

Vesting Title in a Corporation

At least one natural person shareholder of the Corporation, holding at least ten percent (10%) or more of the outstanding shares of the Corporation, must be a borrower and must be qualified and approved for the loan in his/her individual capacity, using his/her social security number. **The Corporation will not be a borrower or co-borrower.** The promissory note must be in the name of an individual and all interest statements, payment coupons, etc., will be issued in the individual's name.¹

- A. Execution of closing documents when title will vest in a Corporation:
 - 1. The Mortgage/Deed of Trust and related Riders are executed by the Corporation, acting through its authorized agent;
 - 2. The Accommodation Rider is recorded with the Mortgage/Deed of Trust and executed by the Corporation, acting through its authorized agent;
 - 3. The Note, related Addendums and all remaining loan documents, including all disclosures, are executed by the natural person borrower(s), individually.
- B. The list of corporate documents that must be submitted to Axos Bank is outlined below. Once collected, all documents should be imaged into the loan file.
- C. Axos Bank charges a fee of \$300 for its review of each corporation's governing documents.
- D. Axos Bank reserves the right to request additional documents and due diligence materials, including but not limited to (i) an opinion letter from the Corporation's attorney addressing formation and authority; and (ii) documents concerning any entity that is a shareholder/owner of the vesting Corporation.
- E. Axos Bank retains the right to invoice Broker for any fees or costs, both third party and internal, related to the review of all loans and entity vesting requests.

¹ Any request for the Corporation to serve as borrower must be made under the DSCR Entity program at the outset of the application. Such requests will be considered on a case-by-case basis, subject to Axos Bank's discretion, and cannot be approved on any file involving individual co-borrower(s) or collateral outside California.

Corporation Document Requirement Outline

For approval of vesting in a corporation, Broker should provide the following documentation to Axos Bank for review:

1. Filed Certificate of Incorporation/Articles of Incorporation, including all amendments (or equivalent document required by the state of incorporation).
2. Certificate of Good Standing/Existence, issued from the state in which the Corporation is incorporated. The certificate cannot be dated more than 60 days prior to closing. A Certificate of Good Standing/Existence is required for every Corporation, regardless of whether the Corporation was recently formed.
3. A complete ledger/list of all shareholders and directors, certified as accurate by the Secretary of the Corporation.
4. Bylaws, including all amendments, attachments, and schedules thereto. The Bylaws must include a signature or certification from the Secretary showing that the Bylaws have been duly adopted as the governing document for the Corporation.
5. Any Shareholder Agreements entered into by the shareholders (if such agreements exist) and/or if a close-corporation election has been made.
6. Resolutions executed by all shareholders and directors in accordance with the Corporation's bylaws, as necessary to carry out the transaction. The resolutions must (a) identify the loan transaction and the collateral property, (b) approve the mortgaging of the collateral as security for the loan; and (c) designate an officer who shall execute all documents on behalf of the Corporation. Please see template provided with these materials (which may also be requested in a Microsoft Word template to facilitate editing by the Corporation's shareholders/directors/officers).
7. If the Corporation's ownership includes an entity shareholder (i.e., non-natural person), documents concerning that entity must also be submitted for review.

If the collateral property is located in a state other than the state in which the Corporation is incorporated, the following documents issued from the state in which the collateral property is located must also be provided:

8. A filed Certificate of Authority (or equivalent document) showing the Corporation is properly registered in that state.
9. A Certificate of Good Standing/Existence (or equivalent document) dated within 60 days of the loan closing.

Following its review of the foregoing documents, Axos Bank reserves the right to request additional documents, certificates, and due diligence materials, including but not limited to, an opinion letter from the corporation's counsel.

If the Corporation is approved to hold title, the Corporation will sign the Mortgage or Deed of Trust and related Riders and will be required to sign an Accommodation Rider. The Note, related Addendums, and all other closing documents, including all disclosures, will be signed by the qualifying natural person borrower(s) in their individual names.

Axos Bank's approval of a Corporation for vesting is limited to the specific loan transaction identified in the resolutions at item 6 above. Such approval will be valid for six (6) months from issuance and is limited to that specific loan transaction. All supporting opinion letters, certificates and resolutions must be dated no more than sixty (60) days prior to closing. For supporting documents dated more than sixty (60) days prior to closing, Axos Bank may, in its discretion, require a more current version, and/or certification from an officer that no changes have occurred since the document's original date.

Resolutions of Unanimous Written Consent of the Shareholder(s) and Board of Directors of

The undersigned, being all of the Directors and Shareholders of _____,
a _____ corporation (hereafter the "Corporation"), acting by unanimous written
consent and pursuant to the Articles of Incorporation and Bylaws, do hereby consent to and
adopt the following resolutions:

BE IT RESOLVED: that the Corporation acknowledges the borrowing by
_____ [name of natural person borrower] of a loan in the principal amount of
\$ _____ from Axos Bank®, a federal savings association (hereafter
"Lender") subject to the terms of certain loan documents issued pursuant to Lender loan number
_____ (hereafter the "Loan").

BE IT FURTHER RESOLVED: that it is hereby approved that the Corporation secure
said Loan by a deed of trust or mortgage by the Corporation on the following described real
property: _____.

BE IT FURTHER RESOLVED: the Corporation shall, and does hereby appoint
_____ [name/title of designee], to execute and deliver on behalf of the
Corporation a deed of trust or mortgage, security agreement, and any and all other instruments,
certificates, consents, affidavits, or other documents required or appropriate to effectuate the
secured transaction contemplated by said Loan.

BE IT FURTHER RESOLVED: that _____ [name of designee], is
hereby empowered to take such actions as may be necessary to carry out the intents and purposes
of the forgoing resolutions and shall have the power and authority to bind the Corporation.

BE IT FURTHER RESOLVED: that the undersigned and the Corporation represent,
warrant, and certify that the following individuals are all of the shareholders of the Corporation:

_____.

BE IT FURTHER RESOLVED: that the undersigned and the Corporation represent,
warrant, and certify that the following individuals are all of the directors of the Corporation:

_____.

BE IT FURTHER RESOLVED: that the undersigned and the Corporation represent,
warrant, and certify that the Corporation's organizational documents, including its Articles of

Incorporation and Bylaws, authorize the Corporation and its Shareholder(s) and/or Director(s), as applicable in each case, to pledge, encumber and hypothecate assets of the Corporation as security for a loan made to _____ [name of natural person borrower] in his/her/their individual/personal capacity(ies).

BE IT FURTHER RESOLVED: that the undersigned and the Corporation represent, warrant, and certify that if any statement made in these resolutions is incorrect, but could be made correct by an amendment to the Corporation's organizational documents by the individual(s) signing below (whether in his/her/their capacity(ies) as shareholders, directors, officers, or otherwise), the organizational documents, including but not limited to the Corporation's Bylaws, is/are and shall hereby be amended so as to make such statement true and correct in all respects.

BE IT FURTHER RESOLVED: The undersigned, on behalf of the Corporation, authorize(s) these resolutions to be maintained in Lender's files and used and relied upon by Lender in connection with any accounts the Corporation may seek to establish for the Corporation or in the name of the Corporation with Lender in the future (hereafter "Corporation Accounts"). In connection with any Corporation Accounts, the undersigned is/are duly qualified, and without the consent of any other person, have power by his/her/their signature(s) below, on behalf of the Corporation, to authorize, and hereby expressly authorize(s): (i) the opening and closing of any deposit and investment accounts, including without limitation, mutual funds, annuities, non-deposit investment products, and other uninsured vehicles; (ii) the depositing of funds into, signing checks, drawing upon, and withdrawing funds from the Corporation Accounts; (iii) holding title to assets in the name of the Corporation; (iv) executing and delivering contracts on behalf of the Corporation; (v) consenting to pay fees on behalf of the Corporation; (vi) binding the Corporation's assets to agreements; and (vii) taking any additional appropriate actions in furtherance of these resolutions and the documentation executed with Lender to open the Corporation Accounts.

BE IT FURTHER RESOLVED: These resolutions may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document, and a signature on these resolutions, delivered by facsimile, e-mail, PDF, or other means of electronic transmission, shall have the same effect as an original signature.

BE IT FURTHER RESOLVED: Each individual executing these resolutions on behalf of an entity hereby represents and warrants to Lender that such individual has been duly and validly authorized to execute and deliver these resolutions and any and all other documents contemplated by the Loan transaction on behalf of such entity.



These resolutions are made and entered into this _____ day of _____, 202__ and delivered to the Lender, with the intent and understanding that Lender and its successors and assigns rely on these resolutions in consummating the Loan transaction.

Shareholders:

Board of Directors:

NAME
Title

NAME
Title

NAME
Title

NAME
Title