recover from the losing party on demand reasonable attorneys' fees and other reasonable out-of-pocket expenses incurred in connection with such dispute. This Agreement is governed by, and shall be construed in accordance with, the laws of the State of California. Each of the persons and entities who are shareholders, partners or licensed Broker/Contractor of entity also agrees to said venue and forum and further agrees that, if they are not residents of said county at the time of such action, service of process may be had on them by delivery to them via United States registered or certified mail. This Agreement constitute the entire agreement between the parties and supersede any and all prior written or oral agreements between the parties as to the subject matter hereof.

In signing this Agreement, both parties agree to all provisions stated herein. The parties have signed this Agreement as of the date set forth below:

DATE: \_\_\_\_\_

Bondcorp Realty Services, Inc.:

Broker/Contractor: \_\_\_\_\_

By: \_\_\_\_\_

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

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

Printed Name: \_\_\_\_\_

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

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

Printed Name: \_\_\_\_\_

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## **REQUIRED DOCUMENTS**

COPY OF REAL ESTATE BROKER/CONTRACTORS LICENSE  
COPY OF ARTICLES OF INCORPORATION  
COMPANY PROFILE – ( i.e. number of branches, years in business, references)

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Initials