

BALANCE SHEET

* Required, zero's allowed

ASSETS

Current Assets:

111*	Cash and Cash Equivalents
121	Accounts Receivable, Net of Allowance for Doubtful Accounts
131	Securities
132	Securities Available for Sale
133	Trading Account Securities
134*	Loans Held for Sale, at lower of cost or market
135	Other Current Assets – <u>Details</u> (5 lines)
136	Deferred Income Taxes
150	Total Current Assets

Non-Current Assets:

165	Property, Equipment and Leasehold Improvements, Net of Accumulated Depreciation
166	Co-Insurance Loss Reserves
167	Deferred Income Taxes
171	Net Mortgage Servicing Rights
172	Other Allowance for Losses
173*	Real Estate Owned, at Net realizable value
174	Loans Held for Investment
175	FAS 133 Derivatives
176	Other Non-Current Assets – <u>Details</u> (5 lines)
170	Total Non-Current Assets

Unacceptable Assets:

181	Pledged Assets
182*	Due from an officer, stockholder or related entity
183	Personal Interest Investment
184	Intangible Assets, Net of Amortization
185	Assets not readily marketable
186	Investment in Related Entity, greater than equity as adjusted
187	Value of Servicing Contract not in accordance with FAS 65 and FAS 125
188	Assets Used for Personal Enjoyment
189	Other Unacceptable Assets – <u>Details</u> (5 lines)
180	Total Unacceptable Assets

200 **Total Assets**

LIABILITIES

Current Liabilities:

311*	Accounts Payable and Accrued Expenses
312*	Warehouse Line of Credit, UPB
313*	Interest Payable
314	Estimated Future Loss Liabilities
315	Other Current Liabilities – <u>Details</u> (5 lines)
316	Deferred Income Taxes
317	Income Taxes Payable
310	Total Current Liabilities

Non-Current Liabilities:

321	FAS 133 Derivatives
322	Other Non-Current Liabilities – <u>Details</u> (5 lines)
323	Deferred Income Taxes
320	Total Non-Current Liabilities

300 **Total Liabilities**

Equity

501	Minority Interest
502*	Common Stock
503	Preferred Stock
504*	Additional Paid-in Capital
505	Treasury Stock
506*	Retained Earnings
507	Net Unrealized Gain (Loss) on securities available for sale
508	Accumulated Other Comprehensive Income - FAS 130 – <u>Details</u> (3 lines)
509*	Partnership, LLP, Sole Proprietorship and LLC Capital
500	Total Equity [must match Line 990]

600 **Total Liabilities and Equity**

Trust Funds - Memo Accounts:

1101	Escrow Funds
1102	Liability for Escrow Funds

Ops & Equity

* Required, zero's allowed

REVENUES

701*	Net Loan Administration Income
702*	Gross Interest Income
703	Net Marketing Gain (Loss) on Loans and MBS sold with servicing retained [Amount auto-populates Acct #403 on Cash Flow]
704	Net Marketing Gain (Loss) on Loans and MBS sold with servicing released including the Servicing Release Premium [Amount auto-populates Acct #403 on Cash Flow]
705	Net Gain (Loss) on Sales of Servicing Rights [Amount auto-populates Acct #403 on Cash Flow]
706	Net Gain (Loss) from Servicing Valuations [Amount auto-populates Acct #403 on Cash Flow]
707	Net Gain (Loss) on Sale of Securities [Amount auto-populates Acct #403 on Cash Flow]
708	Net Gain (Loss) on Sale of REO [Amount auto-populates Acct #403 on Cash Flow]
709*	Retail Origination Fees
710*	Other Retail Origination Income
711*	Correspondent and Broker Fee Income
712	FAS 133 Income (Loss)
713	Other Income (Loss) related to lending activities – <u>Details</u> (5 lines)
714	Other Income (Loss) <u>not</u> related to lending activities – <u>Details</u> (5 lines)
715	Net Gain (Loss) on Sale of PPE [Amount auto-populates Acct #403 on Cash Flow]
716	Other Net Gains (Losses) [Amount auto-populates Acct #403 on Cash Flow]
700	Total Revenue

EXPENSES

Personnel Expenses:

901	Personnel Expenses - Wages
902	Personnel Expenses - Payroll Taxes and Benefits
910	Total Personnel Expense

Interest Expense:

911	Interest Expense - Warehouse
912	Interest Expense - Other
920	Total Interest Expense

Operating Expense:

931	Occupancy Expense
932	EDP Service Charges, Rentals and Depreciation
933	Depreciation Expense
934*	Loan Administration Processing Expenses
935*	Retail Loan Origination Processing Expenses
936	Correspondent and Broker Loan Acquisition Expenses
937*	Provision for Loan Losses [Amount auto-populates Acct #406 on Cash Flow]
938*	Servicing Expenses for Foreclosure and REO
939	General and Administrative Expenses
950	Total Operating Expense

Professional Fees:

961*	Audit Fees
962*	Legal Fees
963	Other Professional Fees
964	Total Professional Fees

965 Other Expenses – Details (5 lines)

900 **Total Expenses**

970 **Income Before Taxes, Non-recurring Items and Minority Interest**

981 Income Taxes

982 Non-recurring Items

[Amount auto-populates Acct #407 on Cash Flow]

983 Minority Interest

1000 **Net Income (Loss)**

Statement of Equity:

991*	Balance at beginning of year, as reported
992	Prior Period Adjustments – <u>Details</u> (5 lines)
993	Balance at beginning of year, restated
994	Net Income (Loss)
995	Dividend/Distribution
996	Contribution
997	Other Retained Earning Adjustments – <u>Details</u> (5 lines)
990	Ending Balance

[must match Line 500]

Cash Flow

* Required, zero's allowed

Cash Flows from Operating Activities:

401 Net Income (Loss)

Reconciliation Adjustments:

402 Depreciation and Amortization

403 Loss (Gain) **[Auto-populated from Ops & Equity]**

404 Undistributed Loss (Earnings) of Affiliates – Details (3 lines)

405 Deferred Income Tax Provision (Benefit)

406 Provisions for Losses **[Auto-populated from Ops & Equity]**

407 Non-Recurring Items **[Auto-populated from Ops & Equity]**

(Increase) Decrease:

411 Accounts Receivable

412 Other Current Assets – Details (3 lines)

413 Due from an Officer, Stockholder or Related Entity

414 Loans Held for Sale

421 Accounts Payable and Accrued Expenses

422 Interest Payable

423 Income Taxes Payable

424 Other Current Liabilities – Details (3 lines)

426 **Total Adjustments**

430 **Net Cash Provided by (Used in) Operating Activities**

Cash Flows from Investing Activities:

441 Purchase of Securities – Details (3 lines)

442 Sale of Securities – Details (3 lines)

443 Disposition of PPE

444 Acquisition of PPE

445 Other Investing Activities – Details (3 lines)

446a Acquisition of Loans Held for Investment

446b Proceeds from the Sale of Loans Held for Investments

447a Acquisition of FAS 133 Derivatives

447b Disposition of FAS 133 Derivatives

448a Acquisition of Unacceptable Assets

448b Disposition of Unacceptable Assets

449a Acquisition of Other Non-Current Assets – Details (3 lines)

449b Disposition of Other Non-Current Assets – Details (3 lines)

440 **Net Cash Provided by (Used in) Investing Activities**

Cash Flows from Financing Activities:

451* Proceeds From Warehouse Line of Credit

452* Principal Payment on the Warehouse Line of Credit

453 Proceeds From Other Non-Current Liabilities

454 Principal Payments On Other Non-Current Liabilities

455 Proceeds from Issuance of Stock – Details (3 lines)

456 Repurchase of Stock – Details (3 lines)

457* Capital Contributions

458 Dividends/Distributions **[Auto-populated from Ops & Equity]**

459 Other Financing Activities – Details (3 lines)

450 **Net Cash Provided by (Used in) Financing Activities**

461 **Net Increase/(Decrease) in Cash and Cash Equivalents**

462* Cash and Cash Equivalents, Beginning of Year

463 **Cash and Cash Equivalents, End of Year**
[must match Line 111]

Supplemental Disclosure of Cash Flow Information:

471 Cash Paid for Interest

472 Cash Paid for Taxes

473 Other Supplemental Disclosures – Details (3 lines)

Net Worth & Liquidity

* Required, zero's allowed

NET WORTH

1201* FHA Servicing Portfolio

Add FHA Originations and FHA Purchases:

1202* FHA Originations - Dollar amount of FHA-insured Title II mortgage loan originations during the year under audit

1203* FHA Purchases - Dollar amount of FHA-insured Title II mortgage loan correspondent purchases during your fiscal year under audit

1205 Subtotal

Subtract FHA Servicing Retained:

1221* Dollar amount of FHA-insured Title II mortgage loan originations retained at the fiscal year end under audit

1222* Dollar amount of FHA-insured Title II mortgage loan correspondent purchases retained at the end of the year under audit

Auto-populated, once above figures are entered

1225 *Subtotal*

1231 **Total**

1232 *1% of Total*

1235 *Minimum Net Worth Required*

1240 **Net Worth Required**

500 *Stockholder's Equity (Net Worth) per Balance Sheet*

180 *Less: Unacceptable Assets*

1270 **Adjusted Net Worth**

1280 *Adjusted Net Worth ABOVE Program Requirement*

1290 *Adjusted Net Worth BELOW Program Requirement*

TITLE I NON-SUPERVISED LENDER

1340 Net Worth Required

1350 Stockholder's Equity (Net Worth) per Balance Sheet

1360 Less: Unacceptable Assets

1370 **Adjusted Net Worth**

1380 Adjusted Net Worth ABOVE Program Requirement

1390 Adjusted Net Worth BELOW Program Requirement

LIQUIDITY

The Liquidity schedule is auto-populated.

111 *Cash & Cash Equivalents*

132 *Securities Available for Sale*

133 *Trading Account Securities*

1410 *Total Liquid Assets*

1270 *Adjusted Net Worth*

1420 *Liquidity Required*

1430 *Liquidity ABOVE the Program Requirement*

1440 *Liquidity BELOW the Program Requirement*

Data Collection Form

* Required

GENERAL INFORMATION

G9000-010 Fiscal Year Ending Date
 G2000-020* Audit Period Covered (drop down)
 G2000-030* Audit Period Covered – Months (1-24)

Auto-populated from FHA Connection Information

G9100-010 Lender Name
 G9100-020 Lender Street Address
 G9100-030 Lender City
 G9100-040 Lender State
 G9100-050 Lender Zip Code
 G2100-010* Lender Owner/Comptroller First Name
 G2100-020 Lender Owner/Comptroller Middle Initial
 G2100-030* Lender Owner/Comptroller Last Name
 G2100-040 Lender Owner/Comptroller Title
 G2100-050* Lender Owner/Comptroller Telephone Number
 G2100-060 Lender Owner/Comptroller Extension
 G2100-070 Lender Owner/Comptroller Fax Number
 G2100-080 Lender Owner/Comptroller Email
 G2200-009* Ull Number

Auto-populated, once Ull entered and saved

G2200-010 Audit Firm Name
 G2200-020 Audit Firm Street Address Line 1
 G2200-030 Audit Firm Street Address Line 2
 G2200-040 Audit Firm City
 G2200-050 Audit Firm State
 G2200-060 Audit Firm Zip Code
 G2200-070* Audit Firm Contact First Name
 G2200-080 Audit Firm Contact Middle Initial
 G2200-090* Audit Firm Contact Last Name
 G2200-100 Audit Firm Contact Title
 G2200-110* Audit Firm Contact Telephone Number
 G2200-120 Audit Firm Contact Extension
 G2200-130 Audit Firm Contact Fax Number
 G2200-140 Audit Firm Contact Email

FINANCIAL STATEMENTS

G3000-005* Financial Statements prepared using GAAP basis (Y/N)
 G3000-006* Financial Statement Audit was conducted in accordance with: (GAGAS/Other)

G3000-011* Type of Audit Opinion Issued (drop down)

GAAS – Scope Limitations
 G3200-010 Scope - Imposed by Management
 G3200-020 Scope - Imposed by Circumstance
 GAAP
 G3300-010 Change in Accounting Principle
 G3300-020 Change in Accounting Estimate
 G3300-030 Change in Accounting Method
 G3300-040 Departure from GAAP – Exclusion of alternative accounting for an account or group of accounts.
 G3300-050 Departure from GAAP – Inconsistently Applied GAAP
 G3300-060 Departure from GAAP – Omissions/Inadequate Disclosure
 G3400-010 Qualified – Indicator – Accounting Principles Used Caused the Financial statements to be Materially Misstated
 G3400-020 Qualified – Inadequate Records Indicator
 G3000-012* Type of SAS 29 Opinion (drop down)
 G3000-020* Going Concern Indicator – explanatory paragraph
 G3000-091 Going Concern Indicator – explanatory paragraph (upload file)
 G3000-030* Explanatory paragraph other than going concern (Y/N)
 G3000-092 Explanatory paragraph other than going concern (upload file)
 G3000-040* Significant Deficiency and/or Material Weakness Indicator (Y/N)

Deficiencies in Internal Control design:
 G3000-041 Inadequate overall internal control design
 G3000-042 Absence of appropriate segregation of duties consistent with appropriate control objectives
 G3000-043 Absence of appropriate reviews and approvals of transactions, accounting entries, or system output.
 G3000-044 Inadequate procedures for appropriately assessing and applying accounting principles
 G3000-045 Inadequate provisions for the safeguarding of assets
 G3000-046 Absence of other controls considered appropriate for the type and level of transaction activity
 G3000-047 Evidence that a system that a system fails to provide complete and accurate output that is consistent with objectives and current needs because of design flaws.

Data Collection Form - Continued

Failures in the Operation of Internal Control:

- G3000-050 Evidence of failure of identified controls in preventing or detecting misstatement of accounting information
- G3000-051 Evidence that a system fails to provide complete and accurate output consistent with the entity's control objectives because of the misapplication of controls
- G3000-052 Evidence of failure of safeguard assets from loss, damage or misappropriation
- G3000-053 Evidence of intentional override of internal control by those in authority to the detriment of the overall objectives of the system
- G3000-054 Evidence of failure to perform tasks that are part of internal control, such as reconciliations not prepared or not timely prepared.
- G3000-055 Evidence of willful wrongdoing by employees or management
- G3000-056 Evidence of manipulation, falsification, or alternation of accounting records or supporting documents G5000-010*
- G3000-057 Evidence of intentional misapplication of accounting principles G5200-010
- G3000-058 Evidence of misrepresentation by client personnel to the auditor G5200-020
- G3000-059 Evidence that employees or management lack the qualifications and training to fulfill their assigned functions
- G3000-060 Other _____

G3000-070*Material Non-Compliance Indicator (Y/N)

Material Non-Compliance Details

- G3000-071 Branch Office Operations
- G3000-072 Loan Origination
- G3000-073 Loan Disbursement
- G3000-074 Loan Servicing
- G3000-075 Eligible Fees and Charges
- G3000-076 Federal Financial Reports
- G3000-077 Financial Approval Requirements
- G3000-078 Quality Control Plan
- G3000-079 Escrow Accounts
- G3000-080 Section 235 Assistance Payments
- G3000-081 Federal Financial & Activity Reports
- G3000-082 Kickbacks
- G3000-083 Mortgagee Approval Requirements
- G3000-084 Other _____

G3000-090*Independent Auditor's Report on Financial Statements and Supplemental Information (upload IAR)

G3000-100*Independent Auditor's Report on Internal Controls (upload IC)

G3000-110*Independent Auditor's Report on Compliance (upload Compliance report)

Notes & Findings

Footnotes (upload notes)

Audit Findings (upload findings)

Action Plan (upload corrective action plan – if findings are uploaded, this is required)

Beginning of Submission Questions

Is the HUD approved lender a parent or subsidiary entity? If Yes, then:

Did the HUD approved lender issue financial statements independent of the consolidated entity?