

MORTGAGE BROKER FEE AGREEMENT AND DISCLOSURE

Do not pay any fees before entering into this agreement with your Broker.

BROKER SERVICES – A mortgage broker charges fees to arrange a loan from a lender who will fund the loan. You have engaged _____ (“Broker”) to arrange a loan for you in the amount of \$(_____) (Note: For a line of credit, the loan amount is the maximum credit limit on the line).

Broker will assist you in obtaining a loan, but Broker does not distribute the products of all lenders, and so cannot guarantee you the lowest price or best terms available. Be sure that you understand and are satisfied with the product and terms Broker arranges for you.

BROKER FEES - You agree to directly pay Broker the following fees:

- Application Fee: \$(_____) [not including any application fees paid to lender]
- Processing Fee: \$(_____) [not including any processing fees paid to lender]
- Other: \$(_____) [_____]
- Broker Fee (Points) \$(_____) This fee will not exceed (____)% of your loan amount

These fees will be paid with cash you must bring to closing, or, depending on your loan approval, you may include some or all of these fees in your loan amount and pay your Broker at closing out of your loan proceeds.

You also agree that the lender may pay your Broker additional fees. Any additional fees paid by the lender to Broker will increase the interest rate on your loan beyond what the interest rate would be if some or all of these fees were paid directly by you. Based on current market rates and your current loan request, the lender may pay Broker \$(_____), but it may go up to \$(_____) based on your current loan amount of \$_____. In no event will the lender pay the Broker more than (____)% of your loan amount.

Once your interest rate is locked and your loan amount and terms are finalized, your Broker will be able to tell you the exact amount of all fees.

BASED ON A LOAN AMOUNT OF \$(_____), THE MAXIMUM AMOUNT OF FEES THE BROKER MAY RECEIVE AT CLOSING IS \$[_____].

THE FEES IN THIS AGREEMENT ARE FOR BROKER SERVICES ONLY AND DO NOT INCLUDE OTHER CLOSING COSTS OR CREDITS FROM BROKER OR OTHER PARTIES. See your “Good Faith Estimate of Closing Costs”. (Note: If your application is for a line of credit, you will not receive a Good Faith Estimate. Rather, at the time of application, you will receive an estimate of the closing fees. You may also request an itemization of those fees.)

DO NOT SIGN THIS DOCUMENT IF YOU DO NOT UNDERSTAND IT.

Borrower: _____
Signature: _____
Date: _____

Co-Borrower: _____
Signature: _____
Date: _____

By: Signature: _____
Printed Name: _____
Title: _____

Date: _____