

ENTITY APPROVAL CHECKLIST

BORROWER:		LOAN NUMBER:	
ENTITY NAME:			

ARTICLES OF ORGANIZATION / ARTICLES OF INCORPORATION / CERTIFICATE OF LIMITED PARTNERSHIP / LLP REGISTRATION		
	Name of Entity	This is used for Vesting, spelling and punctuation sensitive
	Principal Address	Use what is currently filed on State SOS site
	Filed	State and Date
	General Partnerships	Most GPs do not file with the state – use substitute existence documentation in the GP section

CERTIFICATE OF GOOD STANDING OR SOS SEARCH RESULTS - https://www.e-secretaryofstate.com/		
	Active or in Good Standing	If not, must be resolved prior to entity approval
	Dated – 90 days of closing	SOS printout must show date printed
	California entities	Confirm status is not “FTB Suspended”; obtain FTB Entity Status Letter if SOS status is unclear
	General Partnerships	N/A if no state filing – see GP section

FOREIGN QUALIFICATION – Required for Entities filed outside of state of subject property <i>(Required on Business Purpose only)</i>		
	Foreign Qualification Cert	From the State where subject property is located
	Entity Name and Address	
	Stamped and Dated	Must be filed prior to closing

COMPANY DOCUMENTS		
	LLCS – Operating Agreement (Required CA, DE, ME, MO, NY) – If no operating agreement, signed LOE	
	If “First or Any Amendment”	Need Original Operating agreement for review
	If “Amended and Restated”	Original Operating agreement not needed
	Executed – Signed by all members	Wet signatures and e-signatures allowed with eCert
	Purpose of Entity <i>(Required on Business Purpose only)</i>	Defined purpose to engage in RE investment activities
	Members/Managers	Title to be used for signature block (Max “owners”: 4)
	Ownership percentage	Borrower/Guarantor to be at least CEL-25% owner
	Management	Authorities and Duties
	Who is required to sign	All members or any 1 member
	Corporations	
	Corporate Bylaws	Any and all addendums and amendments required
	Executed – Adopted by Board	Bylaws adopted by Board of Directors. Wet signatures and e-signatures allowed with eCert
	Purpose of Entity <i>(Required on Business Purpose only)</i>	Defined purpose to engage in RE investment activities
	Members/Officers	Title to be used for signature block (Max “owners”: 4)
	Ownership percentage	Borrower/Guarantor to be at least CEL-25% owner or shareholder
	Management	Authorities and Duties
	Who is required to sign	All members or any 1 member

COMPANY DOCUMENTS		
	General Partnerships (GP) – Partnership Agreement	
	Partnership Agreement	Any and all amendments required
	State filing	Most GPs don't file with the state, so there's usually no formation doc or good standing. Obtain Statement of Partnership Authority (SPA) if the state allows (CA Form GP-1)
	Evidence of existence (if no state filing)	Obtain one or more: IRS EIN letter (CP-575 / 147C), county Fictitious Business Name / DBA filing, or most recent partnership tax return (Form 1065)
	Fictitious Business Name	County FBN / DBA filing required if the GP operates under a name other than the partners' surnames
	Executed – Signed by all partners	Wet signatures and e-signatures allowed with eCert
	Purpose of Entity <i>(Required on Business Purpose only)</i>	Defined purpose to engage in RE investment activities
	Partners	Title to be used for signature block (Max "owners": 4)
	Ownership percentage	Borrower/Guarantor to be at least CEL-25% owner
	Management	Authorities and Duties
	Who is required to sign	All partners, or 1 partner authorized by Resolution executed by all partners
	Title / Vesting	Confirm with title that vesting in the GP's name is insurable and whether title requires a recorded SPA
	Dissolution / Continuation	Review agreement for continuation upon a partner's death, withdrawal or dissociation
	Limited Liability Partnerships (LLP) – Partnership Agreement and State Registration	
	Partnership Agreement	Any and all amendments required
	LLP Registration	Statement of Qualification / LLP registration filed with the state (CA Form LLP-1)
	Good Standing / Renewal	Registration active; confirm any required periodic renewal is current
	California LLPs	CA limits registered LLPs to licensed professions (law, accounting, architecture, engineering / land surveying). Escalate to Credit Policy
	Executed – Signed by all partners	Wet signatures and e-signatures allowed with eCert
	Purpose of Entity <i>(Required on Business Purpose only)</i>	Defined purpose to engage in RE investment activities
	Partners	Title to be used for signature block (Max "owners": 4)
	Ownership percentage	Borrower/Guarantor to be at least CEL-25% owner
	Management	Authorities and Duties
	Who is required to sign	All partners, or 1 partner authorized by Resolution executed by all partners
	Limited Partnerships (LP) – Limited Partnership Agreement (LPA)	
	Limited Partnership Agreement	Any and all amendments required
	Certificate of Limited Partnership	Formation doc filed with the state (CA Form LP-1)
	Amended Certificate / Statement of Information	Any amended certificate filed with the state (CA Form LP-2) and current Statement of Information
	GP reconciliation	General Partner(s) named on Certificate / SOS must match General Partner(s) in the LPA
	Executed – Signed by all partners	Wet signatures and e-signatures allowed with eCert
	Purpose of Entity <i>(Required on Business Purpose only)</i>	Defined purpose to engage in RE investment activities
	General/Limited Partners	Title to be used for signature block (Max "owners": 4)
	Ownership percentage	Borrower/Guarantor to be at least CEL-25% owner
	Control	Guarantor must be, or control, the General Partner. If not, GP (or its principals) must guaranty or escalate to Credit Policy
	Management	Authorities and Duties

COMPANY DOCUMENTS			
		Major decisions / LP consent	Review LPA for limited partner consent required to encumber, refinance or sell real property. If required, obtain LP consent
		Who is required to sign	General Partner(s) only. Limited Partners can't sign for the LP
		Entity General Partner	Signature block must run LP → GP entity → authorized officer/manager. Obtain GP entity's formation docs, good standing, governing docs and resolution. Counts as the 1 layer – see Layered Entities
		Term / Dissolution	Confirm LP term has not expired. Review effect of GP withdrawal or dissociation on continuation of the LP
	Limited Liability LPs (LLLP) – Follow LP section, plus LLLP registration / election filed with the state		

CORPORATE / PARTNERSHIP RESOLUTION – To give authority to 1 member/manager/officer/general partner to sign on behalf of Entity			
		Executed	By all members/partners of the Entity
		Executed – LPs	By General Partner(s). Limited Partner consent only if required by the LPA
		Authorized Signor	Must be a member/owner/officer/general partner
		Authorized Signor – LPs	Must be a General Partner, or the authorized officer/manager of an entity General Partner

LAYERED ENTITIES - Only 1 layer allowed and will require 2 nd level review by COO <i>(Allowed on Business Purpose only)</i>			
		All documents	Same documents required as Vesting Entity
		If layered entity member is Trust	Copy of Revocable Trust Agreement
		If General Partner is an entity	Counts as the 1 layer. Same documents required as Vesting Entity

* Series LLC's not permitted on Prime Products. They may be considered on Business Purpose on exception basis.

EIN/W9 <i>(Required on Business Purpose only)</i>			
		Employee Identification Number	IRS confirmation, SOS printout (only if it shows the EIN) or Executed W9 Single member LLC can use EIN or SSN; Multi Member LLCs require an EIN Partnerships (LP/GP/LLP) require an EIN
		Entity Name	Matches Art of Org, Art of Inc, Certificate of Limited Partnership or LLP registration. GP with no state filing: matches Partnership Agreement / SPA