

BORROWER:

DATE:

PROPERTY:

Mortgage Broker Fee Agreement

Do not pay any fees before signing this Agreement.

This agreement ("Agreement") is by and between _____, a mortgage broker ("we," "us," "our") and the Borrower(s) who sign(s) below ("you," "your").

- 1. **OUR SERVICES:** A mortgage broker charges fees to arrange a loan from a mortgage lender who will fund the loan. We will assist you in obtaining a loan, but we do not distribute the products of all mortgage 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 we arrange for you. By signing below, you request us to arrange a mortgage loan from a mortgage lender and you agree to the Broker Fees listed below for our services.
- 2. **YOUR MORTGAGE LOAN:** You are currently applying for a mortgage loan in the amount of \$_____. If your actual loan amount is different, then the dollar amount of any fee shown above that is based on a percentage of the loan amount may increase if the loan amount increases, or decrease if the loan amount decreases. The fees in this Agreement are for broker services only and do not include other closing costs or credits from us or other parties.
- 3. **BROKER FEES:** Depending on the loan program you select and subject to applicable legal requirements, our fees may be paid by you directly or indirectly, or a combination of both. For the portion of our fees paid directly, you will pay our fees from your own funds at or prior to the loan closing. For the portion of our fees paid indirectly, you may elect to include our fees in your loan amount and pay us at closing out of your loan proceeds. When you elect to pay a higher interest rate, the mortgage lender will provide you with a credit which will be applied against and reduce your settlement charges. We have discussed these fee payment options with you. In addition to our fees, estimates of other fees you will pay in connection with your loan will be shown on your Good Faith Estimate. Once your interest rate is locked and your loan amount and terms are finalized, we will be able to tell you the exact amount of all fees.

NOTE: You may not be charged any fee, other than a reasonable credit report fee (if applicable), prior to (i) receiving your Good Faith Estimate from us, (ii) expressing your intent to proceed with the loan transaction and (iii) receiving the initial disclosures from the mortgage lender.

BROKER/LENDER FEES THAT YOU WILL PAY DIRECTLY:

Amount of Fee

Processing Fee \$_____

Broker Origination Fee (_____ % of loan amount) plus \$_____ \$_____

Paid by Lender Paid by you

Fees Payable to the Lender \$_____

Total Broker/Lender Fees You and/or the Lender Will Pay: \$_____

This amount is included in the "Our Origination Charge" of Block 1 of your Good Faith Estimate.

CREDIT OR CHARGE FOR SETTLEMENT COSTS FROM THE MORTGAGE LENDER IN EXCHANGE FOR YOUR SELECTED INTEREST RATE

Lender Credit to you for interest rate selected (_____ % of loan amount) \$_____

Lender Charge (Discount Points) for the interest rate selected (_____ % of loan amount) \$_____

This will be reflected as a credit or debit to you on Block 2 of your Good Faith Estimate. This may be labeled N/A or represent an estimated figure until your loan is locked. The fees and compensation above are based on current market rates and your current loan request.

If this box is checked, the form has been amended. All amendments must be initialed by borrower, or a new agreement must be completed.

By signing below, you acknowledge that (i) you have received a fully executed copy of this Agreement at the time of your mortgage application; (ii) the Agreement has been explained to you and you understand it; and, (iii) you voluntarily enter into this Agreement and agree to the Broker/Lender fees above.

Borrower Signature Date

Borrower Signature Date

Broker Name: (print name)

Signature: Date