



**Certified Mortgage Consultant™  
(CMC™)  
&  
Certified Residential Mortgage Specialist™  
(CRMS®)**

**Applicant Handbook**

**Administered by the  
National Association of Mortgage Brokers (NAMB®)**

***Prove Your Skill  
Promote Your Business™***

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# **Certified Mortgage Consultant™ (CMC™) & Certified Residential Mortgage Specialist™ (CRMS®) Applicant Handbook**

For more information about certification or to contact the office administering the CMC™ and CRMS® programs:

## **Visit our website**

<http://www.namb.org>

## **Write, call, fax, or email us**

Address: Certification Department  
National Association of Mortgage Brokers  
7900 Westpark Drive  
Suite T309  
McLean, Virginia 22102

Telephone: 703-342-5900

Fax: 703-342-5905

Email: [certification@namb.org](mailto:certification@namb.org)

## **For the current version of this Handbook**

Eligibility standards, examination content, examination standards, fees, and guidelines are all subject to change. **If the revision date of this Handbook is more than three months old, please acquire the current version of the Handbook before submitting your application.** Visit our Certification Handbook order website,

[http://www.namb.org/certification/handbook\\_order\\_form.htm](http://www.namb.org/certification/handbook_order_form.htm)

and download a free copy or print an order form for hardcopies.

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### **WE RECOMMEND THAT YOU KEEP THIS HANDBOOK FOR REFERENCE THROUGHOUT YOUR APPLICATION PROCESS**

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This Handbook contains information on how to become a Certified Mortgage Consultant™ (CMC™) or Certified Residential Mortgage Specialist™ (CRMS®). To avoid problems with the processing of your application, please follow the guidelines outlined in this Handbook and comply with the published deadlines. If, after reading this Handbook, you have any questions about the policies and procedures of the NAMB Certification Program, or about the processing of your application, please email, call, or write to the National Association of Mortgage Brokers (NAMB) using the contact information provided above.

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<b>OUR MISSION</b> .....	4	<b>What to Bring To The Exam</b> .....	16
<b>History</b> .....	4	<b>Test Center Requirements</b> .....	16
Value of certification .....	5	<b>Grounds for Dismissal From the Test Site</b> .	17
<b>Who should Apply</b> .....	6	<b>Results and Score Reports</b> .....	17
<b>REQUIREMENTS FOR CERTIFICATION</b> .....	6	<b>Retaking the exam</b> .....	17
<b>Fees</b> .....	7	<b>After the Exam</b> .....	18
<b>Application Review</b> .....	8	Use of Credential.....	18
<i>Incomplete Applications</i> .....	9	Certification Privileges .....	18
Not Enough Qualifying Points .....	9	Certification Privileges .....	19
History of Criminal Conduct.....	9	Duration of Certification Validity.....	19
Denial of Eligibility and Appeal .....	10	Revocation of Certification.....	19
<b>Exam registration</b> .....	11	<b>Recertification Requirements</b> .....	20
<b>Test Sites</b> .....	11	<b>CMC™ Exam Specifications</b> .....	21
<b>Rescheduling an exam</b> .....	11	<b>CRMS® Written Exam Specifications</b> .....	26
<b>Failing to appear for a scheduled exam</b> .....	11	<b>Reference List</b> .....	29
<b>Computer-Based Testing</b> .....	12	<i>CMC™ Application</i> .....	33
<b>Candidates with disabilities</b> .....	12	<i>CRMS® Application</i> .....	43
<b>NON-DISCRIMINATION POLICY</b> .....	13	<b>Score report Request Form</b> .....	50
<b>Preparing for the examination</b> .....	13	<b>SAMPLE BEST BUSINESS PRACTICES GUIDELINES</b>	51
<b>Taking the Exam</b> .....	13	<b>CMC™ Study Guide</b> .....	53
CMC™ Exam Format .....	13	<b>CMC™ Answer Key</b> .....	66
CMC™ EXAM CONTENT AREAS.....	14	<b>CRMS® Study Guide</b> .....	67
CRMS® Exam Format.....	14	<b>CRMS® Answer Key</b> .....	78
CRMS® EXAM CONTENT AREAS .....	15		
Exam Time Requirements.....	15		
Bad Weather .....	15		
Test Security .....	15		
<b>Statement of Confidentiality</b> .....	16		

## OUR MISSION

The National Association of Mortgage Brokers (NAMB<sup>®</sup>) has established the Certified Mortgage Consultant<sup>™</sup> (CMC<sup>™</sup>) and Certified Residential Mortgage Specialist<sup>™</sup> (CRMS<sup>®</sup>) certification programs, through which the individual, professional mortgage broker can be recognized as a leader within the increasingly competitive field of mortgage brokering.

### OBJECTIVES

- To raise the standards and improve the practices of the mortgage brokerage profession
- To identify persons with demonstrated knowledge of the principles and practices of the mortgage profession, its related disciplines, and laws
- To publicize to the real estate finance community an individual's superior knowledge, competency, and professionalism
- To recognize past accomplishments and contributions
- To develop a foundation for future leaders in the industry
- To encourage qualified persons to pursue a program of professional development

### DESIGNATION

NAMB awards its designations of Certified Mortgage Consultant<sup>™</sup> (CMC<sup>™</sup>) and Certified Residential Mortgage Specialist<sup>™</sup> (CRMS<sup>®</sup>) through the NAMB Certification Committee.

The CMC<sup>™</sup> and CRMS<sup>®</sup> certifications demonstrate that the designee has met the standards of required knowledge, skills, and abilities established by the NAMB Certification Committee.

## HISTORY

The National Association of Mortgage Brokers (NAMB<sup>®</sup>) was founded in 1973. Since its inception, NAMB has assumed responsibility for the education and professionalism of mortgage brokers. NAMB has surpassed all expectations of membership growth, affiliated state association expansion, industry education and professional development, consumer education, and grassroots legislative efforts. These programs have enhanced the competence and reputation of our profession.

Across the United States and in a wide range of occupations, certification programs have enabled committed professionals to distinguish themselves from the competition. As the number of certified individuals has increased, customers and employers have learned to look for a certification when choosing a business partner. By meeting the stringent eligibility standards, passing the rigorous exam, satisfying the recertification requirements, and adhering to the NAMB Code of Ethics, the CMC<sup>™</sup> or CRMS<sup>®</sup> certification will enable you to prove your skill and promote your business.

### HOW THE CMC<sup>™</sup> AND CRMS<sup>®</sup> EXAMINATIONS ARE DEVELOPED

While eligibility requirements establish the blueprint of a certification program, the examination is the cornerstone. For a certification program to be legitimate, the exam must be professionally sound and legally defensible. The first step in the development of a professionally sound and legally defensible certification exam is a job analysis. In a job analysis, practitioners representing the varied demographics of an industry are surveyed to evaluate the level of knowledge and skills necessary for competent performance within that industry. Subsequently, exam questions are written to test whether candidates possess the knowledge and skills identified in the job analysis. Periodically, revalidation job analyses are performed to ensure that exam questions remain relevant as a profession evolves.

In 1996, NAMB commissioned the initial job analysis upon which the CMC™ exam is based. In 1999, NAMB commissioned the initial job analysis upon which the CRMS® exam is based. The CMC™ and CRMS® Exam Content Outlines, as detailed below, were the result of these job analyses. Every five years, NAMB conducts or commissions a job analysis to verify that the CMC™ and CRMS® examinations reflect current practices.

To optimize the performance (how well questions measure specified knowledge and skills) and fairness (how comparably individuals of varying demographics perform on an exam) of the CMC™ and CRMS® exams, all exam questions are reviewed extensively by subject-matter experts (SMEs) and psychometricians. As the mortgage brokerage industry experiences change, outdated exam questions are removed and new questions are written to keep pace with the evolution of the industry.

As you can see, developing and maintaining credible and relevant certification programs requires a significant investment of resources. NAMB is fully committed to ensuring that our certification programs remain the best-respected designations in the mortgage brokerage industry.

The CMC™ examination is divided into six subject-matter areas, as described below. The CMC™ exam consists of 200 multiple-choice questions. The CRMS® examination is divided into five subject-matter areas, as described below. The CRMS® exam consists of 125 multiple-choice questions. On both exams, four answer options are provided for each multiple-choice question. Only one option of the four is correct. There are no “trick” questions.

While no points are awarded for incorrect answers, no points are subtracted for incorrect answers, either (i.e., incorrect answers have a point value of zero). This means that, if you are uncertain of the correct answer, it is advantageous to make an educated guess.

The CMC™ and CRMS® exams are computer-

based and are offered at exam sites throughout the United States. You will have three hours and forty-five minutes (3:45) to complete the CMC™ exam or two-and-a-half (2.5) hours to complete the CRMS® exam. You will be informed of your test results at the conclusion of your exam.

The CMC™ and CRMS® exams are competency exams; instead of measuring “academic excellence,” the exams measure whether or not a candidate has the knowledge and skills necessary to be an effective mortgage consultant (CMC™) or residential mortgage specialist (CRMS®). Therefore, the exams are scored as either pass or fail.

### **VALUE OF CERTIFICATION**

- Empowers competent, knowledgeable, and ethical mortgage brokerage professionals to distinguish themselves from competitors in the eyes of customers, peers, regulators, and employers
- Advances higher standards of professionalism and industry education, enhancing the credibility of the mortgage brokerage profession
- Develops and maintains an examination that measures a core body of knowledge shared by competent professionals in the field
- Establishes portable evidence of professional competence, recognized throughout the United States
- Promotes continuing professional development and ensures that certificants stay current with industry trends and changes

Are you a dedicated professional? Do you want to be recognized for your skills, knowledge, and commitment to the industry? Do you actively seek opportunities for meaningful professional development? Do you want consumers to know that you are the cream of the crop? As the economy evolves, do you want to distinguish yourself positively from your competition?

If so, you should apply for the Certified Mortgage Consultant™ or Certified Residential Mortgage Specialist™ designation.

## WHO SHOULD APPLY

The Certified Mortgage Consultant™ (CMC™) and Certified Residential Mortgage Specialist™ (CRMS®) are the two national certifications available within the mortgage brokerage industry. The CMC™ and CRMS® are voluntary certifications for mortgage brokerage professionals. The CMC™ eligibility requirements and examination are geared towards individuals who have at least five (5) years experience and are currently employed in the mortgage brokerage industry. The CRMS® eligibility requirements and examination are geared towards individuals who have at least two (2) years experience, specialize in residential mortgage lending, and are currently employed in the mortgage brokerage industry.

## REQUIREMENTS FOR CERTIFICATION

To meet the Certified Mortgage Consultant™ (CMC™) eligibility requirements and become a CMC™ candidate, an applicant must document a minimum of one hundred (100) qualifying points through a combination of work experience, mortgage-related education, formal academic education, other professional designations, and industry leadership and participation. Of the 100 points, at least twenty-five (25) points must be from work experience in the mortgage industry, and at least thirty (30) points must be from mortgage-related educational activities.

To meet the Certified Residential Mortgage Specialist™ (CRMS®) eligibility requirements and become a CRMS® candidate, an applicant must document a minimum of fifty (50) qualifying points through a combination of work experience, mortgage-related education, formal academic education, other professional

designations, and industry leadership and participation. Of the 50 points, at least ten (10) points must be from work experience in the mortgage industry, and at least twenty (20) points must be from mortgage-related educational activities.

### **Documentation of all qualifying points must accompany the CMC™ application.**

NAMB staff review applications and supporting documentation and decide whether applicants have met the eligibility requirements; adverse eligibility decisions may be appealed to the Eligibility Review Subcommittee of the NAMB Certification Committee.

To become a CMC™ candidate, an applicant must satisfy the following requirements:

- Have at least five (5) years work experience in the mortgage brokerage industry
- Document at least one hundred (100) qualifying points, through work experience, mortgage-related education, formal academic education, other professional designations, and leadership and participation

To become a CMC™, a CMC™ candidate must:

- Take and pass the CMC™ written examination

To become a CRMS® candidate, an applicant must satisfy the following requirements:

- Have at least two (2) years work experience in the mortgage brokerage industry
- Document at least fifty (50) qualifying points, through work experience, mortgage-related education, formal academic education, other professional designations, and leadership and participation

To become a CRMS®, a CRMS® candidate must:

- Take and pass the CRMS® written examination

**Eligibility standards, examination content, and examination standards evolve over time. Applicants shall be subject to the eligibility standards in effect on the date of application. Candidates shall be subject to the examination content and standards in effect on the date of examination.**

An applicant's eligibility for CMC™ or CRMS® candidacy may be denied if the application is not from the current *CMC™ & CRMS® Applicant Handbook*. **If the revision date of this Handbook is more than three months old, please acquire the current version before submitting your application.** Visit our Certification Handbook order website,

[http://www.namb.org/namb/Certification\\_Handbook.asp](http://www.namb.org/namb/Certification_Handbook.asp)

and download a free copy or print an order form for hardcopies.

The CMC™ and CRMS® are valid through 31 December of the year three (3) years following the date on which the certification exam was passed. For example, if a candidate passes the CMC™ exam on 20 May 2006, that individual's CMC™ will be valid through 31 December 2009.

Designees may recertify for subsequent three-year periods by submitting—during the last year of the certification's validity—a recertification application, recertification fee, and documentation of at least thirty (30) hours of mortgage-related education successfully completed during the three-year period immediately preceding the expiration date of that designee's CMC™ or CRMS®. These recertification requirements ensure that nationally certified mortgage brokerage professionals maintain current and relevant knowledge of the mortgage industry and remain committed to adhering to the NAMB Code of Ethics, Standards of Practice, and Policy and Procedures.

**Recertification standards evolve over time; current recertification requirements shall**

**apply retroactively to all NAMB designees. By submitting a certification application, applicants agree that they shall be subject to the recertification requirements and recertification fees in force at the time of recertification, even when those requirements or fees differ from the requirements or fees in force at the time of initial certification or prior recertification.**

## FEEs

All fees must be paid by money order, cashier's check, company check, or personal check, made payable to NAMB. We also accept VISA, MasterCard, and American Express. If paying by credit card, please provide all of the information requested on the application form, including the credit card account number, expiration date, and your signature.

**All fees are non-refundable. There are no exceptions to this policy.**

**THE APPLICATION FEE IS \$200 FOR NAMB MEMBERS AND \$350 FOR NON-MEMBERS.**

The application fee must be submitted with your CMC™ or CRMS® application. Applications received without a payment or with a partial payment will not be processed. **A \$25 discount on the application fee is available to those who attend an NAMB Certification Workshop.**

**THE EXAMINATION REGISTRATION FEE IS \$200 FOR NAMB MEMBERS AND \$300 FOR NON-MEMBERS.**

Once you have been notified that you have successfully met the eligibility requirements and are a CMC™ or CRMS® candidate, the examination registration fee must be submitted with your Examination Registration form.

The total certification fee (\$400 for NAMB Members, \$650 for non-members) is split into two payments (application fee and examination registration fee) to ease the financial burden on applicants who do not meet the eligibility

requirements.

If you cancel your exam, fail to appear for a scheduled exam, or are late for a scheduled exam, your exam registration fee will be forfeited and you will be required to submit another exam registration form and fee; limited exceptions to this rule are described in the section entitled “Failing to Appear for a Scheduled Exam,” below.

### **THE RE-EXAMINATION REGISTRATION FEE IS \$140.**

If you fail the CMC™ or CRMS® exam, you may take it a second time, as described below. The re-examination registration fee must accompany the Re-Examination Registration form.

### **THE RECERTIFICATION FEE IS \$150 FOR NAMB MEMBERS AND \$250 FOR NON-MEMBERS**

The recertification fee must accompany the Recertification Application form and supporting documentation of continuing education. **Recertification fee discounts are available** for:

- Passing the examination within 90 days of the date of eligibility (**first recertification fee waived**);
- Passing the examination within 180 days of the date of eligibility (**\$25 discount on first recertification fee**); and
- Serving as a mentor to a successful CRMS® or CMC™ applicant (**\$25 discount on the recertification fee per successful applicant mentored**).

Aggregated discounts in excess of the next recertification fee due will not be refunded, nor will the excess be applied to subsequent recertification fees.

### **THE NON-SUFFICIENT FUNDS FEE IS \$25**

If you pay any fee by credit card and your credit card company declines the charge, or if you pay any fee by personal check and your check does not clear, you will owe NAMB an additional \$25 fee, and we will only accept subsequent payment by money order or cashier’s check.

NOTE: All fees except the recertification fee are per certification; e.g., if you apply for both the CMC™ and CRMS®, the application fees would be \$400 for NAMB Members or \$700 for non-members. The recertification fee is per designee; dually certified CMC™ CRMS® individuals pay one recertification fee every three years, rather than two recertification fees.

**NOTE: All fees and discounts are subject to change. You are responsible for the fee in effect on the date NAMB receives that fee from you.**

## **APPLICATION REVIEW**

Your CMC™ or CRMS® application and supporting documentation will be reviewed to determine whether you are eligible to take the exam for the certification for which you applied. Please complete every section of the application form, attach a recent photograph of yourself to the upper-left corner of the application, sign and date the last page, attach all supporting documentation, and include your application fee with your application. NAMB staff review applications and supporting documentation and decide whether applicants have met the eligibility requirements; adverse eligibility decisions may be appealed to the Eligibility Review Subcommittee of the NAMB Certification Committee.

If your application is complete and you are deemed eligible to take the exam, you will be notified by email of your status as a CMC™ or CRMS® candidate. This email notice will include the Examination Registration form. This form must be fully completed and returned to NAMB with the examination registration fee. Once your examination registration form and fee have been received by NAMB, you will be

notified by email and informed how to schedule your examination location, date, and time.

A candidate is eligible to take the CMC™ or CRMS® exam for one (1) year following the date on which that candidate is deemed eligible (the “date of eligibility”). The email notice of examination eligibility status (CMC™ or CRMS® candidacy) will state the expiration date of the candidate’s examination eligibility period. **Be sure to schedule your exam well in advance of the expiration of your examination eligibility period**—test dates are scheduled on a first-come, first-served basis, and our test sites typically reach capacity three weeks before each test date.

**If you take and pass the CMC™ or CRMS® examination within 90 days of your date of eligibility, your first recertification fee will be waived.**

**If you take and pass the CMC™ or CRMS® examination within 180 days of your date of eligibility, your first recertification fee will be discounted by \$25.**

## **INCOMPLETE APPLICATIONS**

If a CMC™ or CRMS® applicant’s application is incomplete, the applicant will be notified by email which items are missing. The applicant will have 45 days to submit the missing items. If the applicant has not submitted all missing items within 45 days, the applicant will be notified by email that the applicant’s application is invalid, and the applicant will forfeit all fees. If the applicant subsequently reapplies, the applicant will be subject to the eligibility standards and be responsible for submitting the application fee in effect on the date of the new application.

## **NOT ENOUGH QUALIFYING POINTS**

If a CMC™ or CRMS® applicant’s application is complete but the applicant has not satisfied the eligibility standards because not enough qualifying points have been documented, the applicant will be notified by email and informed how many qualifying points the applicant still

needs to document (and in which category, if applicable). Applicants have one (1) year following the date of application to document the required qualifying points.

Documentation presented in a foreign language must be translated by a translation agency, with signature attesting to the content.

Documentation of academic education must be in the form of a photocopy of the diploma(s).

Documentation of mortgage-related educational activities must be in the form of photocopies of or original certificates of completion or letters of completion issued by the educational activity provider, and must cite the name of the person who completed the educational activity, the date(s) of instruction or date of course completion, the title of the educational activity, the name of the educational activity provider, and the number of clock hours or credit hours of the educational activity.

Once NAMB receives acceptable documentation that an applicant has earned the required number of qualifying points, the applicant will receive an email notification of CMC™ or CRMS® candidate status and will have one (1) year (following the date of eligibility) in which to take the CMC™ or CRMS® exam. If one (1) year past the date of application an applicant has still not documented the required number of qualifying points, the applicant will be notified by email that the applicant’s application has expired. If the applicant subsequently reapplies, the applicant will be subject to the eligibility standards and be responsible for submitting the application fee in effect on the date of the new application.

## **HISTORY OF CRIMINAL CONDUCT**

A CMC™ or CRMS® applicant who has pled guilty to, pled nolo contendere to, or has been found guilty of financial offenses, physically violent offenses, or offenses involving misrepresentation or fraud will not be eligible for CMC™ or CRMS® candidate status.

**NAMB reserves the right to perform a criminal history background check on applicants for all components of the CMC™ and CRMS® Certification Programs. By submitting a certification application, an applicant authorizes and grants permission to NAMB to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.** Failure to provide accurate, true, and correct information shall constitute sufficient grounds for denial of an application or revocation of a credential.

### **DENIAL OF ELIGIBILITY AND APPEAL**

If a CMC™ or CRMS® applicant does not satisfy the eligibility standards, the applicant will be notified by email and informed why the applicant is not eligible for CMC™ or CRMS® candidate status. Adverse eligibility decisions based on a history of criminal conduct may be appealed to the Ethics and Standards Subcommittee of the NAMB Certification Committee. Adverse eligibility decisions based on a deficiency of qualifying points or on other eligibility standards may be appealed to the Eligibility Review Subcommittee of the NAMB Certification Committee.

To appeal an adverse eligibility decision, an applicant must submit (by mail, FAX, or email) a written Notice of Appeal within 30 days of receipt of the eligibility denial notice, to the NAMB Manager of Certification at:

**NAMB Manager of Certification  
7900 Westpark Drive  
Suite T309  
McLean, VA 22102**

**FAX: 703-342-5905**  
**Email: [certification@namb.org](mailto:certification@namb.org)**

The Notice of Appeal must include the applicant's name, current address, telephone number, FAX number, email address, and factual documentation supporting the appeal; the Notice of Appeal must also explain why the

applicant believes the eligibility denial decision was erroneous. The applicant shall bear the burden of proving that the denial of eligibility was based on an erroneous determination of fact or an erroneous interpretation of policy by NAMB staff.

**NOTE: There is no appeal allowed on the basis of incomplete applications**

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### **Reasons Eligibility May Be Denied**

- ◆ The application and supporting documentation does not adequately substantiate that the required number of qualifying points have been earned
- ◆ Certificates of completion of educational activities fail to cite the name of the applicant, the name of the course, the name of the education provider, the date(s) of instruction or date of completion, and the number of clock hours or credit hours of the educational activity
- ◆ Photocopied documentation of academic education or an educational activity is not
- ◆ The applicant has a history of criminal conduct involving financial offenses, physically violent offenses, or offenses involving misrepresentation or fraud
- ◆ Part of the application is incomplete or illegible
- ◆ The application is not accompanied by the correct fee, made payable to NAMB
- ◆ The application is not from the current version of the *CMC™ & CRMS® Applicant Handbook*
- ◆ The application is not signed and dated

(These are examples, not an exhaustive list.)

## **EXAM REGISTRATION**

The CMC™ or CRMS® candidate status notice, sent when an applicant is deemed eligible to take the CMC™ or CRMS® examination, includes the Examination Registration Form. This should be completed and returned to NAMB with the examination registration fee (\$200 for NAMB Members and \$300 for non-members) within 30 days. Once the form and fee have been processed, an examination registration confirmation letter will be emailed to you, informing you how to schedule your exam location, date, and time. Simultaneously, NAMB will notify our test delivery provider (Thomson Prometric) of your examination eligibility status and the date by which your CMC™ or CRMS® examination must be taken. Your exam eligibility is valid for one (1) year following your date of eligibility.

### **METHODS OF PAYMENT**

Personal or company checks, money orders, cashier's checks, and credit cards are acceptable forms of payment. Payment must accompany the Examination Registration form. The Examination Registration form and fee must be sent by mail to:

**NAMB Manager of Certification**  
**7900 Westpark Drive**  
**Suite T309**  
**McLean, VA 22102**

### **SCHEDULING YOUR EXAM**

Once the Examination Registration form and fee have been processed, an examination registration confirmation letter will be emailed to you, informing you how to schedule your exam location, date, and time.

You will be able to schedule your CMC™ or CRMS® examination via Thomson Prometric's website or by telephone. Exam reservations are taken on a first-come, first-served basis. Be sure to reserve your exam date well in advance,

as test sites reach capacity quickly. We recommend that you choose alternate dates and times, in case your first choice is unavailable. All exam dates are subject to change. Instructions and directions to the test center are provided when you make your reservation.

## **TEST SITES**

95% of the United States is within 50 miles of a Thomson Prometric test site, with new sites added regularly. A list of test sites in your state is available on Thomson Prometric's website.

## **RESCHEDULING AN EXAM**

To reschedule your exam, you must notify Thomson Prometric's Candidate Services Contact Center—or the test site, if the exam reservation was made directly with the test site—at least four (4) business days before your scheduled exam date. Your rescheduled examination date must still fall within your original one-year examination eligibility period. If you comply with these requirements, the fee from your original examination registration will be applied to your new exam date.

However, you will not be able to reschedule your examination less than four (4) business days before your scheduled exam date. If you fail to appear for your exam and did not reschedule at least four (4) business days prior to your scheduled exam date, your examination eligibility will be terminated and all fees you have paid will be forfeited. If you subsequently reapply, you will be subject to the eligibility standards and be responsible for submitting the application fee in effect on the date of the new application. Certain limited exceptions apply to this policy and are enumerated below.

## **FAILING TO APPEAR FOR A SCHEDULED EXAM**

If you do not appear on the day you are scheduled to take the exam, and you have not

rescheduled your exam at least four (4) business days in advance of your scheduled exam date, your eligibility status will be terminated and all fees you have paid will be forfeited. If you subsequently reapply, you will be subject to the eligibility standards and be responsible for submitting the application fee in effect on the date of the new application.

There are five acceptable reasons for failing to appear for a scheduled exam without rescheduling at least four (4) business days in advance. If you adequately document one of the following five reasons, you will be allowed to reschedule your exam free of charge one time, within your one-year examination eligibility period.

**Acceptable Reasons for Failing to Appear for a Scheduled Exam**

- ◆ Serious illness—either you or an immediate family member
- ◆ Death in the immediate family
- ◆ Disabling traffic accident
- ◆ Unforeseeable court appearance or jury duty
- ◆ Unforeseeable military duty activation

For a court appearance, jury duty, or military duty activation, the event must have been unforeseeable four (4) business days prior to your scheduled exam date.

Send your reason and supporting documentation no later than four (4) business days after your scheduled exam date, to:

**NAMB Manager of Certification**  
**7900 Westpark Drive**  
**Suite T309**  
**McLean, VA 22102**

**FAX: 703-342-5905**  
**Email: [certification@namb.org](mailto:certification@namb.org)**

**NAMB reserves the right to request additional evidence in support of your stated reason for failing to appear.**

**COMPUTER-BASED TESTING**

You do not need extensive computer experience, nor do you need to be able to type, to take the CMC™ or CRMS® examinations, which are computer-based tests. The tests do not use paper-and-pencil answer sheets. Instead, exam questions and answer options are displayed on a touch-sensitive screen. The computer records your responses and automatically times the exam. You are able to change your answers, skip questions, and flag questions for later review. Your exam will be automatically scored as you complete it; you will know your results before you leave the test site.

Before starting your examination, you may take a tutorial to familiarize yourself with how to use the computer-based testing system. The time spent learning the system will not be deducted from the time you are allotted to complete the exam (three hours and forty-five minutes (3:45) for the CMC™ exam, two-and-a-half (2.5) hours for the CRMS® exam). Test site proctors are available to answer questions you may have about the computer-based testing system, but they cannot answer any questions about the content of the examination.

**CANDIDATES WITH DISABILITIES**

If you have a documented disability that would prevent you from taking the CMC™ or CRMS® examination under standard conditions, you may request a reasonable accommodation, as required by law. To request an accommodation, you must check “yes” in the “Disability Accommodation Requested” section on page one of the CMC™ Application or CRMS® Application, and include all supporting documentation with your application.

Disabled applicants requesting an accommodation must provide documentation of

the disability from a licensed medical professional who is treating the applicant for the disability. Applicants requesting an accommodation on the basis of a learning disability must also submit a diagnosis of the disability corroborated by psychological testing. See the section entitled “Completing the Application” for documentation requirements.

In considering requests for accommodations, NAMB is guided by a sense of fairness. Reasonable accommodations are granted to ensure that every candidate has the opportunity to be examined on a level field with other candidates, but not to provide any candidate an unfair advantage over other candidates. Accommodation requests are considered on a case-by-case basis.

## **NON-DISCRIMINATION POLICY**

NAMB does not discriminate against any person on the basis of race, color, gender, age, sexual orientation, ethnicity, national origin, religion, disability, creed, or marital status, as defined and prohibited by law.

## **PREPARING FOR THE EXAMINATION**

The following steps may be helpful as you prepare for the exam:

- ◆ The major subjects which will be included on the exam are found in the “Content Outline,” below.
- ◆ Sample exam questions are provided, below. The sample questions are arranged in order of content area; on the exam, the questions are in random order.
- ◆ Answer all of the sample questions to see if there are any subject areas with which you have difficulty. You should review those subjects prior to taking the exam.

- ◆ Study the format of the sample questions. The exam questions will follow the same format. All of the questions are multiple-choice, all will have only one correct answer, and all can be answered independent of other questions.
- ◆ Reference materials used during the development of the CMC™ and CRMS® examinations are cited, below. NAMB does not recommend that you read all of these reference materials before taking the exam; however, you may want to refer to specific sources for help with subjects in which you need additional review.
- ◆ Before your scheduled exam date, make sure you know the exact location of the test site. Know the best way to get there, where parking can be found, and the location of the exam room.
- ◆ Remember that you are not competing with anyone but yourself; there is no limit to the number of people who can pass the exam.

## **TAKING THE EXAM**

### **CMC™ EXAM FORMAT**

The NAMB Certified Mortgage Consultant™ exam is designed to measure your skills and knowledge against industry-developed standards of the skills and knowledge possessed by mortgage brokers who have at least two years of work experience in the mortgage brokerage industry and who specialize in residential mortgage lending. These standards encompass six content areas:

- ◆ General Industry Knowledge
- ◆ Business Practice
- ◆ Insurance

- ◆ Laws and Compliance
- ◆ Residential
- ◆ Commercial

The CMC™ examination is comprised of 200 questions, with several questions in each content area. Each content area is weighted to reflect its relative importance to the practice of a mortgage broker who has at least five years of industry experience, as listed below. To pass the CMC™ examination, you must answer at least 75% of the exam questions correctly.

**CMC™ EXAM CONTENT AREAS**

**27% General Industry Knowledge**

- Product Pricing
- Appraisals
- Automated Underwriting
- Financial Calculator
- Loan Programs
- Financial Statements
- Mortgage Industry Origin
- Transaction Analysis
- Primary and Secondary Markets
- Tax Laws
- Government Agencies
- Development and Construction Lending
- Mortgage Types

**11% Business Practice**

- Advertising
- Professionalism, Business Ethics, and Integrity
- Client Funds
- Warehouse Lines

**7% Insurance**

- Hazard
- Mortgage
- Title
- Credit and Life
- Builders
- Business

**23% Laws and Compliance**

- Fraud
- Real Estate Law
- Regulatory Compliance

**17% Residential**

- Closing Process and Documentation
- Loan Originating
- Pre-Qualification Process
- Underwriting Procedures
- Post-Closing
- Government Agencies
- Client Document Evaluation
- Wholesale Broker Agreement
- Equity and Non-Conforming Lending

**15% Commercial**

- Property Types
- Origination Process and Documentation
- Investor Package
- Terminology
- Calculations
- Investors
- Commercial Loans and Risk Analysis

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**CRMS® EXAM FORMAT**

The NAMB Certified Residential Mortgage Specialist™ exam is designed to measure your skills and knowledge against industry-developed standards of the skills and knowledge possessed by mortgage brokers who have at least two years of work experience in the mortgage brokerage industry and who specialize in residential mortgage lending. These standards encompass five content areas:

- ◆ General Industry Knowledge
- ◆ Business Practice
- ◆ Insurance
- ◆ Laws and Compliance
- ◆ Residential

The CRMS® examination is comprised of 125 questions, with several questions in each content area. Each content area is weighted to reflect its relative importance to the practice of a mortgage broker who has at least two years of industry experience and specializes in residential mortgage lending, as listed below. To pass the CRMS® examination, you must answer at least 75% of the exam questions correctly.

## CRMS® EXAM CONTENT AREAS

### 24% **General Industry Knowledge**

- Product Pricing
- Appraisals
- Automated Underwriting
- Financial Calculator
- Loan Programs
- Financial Statements
- Mortgage Industry Origin
- Transaction Analysis
- Primary and Secondary Markets
- Tax Laws
- Government Agencies
- Development and Construction Lending
- Mortgage Types

### 12% **Business Practice**

- Advertising
- Professionalism, Business Ethics, and Integrity
- Client Funds
- Warehouse Lines

### 5% **Insurance**

- Hazard
- Mortgage
- Title
- Credit and Life
- Builders
- Business

### 19% **Laws and Compliance**

- Fraud
- Real Estate Law
- Regulatory Compliance

### 40% **Residential**

- Closing Process and Documentation
- Loan Originating
- Pre-Qualification Process
- Underwriting Procedures
- Post-Closing
- Government Agencies
- Client Document Evaluation
- Wholesale Broker Agreement
- Equity and Non-Conforming Lending

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## EXAM TIME REQUIREMENTS

While you are permitted up to three hours and forty-five minutes (3:45) to complete the CMC™ examination itself, be prepared to commit five-and-a-half (5.5) hours to the testing process, to allow time for registration, a computer-based testing tutorial, and an exit survey.

While you are permitted up to two-and-a-half (2.5) hours to complete the CRMS® examination itself, be prepared to commit four (4) hours to the testing process, to allow time for registration, a computer-based testing tutorial, and an exit survey.

For registration, you should arrive at the test center **at least 30 minutes prior to your scheduled examination time.**

Candidates who arrive at test sites after those candidates' scheduled exam times will lose their reservations and will be considered absent, and the policy for Failure to Appear for a Scheduled Exam will apply. **There are no exceptions to this rule.**

### **BAD WEATHER**

The exam will be delayed or canceled only in emergencies. If severe weather or a natural disaster makes the test site inaccessible or unsafe, the exam will be canceled. Exams that are canceled due to bad weather will be rescheduled as soon as possible, without additional charge. Candidates should call Thomson Prometric to find out the new date and time of a rescheduled exam.

### **TEST SECURITY**

Before taking the examination, you must affirm that you have read, understood, and agree to the terms listed in the Statement of Confidentiality. Failure to comply with the terms of the Statement of Confidentiality may result in invalidation of the results of your examination, termination of your candidate status, revocation of your credential, civil

liability, criminal prosecution, or other appropriate sanctions.

## STATEMENT OF CONFIDENTIALITY

- ◆ The examination, test questions, and answers contained herein are the exclusive property of NAMB.
- ◆ The examination and the items (questions and answers) contained herein are protected by copyright law. This examination may not be copied or reproduced, in part or in whole, by any means whatsoever, including memorization.
- ◆ Future discussion or disclosure of the content of this examination, orally, in writing, or by any other means, is prohibited.
- ◆ Any theft or attempted theft of exam items is punishable to the fullest extent of the law.
- ◆ Your participation in any irregularity during this examination, including but not limited to giving or obtaining unauthorized aid, as evidenced by observation during the exam or by subsequent analysis, may result in invalidation of the results of your examination, termination of your candidate status, revocation of your credential, civil liability, criminal prosecution, or other appropriate sanctions.

## WHAT TO BRING TO THE EXAM

Bring the following to the examination:

- ◆ **Two forms of identification bearing your name and signature, at least one of which must be government-issued and must include a recent photograph;** candidates testing outside their country of citizenship must bring a valid passport

- ◆ Confirmation of your exam date and time
- ◆ Your Examination Registration confirmation letter from NAMB
- ◆ **A financial calculator**, as you will need it to complete some of the questions

Arrive at least 30 minutes before your scheduled exam time, to allow time to register and have your identification verified.

## TEST CENTER REQUIREMENTS

Nothing may be brought into the exam room with you, except a calculator with the basic financial functions.

- ◆ No papers, books, food, beverages, bags (including pocketbooks and purses), or electronic devices (including cellular phones, but excluding financial calculators) are allowed in the exam room
- ◆ Eating, drinking, and tobacco use are prohibited in the exam room
- ◆ Unauthorized paper may not be brought into or removed from the exam room (scrap paper and pencils will be provided by the test site staff and will be collected at the conclusion of your exam)
- ◆ You may not leave the exam room without the test proctor's permission
- ◆ You must present your government-issued, photo identification each time you enter the exam room
- ◆ Only test takers are permitted in the waiting room

## **GROUNDINGS FOR DISMISSAL FROM THE TEST SITE**

Any candidate who violates examination policies and procedures, engages in misconduct, or does not heed the test proctor's warning to discontinue inappropriate behavior may be dismissed from the test site, have examination results invalidated, permanently forfeit eligibility for certification, forfeit all certification fees, or be subject to other appropriate sanctions. All of the following behaviors are considered to be misconduct:

- ◆ Giving or receiving assistance of any kind
- ◆ Using any prohibited aids (prohibited aids are any device or material that would provide an advantage while taking the CMC™ or CRMS® exam. Examples include but are not limited to: dictionaries, conversion tables, cellular telephones, electronic devices capable of connecting to the internet, etc.)
- ◆ Attempting to take the exam for another person, or otherwise impersonating a person other than yourself
- ◆ Failure to follow exam regulations or the instructions of the test proctor
- ◆ Creating a disturbance of any kind
- ◆ Removing or attempting to remove examination questions, answers, or notes about the exam, in any format, from the testing room
- ◆ Tampering with the operation of the computer

## **RESULTS AND SCORE REPORTS**

When you have finished taking the exam, raise your hand to signal the test proctor. The proctor will inform you of your exam score.

If you need to have your score report sent to a regulatory agency for licensing purposes, you may order score reports to be sent from NAMB directly to the regulatory agency. The cost for score reports is \$25 per copy; the order form is at the end of the application, below. Your payment must be in the form of a money order, cashier's check, personal check, or credit card.

## **RETAKE THE EXAM**

A candidate who fails the CMC™ or CRMS® exam may retake it one time, after waiting one (1) month from the date of the failed examination, within the one (1) year examination eligibility period. If you fail the examination once, you will receive a confirmation email from NAMB, which will include the Re-Examination Registration form. After the one-month waiting period, you may complete the Re-Examination Registration form and send it to NAMB with your \$140 re-examination registration fee.

An individual's candidate status will be terminated if that individual fails the CMC™ or CRMS® exam twice. An individual whose candidate status is terminated for failing the exam twice may reapply for the CMC™ or CRMS® no sooner than one (1) year following the date of the second failed examination, at which time the individual will be subject to the eligibility standards and will be responsible for submitting the application fee in effect on the date of the new application.

## AFTER THE EXAM

### USE OF CREDENTIAL

After successfully passing the CMC™ or CRMS® exam, you will receive an official score report at the test site confirming that you have passed the exam. NAMB is notified of your exam results approximately two weeks following your test date.

#### CMC™

Once NAMB receives your exam results, we will conduct a final review of your eligibility, including an audit of your standing with your state regulatory agencies and other authorities, as appropriate. Upon completion of the final review (approximately four to six weeks after your test date), NAMB will notify you that you have earned the Certified Mortgage Consultant™ (CMC™) certification. **Upon receipt of that notification, you may use the designation “Certified Mortgage Consultant™” and the letters “CMC™”.** Approximately two weeks after you receive the notification, you will receive a CMC™ Welcome Packet, including:

- ◆ Certificate recognizing you as a CMC™
- ◆ Letter congratulating you on your achievement, notifying you of the date through which your CMC™ certification is valid, and reminding you of the recertification requirements
- ◆ CMC™ lapel pin
- ◆ CMC™ logo slick
- ◆ *How to Promote Your Designation* booklet

### CERTIFICATION PRIVILEGES

- ◆ The right to use the “Certified Mortgage Consultant™” (and “CMC™”) credential in marketing

materials

- ◆ The right to display the CMC™ certification mark
- ◆ Listing of your name and contact information in the NAMB Designee Directory™ (you may exclude your contact information by communicating that preference to NAMB)
- ◆ Listing before NAMB Members without a CMC™ in the NAMB Find-A-Broker search engine (as of Fall 2005)
- ◆ Automatic Silver Medallion status, entitling you to various benefits, including discounted NAMB conference registration fees

#### CRMS®

Once NAMB receives your exam results, we will conduct a final review of your eligibility, including an audit of your standing with your state regulatory agencies and other authorities, as appropriate. Upon completion of the final review (approximately four to six weeks after your test date), NAMB will notify you that you have earned the Certified Residential Mortgage Specialist™ (CRMS®) certification. **Upon receipt of that notification, you may use the designation “Certified Residential Mortgage Specialist™” and the letters “CRMS®”.** Approximately two weeks after you receive the notification, you will receive a CRMS® Welcome Packet, including:

- ◆ Certificate recognizing you as a CRMS®
- ◆ Letter congratulating you on your achievement, notifying you of the date through which your CRMS® certification is valid, and reminding you of the recertification requirements
- ◆ CRMS® lapel pin
- ◆ CRMS® logo slick

- ◆ *How to Promote Your Designation* booklet

## **CERTIFICATION PRIVILEGES**

- ◆ The right to use the “Certified Residential Mortgage Specialist™” (and “CRMS®”) credential in marketing materials
- ◆ The right to display the CRMS® certification mark
- ◆ Listing of your name and contact information in the NAMB Designee Directory™ (you may exclude your contact information by communicating that preference to NAMB)
- ◆ Listing before NAMB Members without a CMC™ or CRMS® in the NAMB Find-A-Broker search engine (as of Fall 2005)
- ◆ Automatic Silver Medallion status, entitling you to various benefits, including discounted NAMB conference registration fees

Please note that the CMC™ and CRMS® are individual certifications; under no circumstance may a business, company, or other group use the phrases “Certified Mortgage Consultant™” or “Certified Residential Mortgage Specialist™”, the letters “CMC™” or “CRMS®”, or the CMC™ or CRMS® certification marks.

## **DURATION OF CERTIFICATION VALIDITY**

The CMC™ and CRMS® certifications are valid through 31 December of the year three years after the examination date on which a candidate passes the certification exam (e.g., if a candidate passes the CMC™ exam on 20 May 2006, that individual’s CMC™ will be valid through 31 December 2009).

Designees may recertify for subsequent three-year periods by submitting—during the last year of the certification’s validity—a

recertification application, recertification fee, and documentation of at least thirty (30) hours of mortgage-related education successfully completed during the three-year period immediately preceding the expiration date of that designee’s certification. **To recertify, you must submit a Recertification Application, recertification fee (\$150 for NAMB Members, \$250 for non-members), and supporting documentation by the expiration date of your certification.**

**It is your responsibility to remember when your CMC™ or CRMS® expires and to submit your Recertification Application, recertification fee, and supporting documentation prior to the expiration date of your CMC™ or CRMS®.** Once your CMC™ or CRMS® expires, it will be suspended for thirty (30) days. If you have still not satisfied the recertification requirements, your certification will be permanently revoked at the end of your suspension period; if you wish to become certified again, you will have to reapply and take and pass the certification exam again.

## **REVOCAION OF CERTIFICATION**

NAMB has the right to revoke a CMC™ or CRMS® certification if the designee:

- ◆ Divulges exam content
- ◆ Commits false representation (misrepresents himself or herself, or attempts to take the exam for someone else)
- ◆ Cheats on the examination
- ◆ Violates the NAMB Code of Ethics
- ◆ Violates the NAMB Best Business Practices
- ◆ Uses the phrases “Certified Mortgage Consultant™” or “Certified Residential Mortgage Specialist™”, the letters “CMC™” or “CRMS®”, or the CMC™ or CRMS® certification marks in a manner which creates the appearance that a business,

company, or other group is certified by NAMB

- ◆ Otherwise misuses the phrases “Certified Mortgage Consultant™” or “Certified Residential Mortgage Specialist™”, the letters “CMC™” or “CRMS®”, or the CMC™ or CRMS® certification marks
- ◆ Pleads guilty to, pleads nolo contendere to, or is found guilty of financial offenses, physically violent offenses, or offenses involving misrepresentation or fraud
- ◆ Fails to satisfy the recertification requirements by the thirty-first (31<sup>st</sup>) day after the expiration date of the certification

## RECERTIFICATION REQUIREMENTS

To ensure that NAMB-certified mortgage brokers stay abreast of changes in the industry (including legal changes and changes in standards of practice), and to encourage the commitment to professionalism represented by continuing educational development, CMC™ and CRMS® designees are required to complete at least thirty (30) hours of mortgage-related continuing education every three (3) years to maintain the validity of their certification.

The CMC™ and CRMS® certifications is valid through 31 December of the year three years after the examination date on which a candidate passes the certification exam (e.g., if a candidate passes the CMC™ exam on 20 May 2006, that individual’s CMC™ will be valid through 31 December 2009).

Designees may recertify for subsequent three-year periods by submitting—during the last year of the certification’s validity—a recertification application, recertification fee, and documentation of at least thirty (30) hours of mortgage-related education successfully completed during the three-year period

immediately preceding the expiration date of that designee’s certification.

**To recertify, you must submit a Recertification Application, recertification fee (currently \$150 for NAMB Members, \$250 for non-members), and supporting documentation by the expiration date of your certification.**

The recertification fee is per designee, not per credential; dually certified CMC™ CRMS® individuals pay one recertification fee every three years, not two recertification fees.

**It is your responsibility to remember when your CMC™ or CRMS® expires and to submit your Recertification Application, recertification fee, and supporting documentation prior to the expiration date of your CMC™ or CRMS®.** Once your CMC™ or CRMS® expires, it will be suspended for thirty (30) days. If you have still not satisfied the recertification requirements, your certification will be permanently revoked at the end of your suspension period; if you wish to become certified again, you will have to reapply and take and pass the certification exam again.

**Recertification standards evolve over time; current recertification requirements shall apply retroactively to all NAMB designees. By submitting a certification application, applicants agree that they shall be subject to the recertification requirements and recertification fees in force at the time of recertification, even when those requirements or fees differ from the requirements or fees in force at the time of initial certification or prior recertification.**

Recertification will be denied, and your certification will be permanently revoked, if you do not submit the following, postmarked no later than thirty days after the expiration date of your certification:

- Recertification fee
- Completed Recertification Application form

- Documentation verifying the required hours of mortgage-related continuing education

## CMC™ EXAM SPECIFICATIONS

**Weighting = 27%**

**Number of items = 54**

### I. General Industry Knowledge

#### A. **Knowledge of mortgage product pricing as related to:**

1. Add-ons
2. Gross vs. net price
3. Service Release Premium-SRP's
4. Effective yield
5. Lender fees

#### B. **Knowledge of the types of appraisals as related to:**

1. Narrative
2. Letter
3. Uniform Residential Appraisal Report
4. Short form (2055 & 2065)

#### C. **Knowledge of the appraisal as related to:**

1. Analyzing appraisals
  - a) Approaches to valuation
    - (1) Cost
    - (2) Income
    - (3) Market
  - b) Types of obsolescence
2. Appraisal terms

#### D. **Knowledge of automated underwriting**

#### E. **Knowledge of the functions of a financial calculator as related to:**

1. Identifying the 5 financial functions
  - a) Payment
  - b) Future value
  - c) Term
  - d) Interest rate
  - e) Present value
2. Determining annual percentage rate

#### F. **Knowledge of financial calculating as related to:**

1. Calculating
  - a) Payment
  - b) Future value
  - c) Term
  - d) Interest rate
  - e) Present value
2. Determining annual percentage rate

#### G. **Knowledge of mortgage loan program guidelines as related to:**

1. Pre-qualifying the clients
2. Determining client needs

#### H. **Knowledge of the client/broker relationship as related to:**

1. Brokerage agreement

#### I. **Knowledge of financial statements as related to:**

1. Analyzing financial statements
2. Types of financial statements

#### J. **Knowledge of the origin of the mortgage industry as related to:**

1. How it started and why
2. Terminology (including fiduciary duty)

#### K. **Knowledge of the analysis of a transaction as related to:**

1. Credit
2. Collateral
3. Character
4. Coverage
5. Capital
6. Capacity
7. Condition

#### L. **Knowledge of environmental liability and its impact as related to:**

1. Physical hazards
2. Properties with special concerns

#### M. **Knowledge of primary and secondary markets as related to:**

1. Primary
  - a) Financial institutions
  - b) Mortgage bankers
  - c) Mortgage brokers
2. Secondary
  - a) Fannie Mae
  - b) Freddie Mac

- c) Securities dealers
  - d) Conduits
  - e) Portfolio lenders
  - 3. Seller-Servicer
- N. Knowledge of the impact of tax laws on the mortgage industry as related to:**
- 1. Business
    - a) Federal Accounting Standards Board
    - b) Generally Accepted Accounting Practices
  - 2. Clients
    - a) Legal implications of giving tax advice
    - b) Tax deductibility as it related to the mortgage process
      - (1) Points
      - (2) Interest
- O. Knowledge of financial markets as related to:**
- 1. Bonds
  - 2. Treasury bills
  - 3. LIBOR (London Inter-Bank Offering Rate)
  - 4. COFI (Cost of Funds Index)
  - 5. Statistical reports
    - a) Consumer price index
    - b) Unemployment statistics
    - c) H. 15 Federal Reserve Statistical Release
  - 6. Impact of governmental fiscal policies
  - 7. Impact of monetary policy
- P. Knowledge of governmental impact on the mortgage industry as related to:**
- 1. Legislative Process
    - a) Proposal
    - b) Bill
    - c) Hearing
    - d) Law
  - 2. Regulatory Process
    - a) Proposal
    - b) Comment period
    - c) Hearing

- d) Final Rule
- Q. Knowledge of governmental authorities as related to:**
- 1. Legislators-Elected Officials
    - a) Write laws
    - b) Respond to constituency
  - 2. Regulators-Appointed Officials
    - a) Interprets
    - b) Enforces
- R. Knowledge of development and construction lending as related to:**
- 1. Acquisition
  - 2. Development
  - 3. Construction
- S. Knowledge of different types of mortgages (i.e., fixed, balloon, adjustables)**

**Weighting = 11%      Number of items = 22**

**II. Business Practice**

- A. Knowledge of advertising as related to:**
- 1. The client
  - 2. The public
- B. Knowledge of professionalism, business ethics and integrity as related to:**
- 1. NAMB code of ethics
  - 2. Building and maintaining business relationships
    - a) With the investor
    - b) With the borrower
    - c) With the referral source
  - 3. Honoring the lock-in
    - a) With the investor
    - b) With the borrower
- C. Knowledge of handling client funds as related to:**
- 1. Trust/escrow accounts
  - 2. Impound accounts
  - 3. Repair holdbacks accounts
- D. Knowledge of Warehouse Lines as related to:**
- 1. Advantage/disadvantage
  - 2. Administration
  - 3. Terminology (i.e., haircut, utilization)

**Weighting = 7%**

**Number of items = 14**

### III. Insurance

**A. Knowledge of hazard insurance as related to:**

1. Condo
2. Flood
3. Force place
4. Homeowners
5. Fire and extended coverages

**B. Knowledge of mortgage insurance as related to:**

1. Coverage
2. Fannie/Freddie requirements
3. Lender paid

**C. Knowledge of title insurance as related to:**

1. Commitment
2. Policy
3. Early issue/GAP

**D. Knowledge of credit-life and disability**

**E. Knowledge of builders insurance as related to:**

1. Performance bonds
2. Homeowners warranty

**F. Knowledge of types of business insurance as related to:**

1. E & O
2. Fidelity bonds
3. General liability

**Weighting = 23%**

**Number of items = 46**

### IV. Laws and Compliance

**A. Knowledge of fraud as related to:**

1. Preventing fraud
2. Detecting fraud
3. Understanding the consequences of fraud
4. Knowing the definition of fraud
5. Identifying potential sources of fraud
6. Taking corrective actions when fraud has occurred
7. Reporting of fraud

**B. Knowledge of real estate law as related to:**

1. Reading and understanding real estate documentation
  - a) Real estate contracts
  - b) Purchase agreements
  - c) Land contracts or agreements for deed
  - d) Lease options
  - e) Land leases
  - f) Plats
2. Understanding general real estate law (i.e., liens, types of ownership, torrens)
3. Understanding general real estate principles
  - a) Right of way
    - (1) Ingress & Egress
    - (2) Easements
  - b) Mineral rights
  - c) Water rights
  - d) Personal vs. real property
  - e) Legal descriptions
  - f) Encroachment
  - g) Zoning

**C. Knowledge of mortgage law and regulatory compliance as related to:**

1. Understanding RESPA (Real Estate Settlement Protection Act)
  - a) Good Faith
  - b) HUD-1
  - c) Settlement cost booklet
  - d) Notice of transfer of servicing
  - e) Aggregate escrow analysis
  - f) Kick backs and referral fees
  - g) Reg X
  - h) Exempt transactions
  - i) Terms defined in RESPA
  - j) Settlement services
  - k) Penalties
2. Understanding of the Truth in Lending Act (i.e., Reg Z, APR,

- definitions)
- 3. Understanding of the fair lending laws
  - a) FH/Act (Fair Housing Act)
  - b) ECOA (Equal Credit Opportunity Act)
  - c) HMDA (Home Mortgage Disclosure Act)
  - d) CRA (Community Reinvestment Act)
  - e) FCRA (Fair Credit Reporting Act)
- 4. Understanding of the FIRREA (Financial Institutions Reform, Recovery and Enforcement Act)
- 5. Understanding of the Telemarketing Act
- 6. Presentation and explanation of disclosures to client

**E. Knowledge of originating a loan as related to:**

- 1. Residential loan application
  - a) Uniform
  - b) Lender specific
- 2. Compliance documents
- 3. Disclosure documents (i.e., GFE, TIL initial)
- 4. Lock-in and float agreements

**F. Knowledge of the pre-qualifying process as related to:**

- 1. Knowing the difference between information and application
- 2. Knowing the difference between pre-approval vs. pre-qualifying
- 3. Taking preliminary financial information
- 4. Determining source of funds for closing
- 5. Determining acceptability of funds for closing
- 6. Performing a credit evaluation
- 7. Performing an income evaluation

**G. Knowledge of underwriting procedures and guidelines as related to:**

- 1. FHA
- 2. VA
- 3. Government sponsored entities
- 4. Private investors
- 5. Conduits

**H. Knowledge of post-closing review and documentation as related to:**

- 1. Internal quality control
- 2. Investor's rules and compliance

**I. Knowledge of government agencies as related to:**

- 1. Fannie Mae
- 2. Freddie Mac
- 3. Ginnie Mae
- 4. Federal Reserve Bank
- 5. Department of Housing and Urban Development (HUD)
- 6. Veteran's Administration

**Weighting = 17%**

**Number of items = 34**

V. Residential

**A. Knowledge of the components of the lender commitment letter**

**B. Knowledge of the closing process as related to:**

- 1. Fee sheets (broker demands)
- 2. Final conditions
- 3. General conditions
- 4. Surveys
- 5. Review
- 6. Inspections
- 7. Aggregate accounting
- 8. Prorations

**C. Knowledge of the closing documents as related to:**

- 1. Uniform Settlement Statement (HUD-1)
- 2. Note (Riders) and Mortgage/Deed of Trust
- 3. TIL Federal Box Form
- 4. Compliance documents
- 5. Notice of right to cancel

**D. Knowledge of adverse action procedures**

- 7. Federal Trade Commission (FTC)
- J. **Knowledge of mobile homes/manufactured housing lending**
- K. **Knowledge of assembling, verifying and evaluating all information represented by the client as related to:**
  - 1. Financial statements
    - a) Personal
    - b) Corporate
    - c) Partnership
  - 2. Credit history
    - a) Credit scoring
  - 3. Income
  - 4. Expenses
  - 5. Property
  - 6. Assets
    - a) Stocks/mutual funds
    - b) Retirement
    - c) Closely held corporation
    - d) Mattress money
  - 7. Tax returns and all schedules
- L. **Knowledge of the contents of a wholesale broker agreement as related to:**
  - 1. Fraud
  - 2. Buy-back
  - 3. Compliance
  - 4. Early default
  - 5. Premium recovery
- M. **Knowledge of Equity and Non-conforming lending as related to:**
  - 1. Understanding underwriting procedures and guidelines
    - a) Equity
    - b) Sub-prime (B, C, D)
    - c) Jumbo
    - d) HELOC (Home Equity Line of Credit)

- 2. Retail
- 3. Hotel
- 4. Industrial
- 5. Nursing homes
- 6. Special use
- 7. Assisted living facilities
- 8. Mixed use
- B. **Knowledge of the origination process as related to:**
  - 1. Requesting documentation
  - 2. Analyzing the property (i.e., APOD, appraisals)
  - 3. Qualifying the borrower
- C. **Knowledge of assembling the package for the investor as related to:**
  - 1. Components
- D. **Knowledge of basic terminology as related to:**
  - 1. Gross operating income
  - 2. Adjusted gross income
  - 3. Amenities
  - 4. Break even point
  - 5. Bridge financing
  - 6. Capitalization rate
  - 7. Capitalization
  - 8. Cash flow
  - 9. Common area maintenance
  - 10. Debt service coverage
  - 11. Feasibility study
  - 12. Front foot
  - 13. Gross income
  - 14. Hard cost
  - 15. Infrastructure
  - 16. Interest reserve
  - 17. Member Appraisal institute
  - 18. Net operating income
  - 19. Net usable area
  - 20. Non-recourse
  - 21. Operating expenses
  - 22. Recourse
  - 23. Reserve for replacement
  - 24. Soft cost
  - 25. Special purpose facilities
  - 26. Take out commitment
  - 27. Stabilization
  - 28. Vacancy and collection
  - 29. Preleases/presale

**Weighting = 15%**

**Number of items = 30**

VI. Commercial

- A. **Knowledge of property types as related to:**
  - 1. Apartments

30. Yield maintenance
- E. **Knowledge of different calculations as related to:**
1. Loan to value
  2. Loan per unit
  3. Loan per gross square foot
  4. Loan per net square foot
  5. Debt service
  6. Net operating income (NOI)
  7. Value by capitalization rate
  8. Cash flow before taxes
- F. **Knowledge of the investors as related to:**
1. Insurance companies
  2. Pension funds
  3. Financial institutions
  4. Fannie Mae
  5. Freddie Mac
  6. Securities markets
    - a) Conduits
    - b) Mortgage REITs (Real Estate Investment Trusts)
- G. **Knowledge of different types of commercial loans as related to:**
1. Acquisition
  2. Construction
  3. Permanent
  4. Bridge financing
  5. Take outs
  6. Forwards
  7. Revolving
- H. **Knowledge of analyzing loan risks for various types of properties as related to:**
1. Loan to value
  2. Loan to cost
  3. Debt coverage ratio
  4. Debt service
  5. NOI (Net Operating Income)
  6. BEPT (Break Even Point)
  7. Break Even Ratio
  8. Income
    - a) Unit
    - b) Net square foot
    - c) Gross square foot
    - d) Adjusted gross
- I. **Knowledge of assembling, verifying**

**and evaluating all information represented by client as related to:**

1. Financial statements
  - a) Personal
  - b) Corporate
  - c) Partnership
1. Credit history
2. Income
3. Expenses
4. Property
5. Tax returns and all schedules

**CRMS® WRITTEN EXAM  
SPECIFICATIONS**

**Weighting = 24%      Number of Items = 30**

**I. GENERAL INDUSTRY KNOWLEDGE**

**A. Origin of the mortgage industry**

1. How it started and why
2. Terminology (including fiduciary duty)

**B. Primary and secondary markets**

1. Primary
  - a) Financial institutions
  - b) Mortgage bankers
  - c) Mortgage brokers
2. Secondary
  - a) Fannie Mae
  - b) Freddie Mac
  - c) Securities dealers
  - d) Conduits
  - e) Portfolio lenders
3. Seller-Servicer

**C. Government agencies**

1. Fannie Mae
2. Freddie Mac
3. Ginnie Mae
4. Federal Reserve Bank
5. Department of Housing and Urban Development (HUD)
6. Veteran's Administration (VA)
7. Federal Trade Commission (FTC)

**D. Financial markets**

1. Bonds
2. Treasury bills
3. LIBOR (London Inter-Bank Offering Rate)

4. COFI (Cost of Funds Index)
5. Statistical reports (consumer price index, unemployment statistics, etc.)
6. Impact of monetary policy

**E. Different types of mortgages**

1. Reverse
2. Wrap around
3. Farm
4. Adjustable rate
  - a. Index
  - b. Margin
  - c. Deferred Interest / Negative Amortization
5. Balloon
6. Line of credit
7. Construction
8. Construction to permanent
9. Lot/land
10. Rehabilitation
11. Fixed rate
12. Interest only
13. Buy-downs
14. Bridge loans
15. Biweekly
16. Manufactured Housing
17. Prepayment Penalty

**F. General real estate principles**

1. Rights of way (e.g., ingress / egress, easements)
2. Mineral rights
3. Water rights
4. Personal vs. real property
5. Legal descriptions
6. Encroachment
7. Zoning

**G. Appraisals**

1. Types of appraisals
  - a) Narrative
  - b) Letter
  - c) Uniform Residential Appraisal Report
  - d) Short form (2055 , 2065 & 2075)
2. Analyzing appraisals
  - a) Approaches to valuation (e.g., cost, income, market)
  - b) Types of obsolescence
3. Appraisal terms

**H. Environmental liability and its impact as related to physical hazards (i.e., asbestos, oil heat, gasoline, lead paint)**

**I. Impact of tax laws on mortgage industry**

1. Customers
  - a) Legal implications of giving tax advice
  - b) Tax deductibility as it relates to the mortgage process
    - (1) Points
    - (2) Interest

**Weighting = 12%**

**Number of Items = 15**

**II. Business Practices**

**A. Professionalism, business ethics and integrity**

1. NAMB code of ethics
2. Building and maintaining business relationships
  - a) With the investor
  - b) With the borrower
  - c) Referral source
3. Honoring the lock-in
  - a) With the investor
  - b) With the borrower
4. Disclosures

**B. Handling customer funds**

1. Trust/escrow accounts
2. Impound accounts
3. Repair holdbacks accounts

**C. Customer/broker relationship as related to brokerage disclosure agreement**

**D. Advertising**

1. To the customers
2. To the public

**E. Contents of a wholesale broker agreement**

1. Fraud
2. Buy-back
3. Compliance
4. Early default
5. Churning
6. Premium recovery

**Weighting = 5%**

**Number of Items = 6**

**III. Insurance**

**A. Hazard insurance**

1. Condo
2. Flood
3. Force place

4. Homeowners
5. Fire and extended coverage

**B. Mortgage insurance**

1. Purpose
2. Fannie / Freddie requirements
3. Types (e.g., lender paid, single premium)
4. Coverage

**C. Title insurance**

1. Types
2. Purpose

**D. Builders insurance**

1. Performance bonds
2. Homeowners warranty

**Weighting = 19%      Number of Items = 24**

**IV. Laws and Compliance**

**A. Mortgage law and regulatory compliance**

1. Understanding RESPA (Real Estate Settlement Protection Act)
  - a) Good Faith
  - b) HUD-1
  - c) Settlement cost booklet
  - d) Notice of transfer of servicing
  - e) Aggregate escrow analysis
  - f) Kick backs and referral fees
  - g) Reg. X
  - h) Exempt transactions
  - i) Terms defined in RESPA
  - j) Settlement services
  - k) Penalties
2. Truth in Lending Act
  - a) Charm handbook
  - b) HELOC booklet
  - c) Reg. Z
  - d) APR
  - e) Finance charges
  - f) Section 32
  - g) Advertising
  - h) Credit lines
  - i) Exempt transactions
  - j) Terms defined in TILA/Reg. Z
  - k) Penalties
3. Fair lending laws
  - a) FHA (Fair Housing Act)
  - b) ECOA (Equal Credit Opportunity)
  - c) HMDA (Home Mortgage Disclosure Act)
  - d) CRA (Community Reinvestment Act)
  - e) FCRA (Fair Credit Reporting Act)

**B. Real estate law**

1. Reading and understanding real estate documentation
  - a) Purchase agreements
  - b) Land contracts or agreements for deed
  - c) Lease options
  - d) Land leases
2. Understanding general real estate law
  - a) Eminent domain
  - b) Liens
  - c) Foreclosure procedures
  - d) Types of ownership
  - e) Deeds
  - f) Probate issues
  - g) Condemnation
  - h) PUD
  - i) Fraud
  - j) Contracts
  - k) CC&Rs
  - l) HOAs

**C. Fraud**

1. Preventing
2. Detecting
3. Understanding the consequences
4. Definition
5. Identifying potential sources
6. Taking corrective actions when fraud has occurred
7. Reporting

**Weighting = 40%      Number of Items = 50**

**V. Residential Financing**

**A. Pre-qualifying and initial application**

1. Functions of a financial calculator
  - a) Identifying the 5 financial functions
    - (1) Payment
    - (2) Future value
    - (3) Term
    - (4) Interest rate
    - (5) Present value
  - b) Determining annual percentage rate
2. Pre-qualifying process
  - b) Knowing the difference between pre-approval vs. pre-qualifying
  - c) Taking preliminary financial information
  - d) Determining acceptability of funds for closing
  - d) Performing a credit evaluation

- e) Performing an income evaluation
- 3. Mortgage loan program guidelines
  - a) Pre-qualifying the customers
  - b) Determining customer needs
- 4. Analysis of a transaction
  - a) Credit
  - b) Collateral
  - c) Character
  - d) Capacity
- 5. Originating a loan
  - a) Residential loan application
    - (1) Uniform
    - (2) Lender specific
  - a) Compliance documents
  - b) Disclosure documents (i.e., GFE, TIL initial)
  - d) Lock-in and float agreements
- 6. Mortgage product pricing
  - a) Add-ons
  - b) Net price
  - c) Service Release Premium-SRP's
  - d) Effective yield
  - e) Lender fees

**B. Processing and Underwriting**

- 1. Assembling, verifying and evaluating all information represented by customer
  - a) Financial statements
    - (1) Personal
    - (2) Corporate
    - (3) Partnership
  - b) Credit history
    - (1) Credit scoring
  - c) Income
  - d) Expenses
  - e) Property
  - f) Assets
    - (1) Stocks/mutual funds
    - (2) Retirement
    - (3) Closely held corporation
    - (4) Mattress money
  - g) Tax returns and all schedules
- 2. Underwriting procedures and guidelines
  - a) FHA
    - (1) UFMIP (Up Front Mortgage Insurance Premium)
  - b) VA
  - c) Government sponsored entities
  - d) Private investors
  - e) Conduits
  - f) Automated underwriting

- g) CAIVRS (Credit Alert Interactive Voice Response System)
- 3. Equity and Non-conforming lending as related to understanding underwriting procedures and guidelines
  - a) Equity
  - b) Sub-prime (B,C,D)
  - c) Jumbo
  - d) HELOC (Home Equity Line of Credit)
- 4. Components of the lender commitment letter
- 5. Adverse action procedures

**C. Closing/Escrow**

- 1. Closing process
  - a) Fee sheets (broker demands)
  - b) Final conditions
  - c) General conditions
  - d) Surveys
  - e) Review
  - f) Inspections
  - g) Aggregate accounting
  - h) Prorations
- 2. Closing documents
  - a) Uniform Settlement Statement (HUD-1)
  - b) Note (Riders) and Mortgage / Deed of Trust
  - c) TIL Federal Box Form
  - c) Compliance documents
  - d) Notice of right to cancel

**REFERENCE LIST**

**WEBSITES**

- Fannie Mae: [www.fanniemae.com](http://www.fanniemae.com),  
[www.efanniemae.com](http://www.efanniemae.com)
- Fannie Mae Foundation: [www.fanniemae.foundation.org](http://www.fanniemae.foundation.org)
- Freddie Mac: [www.freddiemac.com](http://www.freddiemac.com)
- National Association of Mortgage Brokers: [www.namb.org](http://www.namb.org)
- National Association of Realtors: [www.realtor.com](http://www.realtor.com)
- State and Federal Mortgage Regulations: [www.allregs.com](http://www.allregs.com)

Code of Federal Regulations:  
<http://www.access.gpo.gov/nara/cfr/>

HUD User Policy Development and Research  
Information Center: <http://www.huduser.org>

Housing and Urban Development:  
<http://www.hud.gov>

## BOOKS

Advertising Managers Handbook, 1993, Robert  
W. Bly

All About Escrow, 5<sup>th</sup> Edition, May 1992,  
Sandy Gadow

Cityscape A Journal of Policy Development and  
Research, US Department of Housing and  
Urban Development / Office of Policy  
Development and Research

Mortgage Bankers Association of America -  
Mortgage Banking Terms, 7<sup>th</sup> Edition

State & Federal Mortgage Banking Regulators  
Guide, Robert S. Lotstein, Esq

Real Estate Finance, John P. Wiedemer, 6<sup>th</sup>  
Edition

Real Estate Handbook, 2<sup>nd</sup> Edition, Ed Seldin  
and Boykin Dow Jones

Real Estate Law, 3<sup>rd</sup> Edition, Frank Gibson,  
James Karp, Elliot Klamer

Real Estate Principles, 3<sup>rd</sup> Edition, Charles  
Floyd

Residential Mortgage Lending, 2<sup>nd</sup> Edition,  
Michael Dennis

Residential Mortgage Lending, 3<sup>rd</sup> Edition,  
Michael Dennis

A Simple, Decent Place to Live, Millard Fuller

## OTHER SOURCES

*Code of Federal Regulations*, 1 January 1998

AllRegs, *Fannie Mae Sellers Guide*

AllRegs, *Veterans Administration Handbook*

*Fannie Mae Quick Reference*, First Quarter 1996

*Fannie Mae Seller / Servicer Guide*

*Federal Housing Administration - Quick  
Reference*, First Quarter 1996

*Housing Policy Debate*, Issues 1, 3, 4

*HP-12C Owner's Handbook and Problem-Solving  
Guide*, July 1987

*NAMB Code of Ethics*

*The Business of Diversity*, Fannie Mae

## COMPLETING THE APPLICATION

**Read the entire Applicant Handbook  
carefully before completing your application.**

Print in ink or type all information requested on  
the application form and enclose the proper  
application fee. Application forms that are not  
signed or are otherwise incomplete will not be  
processed.

### **SECTION 1: PERSONAL DATA**

**Photo** – Attach a recent photograph of yourself  
to the upper-left corner of the application.  
Applications received without a photo will not  
be processed.

**Prefix** - Please check the appropriate box (Mr.  
or Ms.).

**Name** - Print your name on the line provided as  
shown on your identification, including first,  
last and middle initial. Be sure to add a suffix,  
if applicable (e.g., John M. Smith, Jr., or John

M. Smith, II). Do not use nicknames or titles.

**Social Security Number** - Print your social security number, including hyphens.

**Date of Birth** - Print your date of birth, in MM/DD/YYYY format.

**Disability Accommodation Requested** - Check “No” if you are not requesting an examination accommodation on the basis of a disability; check “Yes” and attach supporting documentation (described below) if you are requesting an examination accommodation on the basis of a disability. If you check “Yes,” attach a letter (dated within the three (3) years immediately preceding the date of application) from a licensed medical professional who is currently treating your disability; the letter should include: 1) a clear statement of your disability, indicating prior and current symptoms; 2) a summary of the analytical methods which were used to diagnose your disability (for applicants requesting an accommodation on the basis of a learning disability, the diagnosis of the disability must be corroborated by psychological testing); 3) a narrative summary to support that diagnosis; 4) relevant medical information (e.g., prescribed medications affecting test performance); and 5) the medical professional’s recommended exam accommodation, as supported by the diagnosis (e.g., extra time, isolated testing room, etc.).

## **SECTION 2: CONTACT INFORMATION**

**Mailing Address** - Print your mailing address (include suite number, if applicable). Certain couriers do not deliver to post office boxes.

**Telephone** - Print the area code and telephone number where you can be reached between 7:00 AM and 6:00 PM Eastern Time, Monday through Friday.

**Fax** - Print the area code and telephone number where faxed document can be sent to you between 7:00 AM and 6:00 PM Eastern Time, Monday through Friday.

**Email** - Print your email address. Unless otherwise requested in writing by you, most correspondence regarding your application and certification will be sent to you at this email address.

**Name of Mentor** - Print the name of a current CMC™ or CRMS® who is guiding you through the certification process; if you pass the CMC™ or CRMS® exam, your mentor will receive a \$25 discount on that mentor’s next recertification fee. If you print the name of an individual who does not hold a valid NAMB certification as of your date of application, that person will not receive any discount. If you print the names of more than one individual, only the first individual who holds a valid NAMB certification as of your date of application will receive the discount.

## **SECTION 3: FEES**

**Application Fee** - The application fee is \$350 per certification; a special, discounted fee of \$200 per certification is available to NAMB Members. If you pay the discounted application fee and NAMB’s records do not reflect that you are an individual NAMB Member, your application will be rejected until you pay the remaining \$150.

**Payment by check or money order** - Enclose your check or money order, in U.S. Dollars, payable to NAMB, for the total application fee; record your check or money order number on the application form.

**Payment by credit card** - Check the appropriate box for VISA, MasterCard, or American Express. Include the cardholder’s name, account number, expiration date, and signature. By signing in the space provided, you authorize NAMB to charge the account.

**Please mail your application to:  
NAMB Manager of Certification  
P.O. Box 85080  
Richmond, VA 23285-4147**

#### **SECTION 4: HISTORY OF CRIMINAL CONDUCT**

Check “No” if you have never pled guilty to, pled nolo contendere to, or been found guilty of financial offenses, physically violent offenses, or offenses involving misrepresentation or fraud. Check “Yes” and attach supporting documentation if you have ever pled guilty to, pled nolo contendere to, or been found guilty of financial offenses, physically violent offenses, or offenses involving misrepresentation or fraud. By submitting a CMC™ or CRMS® application, you authorize NAMB to access your confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.

#### **SECTION 5: ELIGIBILITY REQUIREMENTS AND QUALIFYING POINTS**

To meet the Certified Mortgage Consultant™ (CMC™) eligibility requirements and become a CMC™ candidate, an applicant must document at least 100 qualifying points through a combination of work experience, mortgage-related education, formal academic education, other professional designations, and industry leadership and participation. Of the 100 points, at least 25 points must be from work experience in the mortgage industry, and at least 30 points must be from mortgage-related educational activities.

To meet the Certified Residential Mortgage Specialist™ (CRMS®) eligibility requirements and become a CRMS® candidate, an applicant must document at least 50 qualifying points through a combination of work experience, mortgage-related education, formal academic education, other professional designations, and industry leadership and participation. Of the 50 points, at least 10 points must be from work experience in the mortgage industry, and at least 20 points must be from mortgage-related educational activities.

Please complete each section thoroughly and accurately. **Documentation of all qualifying**

**points must accompany the CMC™ or CRMS® application.**

**SECTION 6: CERTIFICATION APPLICATION STATEMENT, AGREEMENT, AND AUTHORIZATION** - Read the statement, agreement, and authorization carefully, then sign and date where indicated. Your application cannot be processed if you do not sign and date this section of the application.

Attach  
Photo  
Here



## Certified Mortgage Consultant™ (CMC™) Application

### SECTION 1: PERSONAL DATA

Name:  Mr.  Ms. \_\_\_\_\_  
FIRST NAME M.I. LAST NAME SUFFIX

Social Security Number \_\_\_\_\_ Date of Birth: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
MONTH / DAY / YEAR

Disability Accommodation Requested:  No  Yes (please attach supporting documentation)

### SECTION 2: CONTACT INFORMATION

*Unless otherwise requested in writing by you,  
most correspondence regarding your application and certification will be sent to you by email.*

This address is:  Home  Business

Company Name: \_\_\_\_\_

Street Address: \_\_\_\_\_ Suite Number: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

Name of Mentor (a current CMC™ or CRMS® who is guiding you through the certification process):  
\_\_\_\_\_

### SECTION 3: FEES (in U.S. DOLLARS)

***Your application fee is non-refundable.***

The application fee is \$350. The discounted application fee for NAMB Members is \$200.

*Checks should be made payable to NAMB and mailed with the application to:*

**NAMB Manager of Certification**

**Lockbox # 4147, P.O. Box 85080, Richmond, VA 23285-4147**

A check in the amount of \$ \_\_\_\_\_ is enclosed for the application fee above.

Check Number \_\_\_\_\_

Money Order Number \_\_\_\_\_

I authorize NAMB to charge \$ \_\_\_\_\_ to my:  VISA  MasterCard  American Express

Account #: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## SECTION 4: HISTORY OF CRIMINAL CONDUCT

Have you ever pled guilty to, pled nolo contendere to, or been found guilty of financial offenses, physically violent offenses, or offenses involving misrepresentation or fraud?

No  Yes (please attach supporting documentation)

***By submitting this application, the applicant grants NAMB permission to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing***

## SECTION 5: ELIGIBILITY REQUIREMENTS & QUALIFYING POINTS

An applicant must earn a minimum of one hundred (**100**) qualifying points within the following five categories to be eligible for Candidate status and to take the CMC™ exam. The following chart lists the minimum points required and maximum points available in each category:

<b>Category #</b>	<b>Category Name</b>	<b>Minimum Requirement</b>	<b>Maximum Available</b>
Category I	Work Experience	<b>25</b>	<b>55</b> (across Subcat. A & B)
<i>Subcat. A</i>	<i>Mortgage Business</i>	25	50
<i>Subcat. B</i>	<i>Related Business</i>	0	30
Category II	Educational Activities	<b>30</b>	<b>60</b>
Category III	Formal Education	<b>0</b>	<b>27</b>
Category IV	Professional Certifications	<b>0</b>	<b>15</b>
Category V	Leadership & Participation	<b>0</b>	<b>30</b>

**CATEGORY I – WORK EXPERIENCE****Minimum: 25 Points****Maximum: 55 Points**

An applicant may receive points within two subcategories of work experience. The minimum point requirement and maximum point availability are listed for each subcategory. Please complete each section thoroughly and as accurately as possible.

**A. Mortgage Business****Minimum: 25 Points****Maximum: 50 Points**

**Five (5) points per year for work experience in a qualifying occupation within the mortgage-brokerage industry.**

Prorated points for part-time experience and for fractions of years.

***By submitting this application, the applicant grants NAMB permission to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.***

**Please circle one of the qualifying occupations below:**

**Mortgage Broker | Mortgage Banker | Mortgage Underwriter | Mortgage Office Manager  
Loan Officer | Loan Originator | Loan Processor | Wholesale Mortgage Account Manager**

Company Name \_\_\_\_\_

Number of year(s) employed \_\_\_\_\_

Supervisor's Name (will be contacted for verification) \_\_\_\_\_

Supervisor's telephone number \_\_\_\_\_

**Points Earned**

**Please circle one of the qualifying occupations below:**

**Mortgage Broker | Mortgage Banker | Mortgage Underwriter | Mortgage Office Manager  
Loan Officer | Loan Originator | Loan Processor | Wholesale Mortgage Account Manager**

Company Name \_\_\_\_\_

Number of year(s) employed \_\_\_\_\_

Supervisor's Name (will be contacted for verification) \_\_\_\_\_

Supervisor's telephone number \_\_\_\_\_

**Points Earned**

**Please circle one of the qualifying occupations below:**

**Mortgage Broker | Mortgage Banker | Mortgage Underwriter | Mortgage Office Manager  
Loan Officer | Loan Originator | Loan Processor | Wholesale Mortgage Account Manager**

Company Name \_\_\_\_\_

Number of year(s) employed \_\_\_\_\_

Supervisor's Name (will be contacted for verification) \_\_\_\_\_

Supervisor's telephone number \_\_\_\_\_

**Points Earned**

**Please circle one of the qualifying occupations below:**

**Mortgage Broker | Mortgage Banker | Mortgage Underwriter | Mortgage Office Manager  
Loan Officer | Loan Originator | Loan Processor | Wholesale Mortgage Account Manager**

Company Name \_\_\_\_\_

Number of year(s) employed \_\_\_\_\_

Supervisor's Name (will be contacted for verification) \_\_\_\_\_

Supervisor's telephone number \_\_\_\_\_

**Points Earned**

*If you require additional space to document your mortgage business work experience, please photocopy this page.*

**B. Related Business**

**Minimum: 0 Points**

**Maximum: 30 Points**

**Three (3) points per year for work experience in a qualifying occupation within a mortgage-related industry.**

Prorated points for part-time experience and for fractions of years.

**By submitting this application, the applicant grants NAMB permission to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.**

**Please circle one of the qualifying occupations below:**

**Real Estate Broker | Real Estate Salesperson | Real Estate Appraiser  
Commercial Banker | Savings & Loan Officer | Executive Officer of a Real Estate Lender  
Title Officer | Title Industry Member or Employee | Financial Planner | Accountant | Attorney**

Company Name \_\_\_\_\_  
Number of year(s) employed \_\_\_\_\_  
Supervisor's Name (will be contacted for verification) \_\_\_\_\_  
Supervisor's telephone number \_\_\_\_\_  
**Points Earned**

**Please circle one of the qualifying occupations below:**

**Real Estate Broker | Real Estate Salesperson | Real Estate Appraiser  
Commercial Banker | Savings & Loan Officer | Executive Officer of a Real Estate Lender  
Title Officer | Title Industry Member or Employee | Financial Planner | Accountant | Attorney**

Company Name \_\_\_\_\_  
Number of year(s) employed \_\_\_\_\_  
Supervisor's Name (will be contacted for verification) \_\_\_\_\_  
Supervisor's telephone number \_\_\_\_\_  
**Points Earned**

**Please circle one of the qualifying occupations below:**

**Real Estate Broker | Real Estate Salesperson | Real Estate Appraiser  
Commercial Banker | Savings & Loan Officer | Executive Officer of a Real Estate Lender  
Title Officer | Title Industry Member or Employee | Financial Planner | Accountant | Attorney**

Company Name \_\_\_\_\_  
Number of year(s) employed \_\_\_\_\_  
Supervisor's Name (will be contacted for verification) \_\_\_\_\_  
Supervisor's telephone number \_\_\_\_\_  
**Points Earned**

**Please circle one of the qualifying occupations below:**

**Real Estate Broker | Real Estate Salesperson | Real Estate Appraiser  
Commercial Banker | Savings & Loan Officer | Executive Officer of a Real Estate Lender  
Title Officer | Title Industry Member or Employee | Financial Planner | Accountant | Attorney**

Company Name \_\_\_\_\_  
Number of year(s) employed \_\_\_\_\_  
Supervisor's Name (will be contacted for verification) \_\_\_\_\_  
Supervisor's telephone number \_\_\_\_\_  
**Points Earned**

*If you require additional space to document your related business work experience, please photocopy this page.*

**One (1) point per documented clock hour or credit hour of mortgage-related educational activity (courses, seminars, or workshops) completed within the five-year period preceding the date of application and provided by an Approved Provider.**

**Eight (8) point maximum per day of educational activity.**

**Documentation must be in the form of a photocopy or original certificate or letter of completion issued by the educational activity provider, and must cite the name of the person who completed the educational activity, date of completion or date(s) of instruction, title of the educational activity, name of the educational activity provider, and number of clock hours or credit hours of the educational activity.**

***By submitting this application, the applicant grants NAMB permission to access the applicant’s confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.***

**Mortgage-Related Educational Activity:**

Name of educational activity \_\_\_\_\_  
Date completed or date(s) of attendance \_\_\_\_\_  
Location of educational activity \_\_\_\_\_  
Name of educational activity provider \_\_\_\_\_  
Number of clock hours or credit hours \_\_\_\_\_

**Please attach documentation that you completed this educational activity.**

**Points Earned**

**Mortgage-Related Educational Activity:**

Name of educational activity \_\_\_\_\_  
Date completed or date(s) of attendance \_\_\_\_\_  
Location of educational activity \_\_\_\_\_  
Name of educational activity provider \_\_\_\_\_  
Number of clock hours or credit hours \_\_\_\_\_

**Please attach documentation that you completed this educational activity.**

**Points Earned**

**Mortgage-Related Educational Activity:**

Name of educational activity \_\_\_\_\_  
Date completed or date(s) of attendance \_\_\_\_\_  
Location of educational activity \_\_\_\_\_  
Name of educational activity provider \_\_\_\_\_  
Number of clock hours or credit hours \_\_\_\_\_

**Please attach documentation that you completed this educational activity.**

**Points Earned**

**Mortgage-Related Educational Activity:**

Name of educational activity \_\_\_\_\_  
Date completed or date(s) of attendance \_\_\_\_\_  
Location of educational activity \_\_\_\_\_  
Name of educational activity provider \_\_\_\_\_  
Number of clock hours or credit hours \_\_\_\_\_

**Please attach documentation that you completed this educational activity.**

**Points Earned**

*If you require additional space to document your educational activities, please photocopy this page.*

**Point values for formal education are specified below.**

**Points are available for degrees from schools fully accredited by one of the following organizations:**

- Middle States Association of Colleges and Schools
- North Central Association of Colleges and Schools
- Southern Association of Colleges and Schools
- New England Association of Schools and Colleges
- Northwest Association of Schools and Colleges
- Western Association of Schools and Colleges

**Documentation must be in the form of a photocopy of a diploma.**

**Points are not available for incomplete degrees.**

***By submitting this application, the applicant grants NAMB permission to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.***

**Please check the degrees you have completed and attach documentation:**

<u><b>Degree</b></u>		<u><b>Point Value</b></u>
<b>Associate's degree in a mortgage- or finance-related field</b>	<input type="checkbox"/>	<b>5</b>
<b>Bachelor's degree in any field</b>	<input type="checkbox"/>	<b>10</b>
<b>Master's degree in any field</b>	<input type="checkbox"/>	<b>5</b>
<b>Doctoral degree in any field</b>	<input type="checkbox"/>	<b>7</b>

**Points Earned**

**CATEGORY IV – PROFESSIONAL CERTIFICATIONS      Minimum: 0 Points      Maximum: 15 Points**

Five (5) points per professional certification listed below.

Points are available for documented, currently valid professional certifications.

Documentation must be in the form of a photocopy of a currently valid certificate.

*By submitting this application, the applicant grants NAMB permission to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.*

**Please check your currently valid professional certifications and attach documentation:**

ABR	<input type="checkbox"/>	CLO	<input type="checkbox"/>	CSP	<input type="checkbox"/>
ABRM	<input type="checkbox"/>	CMB	<input type="checkbox"/>	DREI	<input type="checkbox"/>
AHWD	<input type="checkbox"/>	CMP	<input type="checkbox"/>	GAA	<input type="checkbox"/>
ALC	<input type="checkbox"/>	CMT	<input type="checkbox"/>	GMB	<input type="checkbox"/>
ARO	<input type="checkbox"/>	CMU	<input type="checkbox"/>	GRI	<input type="checkbox"/>
ARU	<input type="checkbox"/>	CPA	<input type="checkbox"/>	GSA	<input type="checkbox"/>
ASA	<input type="checkbox"/>	CPM	<input type="checkbox"/>	MAI	<input type="checkbox"/>
CBG	<input type="checkbox"/>	CRB	<input type="checkbox"/>	MCSP	<input type="checkbox"/>
CCIM	<input type="checkbox"/>	CRE	<input type="checkbox"/>	RAA	<input type="checkbox"/>
C-CREC	<input type="checkbox"/>	CREA	<input type="checkbox"/>	SCA	<input type="checkbox"/>
CEBA	<input type="checkbox"/>	CRMS	<input type="checkbox"/>	SIOR	<input type="checkbox"/>
CFP	<input type="checkbox"/>	CRMU	<input type="checkbox"/>	SMC	<input type="checkbox"/>
CGA	<input type="checkbox"/>	CRP	<input type="checkbox"/>	SRA	<input type="checkbox"/>
CIPS	<input type="checkbox"/>	CRS	<input type="checkbox"/>	SREA	<input type="checkbox"/>
CLHMS	<input type="checkbox"/>			SRES	<input type="checkbox"/>

**Points Earned**

**CATEGORY V – LEADERSHIP & PARTICIPATION Minimum: 0 Points Maximum: 30 Points**

Point values per year of leadership and participation (or per article) specified below.

Points available only for documented leadership and participation activities within the five-year period preceding the date of application.

*By submitting this application, the applicant grants NAMB permission to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.*

<u>Leadership &amp; Participation Activity</u>	<u>Point Value</u>
NAMB President	10
NAMB State Affiliate Association President	9
NAMB Education Program Instructor	9
NAMB State Affiliate Association Local Chapter President	6
NAMB Officer	6
NAMB Director	5
NAMB State Affiliate Association Officer	5
NAMB Committee Chair	5
Attended NAMB Annual Convention	5
Mortgage Industry Organization Education Program Instructor	5
NAMB State Affiliate Association Director	4
NAMB State Affiliate Association Local Chapter Officer	4
NAMB Committee Vice Chair	4
NAMB State Affiliate Association Local Chapter Director	3
Mortgage Industry Organization Officer or Director	3
NAMB Committee Member	3
Attended NAMB Legislative Conference	3
Sole author of published book or article (at least 7,500 words, industry-related)	3
NAMB State Affiliate Association or Local Chapter Committee Chair	2
NAMB State Affiliate Association or Local Chapter Committee Vice Chair or Member	1
Attended NAMB State Affiliate Association Annual Convention	1

Leadership & Participation Activity \_\_\_\_\_

Dates of Activity \_\_\_\_\_

**Please attach documentation of this activity.**

**Points Earned**

Leadership & Participation Activity \_\_\_\_\_

Dates of Activity \_\_\_\_\_

**Please attach documentation of this activity.**

**Points Earned**

Leadership & Participation Activity \_\_\_\_\_

Dates of Activity \_\_\_\_\_

**Please attach documentation of this activity.**

Points Earned

*If you require additional space to document leadership & participation, please photocopy this page.*

**SECTION 6: CERTIFICATION APPLICATION STATEMENT, AGREEMENT, & AUTHORIZATION**

I hereby apply for Certified Mortgage Consultant™ (CMC™) candidate status and pledge to abide by the **NAMB Code of Ethics** and **NAMB Best Business Practices Guidelines** in their current form and as they may be hereafter amended. I certify that the information contained in this application is true and accurate to the best of my knowledge and hereby authorize NAMB to investigate all statements contained in this form. I hereby grant NAMB permission to access my confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing. I agree that I shall be subject to the recertification requirements and recertification fees in force at the time of recertification, even when those requirements or fees differ from the requirements or fees in force at the time of initial certification or prior recertification. I understand and agree that any information submitted by me may be provided by NAMB to law enforcement agencies and federal, state, county, and local regulatory agencies at the discretion of NAMB or the request of such agencies. I have read and agree to be bound by the **NAMB Policy and Procedures Manual** in its current form and as it may be hereafter amended.

Signature \_\_\_\_\_

Date \_\_\_\_\_



Attach  
Photo  
Here



**Certified Residential Mortgage Specialist® (CRMS®) Application**

**SECTION 1: PERSONAL DATA**

Name:  Mr.  Ms. \_\_\_\_\_  
FIRST NAME M.I. LAST NAME SUFFIX  
 Social Security Number \_\_\_\_\_ Date of Birth: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
MONTH / DAY / YEAR  
 Disability Accommodation Requested:  No  Yes (please attach supporting documentation)

**SECTION 2: CONTACT INFORMATION**

*Unless otherwise requested in writing by you,  
 most correspondence regarding your application and certification will be sent to you by email.*

This address is:  Home  Business  
 Company Name: \_\_\_\_\_  
 Street Address: \_\_\_\_\_ Suite Number: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_  
 Name of Mentor (a current CMC™ or CRMS® who is guiding you through the certification process):  
 \_\_\_\_\_

**SECTION 3: FEES (in U.S. DOLLARS)**

***Your application fee is non-refundable.***

The application fee is \$350. The discounted application fee for NAMB Members is \$200.

*Checks should be made payable to NAMB and mailed with the application to:*

**NAMB Manager of Certification  
 Lockbox # 4147, P.O. Box 85080, Richmond, VA 23285-4147**

A check in the amount of \$\_\_\_\_\_ is enclosed for the application fee above.

Check Number \_\_\_\_\_

Money Order Number \_\_\_\_\_

I authorize NAMB to charge \$\_\_\_\_\_ to my:  VISA  MasterCard  American Express

Account #: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**SECTION 4: HISTORY OF CRIMINAL CONDUCT**

Have you ever pled guilty to, pled nolo contendere to, or been found guilty of financial offenses, physically violent offenses, or offenses involving misrepresentation or fraud?

No  Yes (please attach supporting documentation)

***By submitting this application, the applicant grants NAMB permission to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing***

**SECTION 5: ELIGIBILITY REQUIREMENTS & QUALIFYING POINTS**

An applicant must earn a minimum of fifty (50) qualifying points within the following five categories to be eligible for Candidate status and to take the CRMS® exam. The following chart lists the minimum points required and maximum points available in each category:

<b>Category #</b>	<b>Category Name</b>	<b>Minimum Requirement</b>	<b>Maximum Available</b>
Category I	Work Experience	<b>10</b>	<b>30</b> (across Subcat. A & B)
Subcat. A	Mortgage Business	10	25
Subcat. B	Related Business	0	15
Category II	Educational Activities	<b>20</b>	<b>40</b>
Category III	Formal Education	<b>0</b>	<b>27</b>
Category IV	Professional Certifications	<b>0</b>	<b>15</b>
Category V	Leadership & Participation	<b>0</b>	<b>15</b>

**CATEGORY I – WORK EXPERIENCE Minimum: 10 Points Maximum: 30 Points**

An applicant may receive points within two subcategories of work experience. The minimum point requirement and maximum point availability are listed for each subcategory. Please complete each section thoroughly and as accurately as possible.

**A. Mortgage Business Minimum: 10 Points Maximum: 25 Points**

**Five (5) points per year for work experience in a qualifying occupation within the mortgage-brokerage industry.**  
 Prorated points for part-time experience and for fractions of years.  
*By submitting this application, the applicant grants NAMB permission to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.*

**Please circle one of the qualifying occupations below:**

**Mortgage Broker | Mortgage Banker | Mortgage Underwriter | Mortgage Office Manager  
 Loan Officer | Loan Originator | Loan Processor | Wholesale Mortgage Account Manager**

Company Name \_\_\_\_\_  
 Number of year(s) employed \_\_\_\_\_  
 Supervisor's Name (will be contacted for verification) \_\_\_\_\_  
 Supervisor's telephone number \_\_\_\_\_  
**Points Earned**

**Please circle one of the qualifying occupations below:**

**Mortgage Broker | Mortgage Banker | Mortgage Underwriter | Mortgage Office Manager  
 Loan Officer | Loan Originator | Loan Processor | Wholesale Mortgage Account Manager**

Company Name \_\_\_\_\_  
 Number of year(s) employed \_\_\_\_\_  
 Supervisor's Name (will be contacted for verification) \_\_\_\_\_  
 Supervisor's telephone number \_\_\_\_\_  
**Points Earned**

**Please circle one of the qualifying occupations below:**

**Mortgage Broker | Mortgage Banker | Mortgage Underwriter | Mortgage Office Manager  
 Loan Officer | Loan Originator | Loan Processor | Wholesale Mortgage Account Manager**

Company Name \_\_\_\_\_  
 Number of year(s) employed \_\_\_\_\_  
 Supervisor's Name (will be contacted for verification) \_\_\_\_\_  
 Supervisor's telephone number \_\_\_\_\_  
**Points Earned**

**Please circle one of the qualifying occupations below:**

**Mortgage Broker | Mortgage Banker | Mortgage Underwriter | Mortgage Office Manager  
 Loan Officer | Loan Originator | Loan Processor | Wholesale Mortgage Account Manager**

Company Name \_\_\_\_\_  
 Number of year(s) employed \_\_\_\_\_  
 Supervisor's Name (will be contacted for verification) \_\_\_\_\_

Supervisor's telephone number \_\_\_\_\_

Points Earned

*If you require additional space to document your mortgage business work experience, please photocopy this page.*

**B. Related Business** **Minimum: 0 Points** **Maximum: 15 Points**

**Three (3) points per year for work experience in a qualifying occupation within a mortgage-related industry.**

Prorated points for part-time experience and for fractions of years.

***By submitting this application, the applicant grants NAMB permission to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.***

**Please circle one of the qualifying occupations below:**

**Real Estate Broker | Real Estate Salesperson | Real Estate Appraiser  
Commercial Banker | Savings & Loan Officer | Executive Officer of a Real Estate Lender  
Title Officer | Title Industry Member or Employee | Financial Planner | Accountant | Attorney**

Company Name \_\_\_\_\_

Number of year(s) employed \_\_\_\_\_

Supervisor's Name (will be contacted for verification) \_\_\_\_\_

Supervisor's telephone number \_\_\_\_\_

Points Earned

**Please circle one of the qualifying occupations below:**

**Real Estate Broker | Real Estate Salesperson | Real Estate Appraiser  
Commercial Banker | Savings & Loan Officer | Executive Officer of a Real Estate Lender  
Title Officer | Title Industry Member or Employee | Financial Planner | Accountant | Attorney**

Company Name \_\_\_\_\_

Number of year(s) employed \_\_\_\_\_

Supervisor's Name (will be contacted for verification) \_\_\_\_\_

Supervisor's telephone number \_\_\_\_\_

Points Earned

**Please circle one of the qualifying occupations below:**

**Real Estate Broker | Real Estate Salesperson | Real Estate Appraiser  
Commercial Banker | Savings & Loan Officer | Executive Officer of a Real Estate Lender  
Title Officer | Title Industry Member or Employee | Financial Planner | Accountant | Attorney**

Company Name \_\_\_\_\_

Number of year(s) employed \_\_\_\_\_

Supervisor's Name (will be contacted for verification) \_\_\_\_\_

Supervisor's telephone number \_\_\_\_\_

Points Earned

**Please circle one of the qualifying occupations below:**

**Real Estate Broker | Real Estate Salesperson | Real Estate Appraiser  
Commercial Banker | Savings & Loan Officer | Executive Officer of a Real Estate Lender  
Title Officer | Title Industry Member or Employee | Financial Planner | Accountant |**

**Attorney**

Company Name \_\_\_\_\_  
 Number of year(s) employed \_\_\_\_\_  
 Supervisor's Name (will be contacted for verification) \_\_\_\_\_  
 Supervisor's telephone number \_\_\_\_\_  
**Points Earned**

*If you require additional space to document your related business work experience, please photocopy this page.*

**CATEGORY II - EDUCATIONAL ACTIVITIES      Minimum: 20 Points      Maximum: 40 Points**

**One (1) point per documented clock hour or credit hour of mortgage-related educational activity (courses, seminars, or workshops) completed within the five-year period preceding the date of application and provided by an Approved Provider.**

**Eight (8) point maximum per day of educational activity.**

**Documentation must be in the form of a photocopy or original certificate or letter of completion issued by the educational activity provider, and must cite the name of the person who completed the educational activity, date of completion or date(s) of instruction, title of the educational activity, name of the educational activity provider, and number of clock hours or credit hours of the educational activity.**

***By submitting this application, the applicant grants NAMB permission to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.***

**Mortgage-Related Educational Activity:**

Name of educational activity \_\_\_\_\_  
 Date completed or date(s) of attendance \_\_\_\_\_  
 Location of educational activity \_\_\_\_\_  
 Name of educational activity provider \_\_\_\_\_  
 Number of clock hours or credit hours \_\_\_\_\_

**Please attach documentation that you completed this educational activity.**

**Points Earned**

**Mortgage-Related Educational Activity:**

Name of educational activity \_\_\_\_\_  
 Date completed or date(s) of attendance \_\_\_\_\_  
 Location of educational activity \_\_\_\_\_  
 Name of educational activity provider \_\_\_\_\_  
 Number of clock hours or credit hours \_\_\_\_\_

**Please attach documentation that you completed this educational activity.**

**Points Earned**

**Mortgage-Related Educational Activity:**

Name of educational activity \_\_\_\_\_  
 Date completed or date(s) of attendance \_\_\_\_\_  
 Location of educational activity \_\_\_\_\_  
 Name of educational activity provider \_\_\_\_\_  
 Number of clock hours or credit hours \_\_\_\_\_

**Please attach documentation that you completed this educational activity.**

**Points Earned**

**Mortgage-Related Educational Activity:**

Name of educational activity \_\_\_\_\_  
 Date completed or date(s) of attendance \_\_\_\_\_  
 Location of educational activity \_\_\_\_\_  
 Name of educational activity provider \_\_\_\_\_  
 Number of clock hours or credit hours \_\_\_\_\_

**Please attach documentation that you completed this educational activity.**

**Points Earned**

*If you require additional space to document your educational activities, please photocopy this page.*

**CATEGORY III – FORMAL EDUCATION Minimum: 0 Points Maximum: 27 Points**

**Point values for formal education are specified below.**

**Points are available for degrees from schools fully accredited by one of the following organizations:**

- Middle States Association of Colleges and Schools
- North Central Association of Colleges and Schools
- Southern Association of Colleges and Schools
- New England Association of Schools and Colleges
- Northwest Association of Schools and Colleges
- Western Association of Schools and Colleges

**Documentation must be in the form of a photocopy of a diploma.**

**Points are not available for incomplete degrees.**

*By submitting this application, the applicant grants NAMB permission to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.*

**Please check the degrees you have completed and attach documentation:**

<u>Degree</u>	<u>Point Value</u>
Associate's degree in a mortgage- or finance-related field <input type="text"/>	5
Bachelor's degree in any field <input type="text"/>	10
Master's degree in any field <input type="text"/>	5
Doctoral degree in any field <input type="text"/>	7

**Points Earned**

**CATEGORY IV – PROFESSIONAL CERTIFICATIONS Minimum: 0 Points Maximum: 15 Points**

Five (5) points per professional certification listed below.

Points are available for documented, currently valid professional certifications.

Documentation must be in the form of a photocopy of a currently valid certificate.

*By submitting this application, the applicant grants NAMB permission to access the applicant's confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.*

**Please check your currently valid professional certifications and attach documentation:**

ABR	<input type="checkbox"/>	CEBA	<input type="checkbox"/>	CMU	<input type="checkbox"/>
ABRM	<input type="checkbox"/>	CFP	<input type="checkbox"/>	CPA	<input type="checkbox"/>
AHWD	<input type="checkbox"/>	CGA	<input type="checkbox"/>	CPM	<input type="checkbox"/>
ALC	<input type="checkbox"/>	CIPS	<input type="checkbox"/>	CRB	<input type="checkbox"/>
ARO	<input type="checkbox"/>	CLHMS	<input type="checkbox"/>	CRE	<input type="checkbox"/>
ARU	<input type="checkbox"/>	CLO	<input type="checkbox"/>	CREA	<input type="checkbox"/>
ASA	<input type="checkbox"/>	CMB	<input type="checkbox"/>	CRMU	<input type="checkbox"/>
CBG	<input type="checkbox"/>	CMC	<input type="checkbox"/>	CRP	<input type="checkbox"/>
CCIM	<input type="checkbox"/>	CMP	<input type="checkbox"/>	CRS	<input type="checkbox"/>
C-CREC	<input type="checkbox"/>	CMT	<input type="checkbox"/>	CSP	<input type="checkbox"/>

DREI	<input type="text"/>	MAI	<input type="text"/>	SIOR	<input type="text"/>
GAA	<input type="text"/>	MCSP	<input type="text"/>	SMC	<input type="text"/>
GMB	<input type="text"/>	RAA	<input type="text"/>	SRA	<input type="text"/>
GRI	<input type="text"/>	SCA	<input type="text"/>	SREA	<input type="text"/>
GSA	<input type="text"/>			SRES	<input type="text"/>

Points Earned

**CATEGORY V – LEADERSHIP & PARTICIPATION Minimum: 0 Points Maximum: 15 Points**

Point values per year of leadership and participation (or per article) specified below.

Points available only for documented leadership and participation activities within the five-year period preceding the date of application.

*By submitting this application, the applicant grants NAMB permission to access the applicant’s confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing.*

<u>Leadership &amp; Participation Activity</u>	<u>Point Value</u>
NAMB President	10
NAMB State Affiliate Association President	9
NAMB Education Program Instructor	9
NAMB State Affiliate Association Local Chapter President	6
NAMB Officer	6
NAMB Director	5
NAMB State Affiliate Association Officer	5
NAMB Committee Chair	5
Attended NAMB Annual Convention	5
Mortgage Industry Organization Education Program Instructor	5
NAMB State Affiliate Association Director	4
NAMB State Affiliate Association Local Chapter Officer	4
NAMB Committee Vice Chair	4
NAMB State Affiliate Association Local Chapter Director	3
Mortgage Industry Organization Officer or Director	3
NAMB Committee Member	3
Attended NAMB Legislative Conference	3
Sole author of published book or article (at least 7,500 words, industry-related)	3
NAMB State Affiliate Association or Local Chapter Committee Chair	

**2**

**NAMB State Affiliate Association or Local Chapter Comm. Vice Chair or Member 1**  
**Attended NAMB State Affiliate Association Annual Convention 1**

Leadership & Participation Activity \_\_\_\_\_

Dates of Activity \_\_\_\_\_

**Please attach documentation of this activity.**

**Points Earned**

Leadership & Participation Activity \_\_\_\_\_

Dates of Activity \_\_\_\_\_

**Please attach documentation of this activity.**

**Points Earned**

Leadership & Participation Activity \_\_\_\_\_

Dates of Activity \_\_\_\_\_

**Please attach documentation of this activity.**

**Points Earned**

*If you require additional space to document leadership & participation, please photocopy this page.*

**SECTION 6: CERTIFICATION APPLICATION STATEMENT, AGREEMENT, & AUTHORIZATION**

I hereby apply for Certified Residential Mortgage Specialist™ (CRMS®) candidate status and pledge to abide by the **NAMB Code of Ethics** and **NAMB Best Business Practices Guidelines** in their current form and as they may be hereafter amended. I certify that the information contained in this application is true and accurate to the best of my knowledge and hereby authorize NAMB to investigate all statements contained in this form. I hereby grant NAMB permission to access my confidential information, including criminal, employment, and academic records, indefinitely until such permission is revoked in writing. I agree that I shall be subject to the recertification requirements and recertification fees in force at the time of recertification, even when those requirements or fees differ from the requirements or fees in force at the time of initial certification or prior recertification. I understand and agree that any information submitted by me may be provided by NAMB to law enforcement agencies and federal, state, county, and local regulatory agencies at the discretion of NAMB or the request of such agencies. I have read and agree to be bound by the **NAMB Policy and Procedures Manual** in its current form and as it may be hereafter amended.

Signature \_\_\_\_\_

Date \_\_\_\_\_

**SCORE REPORT REQUEST FORM**

**Directions**

To request that an official copy of your test scores be sent to a regulatory agency for licensing purposes, please complete this form and mail it and the \$25.00 report fee to the address below.

Please print or type the information on this form. Be sure to provide all information and include the correct fee or your request will be denied.

You may send your completed form to NAMB before or after you take your exam.

Applicant's Name:	_____
Street Address:	_____

City: _____	State: _____	Zip Code: _____
Examination Date (Month/Day / Year): _____		
Telephone: _____	Social Security Number: _____	

Name of Regulatory Agency to Receive Report: _____		
Street Address: _____		
City: _____	State: _____	Zip Code: _____

**Fee: \$25.00 per score report.**

*Checks should be made payable to NAMB and mailed with the application to:*

**NAMB Manager of Certification**

**Re: NAMB Score Report**

**Lockbox # 4147, P.O. Box 85080, Richmond, VA 23285-4147**

A check or money order in the amount of \$25.00 is enclosed for the application fee above.

Check Number \_\_\_\_\_ Money Order Number \_\_\_\_\_

I authorize NAMB to charge \$25.00 to my:  VISA  MasterCard  American Express

Account #: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

***If you require additional score reports, please photocopy this page.***

**SAMPLE BEST BUSINESS PRACTICES GUIDELINES**

**Best Business Practices Guidelines**



John Smith, a member of the National Association of Mortgage Brokers and President of ABC Mortgage, Inc., a properly licensed/authorized entity, adheres to the Code of Ethics of NAMB and of my affiliated state association. Furthermore, as a requirement of NAMB membership, I hereby subscribe ABC Mortgage, Inc. and its employees to the following Best Business Practices Guidelines. We will . . .

- Disclose accurate information in all solicitations and advertising;
- Discuss and explain financing program options;
- Inform you, in writing, of lock-in options;
- Explain all documents of the loan application;
- Explain all associated costs of the loan transaction;
- Explain the disbursement of all application fees;
- Explain the loan process, from application to closing;
- Charge only those fees disclosed or redisclosed on your Good Faith Estimate;
- Charge rates and fees that do not vary based on race, color, religion, national origin, gender, marital status, age, receipt of income from public assistance programs, or good faith exercise of rights under consumer finance laws;
- Communicate with you throughout the loan process in a timely manner;
- Provide to you a written agreement that explains the nature of our relationship with you and how we are compensated in this transaction.

\_\_\_\_\_  
*Company President*

\_\_\_\_\_  
*NAMB President*

DATE

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## CMC™ STUDY GUIDE

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The following six sections of the CMC™ Study Guide consist of questions similar to the ones you will encounter in the CMC™ exam. The number of questions appearing below is proportional to the number of questions appearing on the exam.

**CMC™ SECTION I GENERAL INDUSTRY KNOWLEDGE**

1. The primary interest of life insurance companies in mortgage investment is
  - (A) To participate in the Community Reinvestment Act.
  - (B) To provide the highest yield and lowest risk to their policy holders.
  - (C) To get leads for more insurance business and sell credit life insurance.
  - (D) To earn servicing income
  
2. The Federal National Mortgage Association (FNMA) was started for the purpose of:
  - (A) Restoring depositors' confidence in the mortgage banking system
  - (B) Buying FHA-insured mortgage loans
  - (C) Regulating the sale of securities to the general public
  - (D) Issuing government-guaranteed, mortgage backed securities
  
3. What is the applicable term if an investor/institution acquires a block of mortgage loans to hold as an income-producing asset?
  - (A) Purchasing loans for portfolio
  - (B) Purchasing loans for secondary market
  - (C) Purchasing loans for resale
  - (D) Purchasing loans for security
  
4. Which of the following reflects a corporation's assets, liabilities, and net worth?
  - (A) A balance sheet
  - (B) An operating statement
  - (C) A pro forma statement
  - (D) A profit and loss statement
  
5. In analyzing a Schedule C, how would depletion and depreciation be handled?
  - (A) Deduct from the income
  - (B) Add back to the income
  - (C) Make no adjustment
  - (D) Add depreciation only
  
6. Which act was responsible for providing a commitment to providing a decent home and suitable living environment for every American family?
  - (A) The Servicemen's Readjustment Act
  - (B) The Housing Act of 1949
  - (C) The Homeowner's Loan Act
  - (D) The Housing and Community Development Act

7. When evaluating corporate tax returns, the taxable income reflects the corporation's:
- (A) Adjusted business income
  - (B) Gross profit
  - (C) Interest income
  - (D) Net profit
8. A lender that holds its loans and does not sell to investors in the secondary market is a:
- (A) Mortgage broker
  - (B) Conduit
  - (C) Portfolio lender
  - (D) Mortgage banker
9. How are unreimbursed employee business expenses treated?
- (A) Add to the borrower's gross income
  - (B) Deduct from the borrower's gross income
  - (C) Add 20% to the borrower's gross income
  - (D) Make no adjustment to the gross income
10. Since its origin in 1938, Fannie Mae has worked more closely with which of the following as seller/servicers?
- (A) Savings associations
  - (B) Mortgage companies
  - (C) Commercial banks
  - (D) Life insurance companies
11. What does an environmental impact statement assess?
- (A) Cost of impact fee
  - (B) Land development cost
  - (C) Wildlife removal plan
  - (D) Land development action
12. The profit and loss statement reflects a corporation's:
- (A) Assets and liabilities
  - (B) Income and expenses
  - (C) Net worth
  - (D) Vacancy and credit losses
13. The broker has an opportunity to buy a note. The rate is 14% and monthly payments are \$2,647.43. The original amount was \$215,000. The seller is willing to take \$180,000 after receiving 27 payments. What will the yield be, to the buyer?
- (A) 14.00%
  - (B) 16.91%

- (C) 20.84%
- (D) 23.82%

**CMC™ SECTION II BUSINESS PRACTICE**

14. When the funds are segmented into an account held in trust, the account is called the:
- (A) Fee account
  - (B) Special account
  - (C) Escrow account
  - (D) Reimbursement account
15. The difference between assets and liabilities on a company's balance sheet is known as the:
- (A) Retained earnings
  - (B) Income statement
  - (C) Net worth
  - (D) Cash flow
16. Which of the following is not considered one of the most important in attracting consumers?
- (A) Reputation of the firm
  - (B) Referrals by real estate brokers
  - (C) Low loan rates
  - (D) Print advertising
17. A mortgage broker has quoted a rate to a client, but forgot to lock the loan with an investor. However, the broker still gave that rate to the client, even though interest rates increased. This is an example of which of the following?
- (A) Honoring the lock in
  - (B) Compliance with the law
  - (C) Fair business practice
  - (D) Lock in agreement
18. A mortgage broker distributes flyers offering mortgages at interest rates the mortgage broker does not intend on honoring. This is an example of which of the following?
- (A) Aggressive marketing
  - (B) Test marketing
  - (C) Violation of RESPA
  - (D) Violation of NAMB's code of ethics
19. Which one of the following best describes a broker's requirement to list any equity or ownership they may have in the collateral being offered to secure a loan?
- (A) Honesty and Integrity
  - (B) Professional Conduct
  - (C) Disclosure of Financial Interest
  - (D) Compliance with the law



**CMC™ SECTION III INSURANCE**

20. The practice of a lender placing hazard insurance on a mortgaged property when the borrower has allowed the insurance to lapse is called:
- (A) Lender insured risk
  - (B) Special MI coverage
  - (C) Force place insurance
  - (D) Federal insurance coverage
21. What is the name of the document from an insurance company to the lender, providing proof that the property is insured?
- (A) Letter of Insurance
  - (B) Binder
  - (C) Agency document
  - (D) Proof of coverage
22. Condominium individual owners insurance covers which of the following?
- (A) Dwelling and detached buildings
  - (B) Outside and inside of the building
  - (C) The inside of the structure only
  - (D) Outside, inside, and furniture
23. Since mortgages require hazard insurance coverage for the lender's protection, what is the best way for lenders to assure coverage is initiated?
- (A) The lender should order the coverage and add the expense to the closing costs.
  - (B) The lender should refer at least three insurers to the home buyer program.
  - (C) The contract should require the homebuyer to provide annual verification of coverage to the lender.
  - (D) The lender requires a full year's paid up policy before releasing loan proceeds.

**CMC™ SECTION IV LAW AND COMPLIANCE**

24. Which one of the following is sufficient to constitute delivery of a deed?
- (A) Promise of transfer
  - (B) Intent to pass title
  - (C) Intent to pass title and surrender of the instrument
  - (D) Oral statement "I hereby deliver and intend to transfer...."
25. What is the key concept in the recording process?
- (A) Caveat emptor
  - (B) Notice to third parties
  - (C) Title insurance
  - (D) Essentials of a deed
26. Which one of the following best characterizes personal property?
- (A) Valuable
  - (B) Moveable
  - (C) Tangible
  - (D) Intangible
27. A real estate investment trust:
- (A) Is a tax shelter against dual taxation
  - (B) Is a method of getting income directly to heirs
  - (C) Is a corporation
  - (D) Usually involves fewer than 35 investors
28. A life estate holder can do all of the following except
- (A) Sell it
  - (B) Mortgage it
  - (C) Rent it
  - (D) Bequeath it
29. What is the most extensive interest possible, in land?
- (A) Leasehold estate
  - (B) Fee simple
  - (C) Defeasible fee
  - (D) Life estate
30. Reliance upon a false statement
- (A) Is not negated by an independent investigation.
  - (B) Can be justified even if the information is inconsequential to the transaction.
  - (C) Is not justified if the information is inconsequential to the transaction.
  - (D) Is an essential element to an action for fraud.

31. Which of the following may terminate tenancy by the entirety?
- (A) Consent of both the husband and wife
  - (B) Sale by either the husband or wife
  - (C) Disagreement between the husband and wife
  - (D) Death of an heir
32. Which of the following best describes the right to the limited use or enjoyment of land held by another?
- (A) Easement
  - (B) Eminent Domain
  - (C) Lease
  - (D) Rent
33. What is the purpose of an acceleration clause in a mortgage instrument?
- (A) Allows the rate of interest to be increased
  - (B) Makes a late payment an act in default
  - (C) Increases the payment amount at periodic intervals
  - (D) In case of default, all future payments become due now
34. An enforceable agreement between two or more parties is called a:
- (A) Will
  - (B) Lien
  - (C) Contract
  - (D) Deed

**CMC™ SECTION V RESIDENTIAL**

35. Which one of the following must be included in the Truth-in-Lending finance charge?
- (A) Mortgage insurance premiums
  - (B) Title insurance premiums
  - (C) Appraisal fee
  - (D) Credit report fee
36. Which of the following is acceptable to FNMA for verification of assets at the time of application?
- (A) Last year's bonus statement
  - (B) Bank statement no more than 45 days old
  - (C) Verbal verification of assets
  - (D) Affidavit of income from the borrower
37. Which one of the following is a Government Sponsored Enterprise (GSE)?
- (A) All mortgage wholesalers
  - (B) IRS mortgage audit division
  - (C) FNMA
  - (D) FHLB
38. The property value acceptable to FHA as loan collateral is determined
- (A) By any certified FHA appraiser.
  - (B) As the lesser of the FHA appraised value or the purchase price.
  - (C) By the amount of the FHA insured commitment.
  - (D) By an opinion of the FHA loan underwriter.
39. Denial of a loan, or increasing the price of a loan based on certain parts of a city is called:
- (A) Steering
  - (B) Redlining
  - (C) Blockbusting
  - (D) Churning
40. A bill comes for an appraisal that the borrower requested through you, but has not given you the money to pay for it. How should the bill be paid?
- (A) From the trust/escrow account
  - (B) From your operating account
  - (C) Do not pay until you collect the funds from the borrower
  - (D) Do not pay and forward the bill to the borrower

41. Which type of loan has a residual income qualification test?
- (A) FHA
  - (B) Conforming
  - (C) Non-conforming
  - (D) VA
42. The Good Faith Estimate must be delivered or mailed within what time frame?
- (A) At the time the application is received
  - (B) 3 business days after the application is received
  - (C) 5 business days after the application is received
  - (D) No time limit, but buyers like to see it as soon as possible

**CMC™ SECTION VI COMMERCIAL**

43. What is the definition of a Basis Point?
- (A) The point at which interest begins on a loan
  - (B) One one-tenth of one percent
  - (C) One one-hundredth of one percent
  - (D) One percent
44. Debt service is best described as the relationship between:
- (A) Net operating income and operating expenses
  - (B) Debt service and gross income
  - (C) Operating expenses and gross income
  - (D) Net operating income and annual debt service
45. What best describes a first mortgage loan that is committed and expected to be made upon completion of a specific real estate project?
- (A) Bond loan
  - (B) Permanent loan
  - (C) Take-out loan
  - (D) Bridge loan
46. A bridge loan is usually replaced by:
- (A) Property income
  - (B) Permanent financing
  - (C) Temporary financing
  - (D) The property owner
47. Operating expenses divided by the potential gross income is the:
- (A) Break-even ratio
  - (B) Occupancy ratio
  - (C) NOI ratio
  - (D) Gross income ratio
48. Congress envisioned a vehicle to allow smaller investors to participate in ownership and equity of real estate. Which **best** describes this vehicle?
- (A) Pension Fund
  - (B) Real Estate Investment Trust
  - (C) Credit Unions
  - (D) Mortgage Backed Securities

49. Assuming all of the following, what is the monthly payment?  
Gross income=\$360,000, expenses=\$162,000, vacancy and credit, deduction=5%,  
debt service coverage=1.25, 20-year amortization, rate=275 basis points over 10  
year T bill now at 6.625%, 11% cap rate, and LTV of 75.
- (A) \$9,085.66
  - (B) \$10,369.40
  - (C) \$11,339.80
  - (D) \$13,122.11
50. The growth of cities by building on vacant land between existing buildings is best called:
- (A) Spot building
  - (B) Developing
  - (C) Spec building
  - (D) In filling

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**CMC™ ANSWER KEY**

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<b>1: B</b>	<b>2: A</b>	<b>3: A</b>	<b>4: A</b>	<b>5: B</b>
<b>6: B</b>	<b>7: D</b>	<b>8: C</b>	<b>9: B</b>	<b>10: B</b>
<b>11: D</b>	<b>12: B</b>	<b>13: B</b>	<b>14: C</b>	<b>15: C</b>
<b>16: D</b>	<b>17: A</b>	<b>18: D</b>	<b>19: C</b>	<b>20: C</b>
<b>21: B</b>	<b>22: C</b>	<b>23: D</b>	<b>24: C</b>	<b>25: B</b>
<b>26: B</b>	<b>27: A</b>	<b>28: D</b>	<b>29: B</b>	<b>30: D</b>
<b>31: A</b>	<b>32: A</b>	<b>33: D</b>	<b>34: C</b>	<b>35: A</b>
<b>36: B</b>	<b>37: C</b>	<b>38: B</b>	<b>39: B</b>	<b>40: B</b>
<b>41: D</b>	<b>42: B</b>	<b>43: C</b>	<b>44: D</b>	<b>45: C</b>
<b>46: B</b>	<b>47: A</b>	<b>48: B</b>	<b>49: C</b>	<b>50: D</b>

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## **CRMS® STUDY GUIDE**

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The following five sections of the CRMS® Study Guide will be devoted to questions similar to the ones you will encounter in the CRMS® exam. The number of questions appearing below is proportional to the number of questions that appear on the exam.

**CRMS® SECTION I GENERAL INDUSTRY KNOWLEDGE**

1. The fluctuating economic indicator that is used as the basis for MOST adjustable rate mortgages is the:
  - (A) Cap
  - (B) Margin
  - (C) Index
  - (D) Discount
  
2. With FNMA bi-weekly mortgage, how many payments must be drafted from a borrower's bank account each year?
  - (A) Either 26 or 27
  - (B) 12
  - (C) 22
  - (D) Either 24 or 25
  
3. Reverse annuity mortgages are designed for elderly homeowners with which of the following?
  - (A) Low equity and low cash flow
  - (B) Low equity and high cash flow
  - (C) High equity and low cash flow
  - (D) High equity and high cash flow
  
4. The market in which mortgages are created and funds are loaned directly to borrowers is the:
  - (A) Stock market
  - (B) Primary market
  - (C) Over the counter market
  - (D) Secondary market
  
5. One of the major concerns of servicing is that:
  - (A) Loan documents are recorded properly
  - (B) The loan complies with investor guidelines
  - (C) All application documentation is accurate
  - (D) Loans are paid as agreed
  
6. FNMA biweekly mortgages require drafting the borrower's bank account:
  - (A) Once a month
  - (B) Twice a month
  - (C) Every 14 business days
  - (D) Every 14 calendar days

7. What is a refinancing technique involving the creation of a second mortgage which includes the balance due on any existing mortgages, plus the amount of the new secondary lien?
  - (A) Equity plus
  - (B) FNMA two-step
  - (C) Balloon
  - (D) Wraparound
  
8. Which appraisal method is MOST relied upon for appraising single family owner occupied residences?
  - (A) Income approach
  - (B) Replacement cost approach
  - (C) Final reconciliation approach
  - (D) Market data approach
  
9. What type of loan prohibits a prepayment penalty?
  - (A) Construction
  - (B) ARM
  - (C) VA
  - (D) Balloon
  
10. Who is the lender in a financing transaction?
  - (A) Mortgagor
  - (B) Mortgagee
  - (C) Grantee
  - (D) Grantor
  
11. Which one of the following is based on the 11th district of the Federal Home Loan Bank and is used to determine rate changes for adjustable rate mortgages?
  - (A) LIBOR
  - (B) COFI
  - (C) Prime
  - (D) FHLMC ARM rate
  
12. Which one of the following is a CRV?
  - (A) Commitment of Rehabilitation Valuation
  - (B) Certificate of Reasonable Value
  - (C) Conditional Return Variance
  - (D) Cooperative Rental Voucher

**CRMS® SECTION II BUSINESS PRACTICE**

13. Which one of the following is not true about the nature of the broker / customer relationship according to the NAMB model disclosure agreement?
- (A) We will act as an independent contractor with various lenders
  - (B) We will seek to assist you in meeting your financial needs
  - (C) Our compensation will be included in your retail price (rate, total price, and fees)
  - (D) Our company will offer our best opinion on rates and terms available in the market
14. Which one of the following is not included in the NAMB Code of Ethics?
- (A) Fiduciary Responsibility
  - (B) Professional Conduct
  - (C) Compliance with Law
  - (D) Honesty in Advertising
15. When a mortgage broker has any equity in collateral being offered to secure a loan, they must:
- (A) Refer the loan to another mortgage broker
  - (B) Disclose their financial interest to the lender
  - (C) Instruct the borrower to disclose this information to the lender
  - (D) Provide information on the source of collateral if a profit is made
16. When advertising your business, the burden of making sure you are not violating FTC regulations falls upon the:
- (A) General public
  - (B) Government
  - (C) Broker
  - (D) Competition
17. Which one of the following is an "advertisement" not subject to the Truth-in-Lending Act?
- (A) A brochure describing your office's loan programs
  - (B) A windshield leaflet promoting no cost refinances without mentioning any rates
  - (C) A flyer explaining your company's home buyer education seminar
  - (D) A radio spot declaring your office's home equity lines
18. The form which discloses the number of days during which a lender guarantees a borrower a specific interest rate and terms on a mortgage is a:
- (A) Commitment letter
  - (B) Lock-in agreement
  - (C) NAMB Model Disclosure Agreement
  - (D) Letter of intent

**CRMS SECTION III INSURANCE**

19. The Pebbles are buying a \$100,000 home and will put down \$5,000, financing the rest by a conventional FNMA mortgage. They will be getting a 2-1 buydown 30 year mortgage with a start rate of 6%. FNMA requires 30% MI coverage on this loan and the table says you require .88 factor to have an even monthly payment MI. What will be the MI payment per month?
- (A) \$ 69.67
  - (B) \$ 73.33
  - (C) \$ 83.60
  - (D) \$ 88.00
20. Whose responsibility is it to determine the flood status of a property?
- (A) Appraiser
  - (B) Seller
  - (C) Lender
  - (D) Realtor
21. The FIRST procedure utilized by a title company in providing title insurance is the:
- (A) Abstract of the title
  - (B) Examination of title
  - (C) Search of title
  - (D) Preliminary commitment of title

**CRMS® SECTION IV LAW AND COMPLIANCE**

22. The Federal Truth-in-Lending law defines the annual percentage rate that is charged on a real estate loan. The annual percentage rate is the:
- (A) Total of all costs that the borrower must pay including taxes, closing costs, and title fees
  - (B) Total of all direct costs of credit the borrower must pay
  - (C) Cost of credit expressed as a yearly rate
  - (D) Sum of all direct or indirect costs of credit the borrower must pay expressed as a yearly rate
23. Which one of the following is a form of ownership of property by husband and wife, when upon the death of either, the survivor remains as the sole owner?
- (A) Co-ownership
  - (B) Tenancy in common
  - (C) Tenancy at will
  - (D) Tenancy by the entirety
24. By law, how can a mortgage broker be compensated?
- (A) Referral fee
  - (B) Title company
  - (C) Real estate agent
  - (D) Premium pricing
25. Which one of the following is a comprehensive plan for a mixed use development which includes areas owned in common and reserved for use by owners of the separately owned lots?
- (A) Non-conforming use development
  - (B) Planned unit development
  - (C) Large lot zoning and development
  - (D) Contract zoning development
26. An instrument that conveys only the grantor's interest is a:
- (A) Limited warranty deed
  - (B) Quit claim deed
  - (C) Bargain and sale deed
  - (D) General warranty deed
27. Which one of the following is a legal procedure in which a court orders real estate sold to enforce the mortgagee's rights under the mortgage?
- (A) Strict foreclosure
  - (B) Judicial foreclosure
  - (C) Deed-in-Lieu foreclosure
  - (D) Power-of-Sale foreclosure

28. The time period to file a complaint for violation of the Fair Housing Act is:
- (A) 180 days
  - (B) 1 year
  - (C) 2 years
  - (D) 3 years
29. What is the MOST extensive interest in land that a holder might possess?
- (A) Lease hold
  - (B) Free hold
  - (C) Fee simple
  - (D) Life estate
30. The Greens are buying a \$100,000 home with \$20,000 down. Their mortgage broker offers them a 30 year fixed mortgage at a 6.75% note rate. The broker will charge 1% origination and other prepaid finance charges of \$1495. In addition, the insurance on the home is \$675 per year and the taxes are \$980 per year. The loan will close at the Property Title Company on March 12, and they will charge \$630 for the policy and \$300 for simultaneous issue. What is the APR?
- (A) 6.75
  - (B) 6.94
  - (C) 7.04
  - (D) 7.08

**CRMS® SECTION V RESIDENTIAL**

31. The FHA seven unit per borrower limitation regulation is designed to
- (A) Encourage investors to use government financing
  - (B) Discourage rentals in residential neighborhoods
  - (C) Limit insurance exposure on multiple mortgages
  - (D) Encourage pride of ownership in neighborhoods
32. Which one of the following does not have to be cleared up before closing on a purchase?
- (A) Judgment of \$100 against the borrower
  - (B) Unpaid taxes of \$320 against the property
  - (C) Collection of \$200 against the borrower
  - (D) Sewer assessment of \$75 against the seller
33. In order to cancel a loan during the rescission period, a borrower must send a signed notice of rescission. What other requirement must the borrower provide?
- (A) Evidence that the closing figures were different than the initial GFE
  - (B) Evidence that the loan payments will be too high
  - (C) Evidence that the loan officer misrepresented material facts
  - (D) Evidence is not required
34. When obtaining a cash-out FHA refinance, the maximum LTV is what percent of the appraised value?
- (A) 75%
  - (B) 80%
  - (C) 85%
  - (D) 90%
35. In order for a veteran to obtain reinstatement of entitlement for a VA loan, what must be proven?
- (A) The loan is paid off.
  - (B) The house no longer fits their needs.
  - (C) The veteran no longer lives in the house.
  - (D) The veteran has been relocated.
36. Which one of the following is not required for alternative documentation in proving employment on a conforming loan?
- (A) Telephone verification of present employment
  - (B) Past two years W-2's
  - (C) Telephone verification of past employment
  - (D) Pay stubs covering the most recent 30 day period

37. When an appraisal is "subject to completion", what must be done?
- (A) Lender must obtain a certificate of completion from appraiser after repairs are completed
  - (B) Lender must obtain a certificate of completion from seller stating work will be done within 30 days
  - (C) Lender must disregard that appraisal and get another appraisal
  - (D) Lender must obtain a certificate of completion from the buyer stating that work will be done within 30 days
38. What is the monthly payment on a \$90,000 loan at 8% for a 15 year loan?
- (A) \$ 656.01
  - (B) \$ 660.39
  - (C) \$ 854.39
  - (D) \$ 860.09
39. The maximum seller contribution FNMA allows for a 95% loan is:
- (A) 2% of the lesser of the sales price or appraised value
  - (B) 3% of the lesser of the sales price or appraised value
  - (C) 6% of the lesser of the sales price or appraised value
  - (D) 9% of the lesser of the sales price or appraised value
40. Which legal document used at the time of closing spells out the specific responsibilities of the lender and borrower in the covenants section?
- (A) ECOA statement
  - (B) Truth-In-Lending
  - (C) Note/Rider
  - (D) Mortgage/Deed of Trust
41. The broker should gross up all tax exempt income once it has been established. One exception to the rule is:
- (A) Newly established social security
  - (B) Child support payments
  - (C) Clergy housing allowance
  - (D) Alimony payments
42. According to FNMA guidelines, the earnest money deposit MUST be verified by the lender when it:
- (A) Is paid in cash
  - (B) Exceeds 2% of the sales price
  - (C) Is paid by personal check
  - (D) Exceeds 2% of the loan amount
43. A seller's contribution to a buyer's non-recurring closing costs in an investment property acquisition is limited to how much?

- (A) 2% of the lesser of the loan amount or appraised value
  - (B) 2% of the lesser of the purchase price or appraised value
  - (C) 3% of the lesser of the purchase price or appraised value
  - (D) 6% of the lesser of the loan amount or appraised value.
44. Requirements of the Home Ownership and Equity Protection Act (section 32 of TILA) might apply to which transaction?
- (A) Reverse mortgage
  - (B) Refinance
  - (C) Residential mortgage transaction
  - (D) Open-end credit plan
45. Which one of the following is not recommended by FNMA when using credit scoring for underwriting a loan transaction?
- (A) One credit repository score each for multiple borrowers
  - (B) Lowest of two credit repository scores
  - (C) Middle of three credit repository scores for the borrowers
  - (D) Lowest median score of multiple borrowers
46. What FICO score does FNMA recommend as an indicator of successful credit management?
- (A) 560 or higher
  - (B) 630 or higher
  - (C) 650 or higher
  - (D) 660 or higher
47. In qualifying for an FHA loan, FHA uses a vacancy and maintenance factor for rental income of:
- (A) 100%
  - (B) 10%
  - (C) 25%
  - (D) 30%
48. FNMA requires appraisals on new construction to be re-certified after:
- (A) 90 days
  - (B) 120 days
  - (C) 180 days
  - (D) 1 year
49. If the credit report does not contain a reference for the mortgage/rent, the lender must directly verify the payment history for the previous:
- (A) 48 months
  - (B) 36 months

- (C) 24 months
- (D) 12 months

50. CAIVRS is used to obtain information on:

- (A) Property tax liability
- (B) Prior foreclosures
- (C) Citizenship
- (D) Credit scores

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**CRMS® ANSWER KEY**

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<b>1: C</b>	<b>2: A</b>	<b>3: C</b>	<b>4: B</b>	<b>5: A</b>
<b>6: D</b>	<b>7: D</b>	<b>8: D</b>	<b>9: C</b>	<b>10: B</b>
<b>11: B</b>	<b>12: B</b>	<b>13: D</b>	<b>14: A</b>	<b>15: B</b>
<b>16: C</b>	<b>17: C</b>	<b>18: B</b>	<b>19: A</b>	<b>20: C</b>
<b>21: C</b>	<b>22: C</b>	<b>23: D</b>	<b>24: D</b>	<b>25: B</b>
<b>26: B</b>	<b>27: B</b>	<b>28: C</b>	<b>29: C</b>	<b>30: C</b>
<b>31: C</b>	<b>32: C</b>	<b>33: D</b>	<b>34: C</b>	<b>35: A</b>
<b>36: C</b>	<b>37: A</b>	<b>38: D</b>	<b>39: B</b>	<b>40: D</b>
<b>41: D</b>	<b>42: B</b>	<b>43: B</b>	<b>44: B</b>	<b>45: A</b>
<b>46: D</b>	<b>47: C</b>	<b>48: C</b>	<b>49: D</b>	<b>50: B</b>