

Mortgage Broker Fee Agreement and Disclosure

This Mortgage Broker Fee Agreement and Disclosure (“Agreement”) is by and between _____, a mortgage broker (“we,” “us,” “our”) and the Borrower(s) who sign(s) below (“you,” “your”). This Agreement discloses and governs the overall fees that will be paid to your mortgage broker for the origination of your loan.

1. OUR SERVICES: A mortgage broker charges fees to arrange a loan from a mortgage lender who will fund the loan. As your mortgage broker, we will assist you in obtaining a loan, but we do not offer the products of all mortgage lenders, and so we cannot guarantee you the lowest price or best loan terms available. Be sure that you understand and are satisfied with the mortgage loan 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 fees listed below for our services.

2. YOUR MORTGAGE LOAN

You are currently applying for a mortgage loan in the amount of \$ _____ .Fees 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 for non-broker related services.

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 by the lender. When you pay our fees directly, you will pay our fees from your own funds at or prior to the loan closing or include our fees in your loan amount and pay us at closing out of loan proceeds. Payment for these fees by 3rd parties, other than the lender, are considered to be paid by you. You may also elect to have the lender pay our fees. If you choose to have our fees paid by the lender, you or any other 3rd party may not contribute towards our compensation. 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.

<p>You are applying for a loan in which (check one):</p> <p style="margin-left: 40px;"> <input type="checkbox"/> You will pay your mortgage broker fees yourself; <input type="checkbox"/> The lender will pay your mortgage broker fees </p>

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. If there is a change in whether you or the Lender pays the Mortgage Broker fees, a revised disclosure will be required.

Amount

MAXIMUM BROKER FEE (1) - All fees that are paid to us for arranging your loan with a mortgage lender. This amount is included in the “Our origination charge” of Block 1 of your Good Faith Estimate. The “Our origination charge” amount represents the total sum of all origination charges and fees for your loan from the mortgage broker, mortgage lender and other third parties, as applicable. The total of these charges are not disclosed here, but will be disclosed on the GFE as “Our Origination Charge”.

(Must be completed)

(1) In Wisconsin, this fee shall constitute a “broker administration fee.” In Iowa, this fee shall constitute a “broker administration fee.” In all other states, this fee shall constitute a broker origination fee.

CREDIT FOR SETTLEMENT COSTS FROM THE MORTGAGE LENDER IN EXCHANGE FOR YOUR SELECTED INTEREST RATE – This will be reflected as a credit to you on Block 2 of your Good Faith Estimate. If your loan amount changes, the dollar amount of this fee may also change:

(Must be completed)

YOUR ADJUSTED ORIGINATION CHARGE - The amount that will be paid by you after applying the above credit from the mortgage lender, if applicable. This amount is included in the “Your Adjusted Origination Charges” of Block A of your Good Faith Estimate. The “Your Adjusted Origination Charges” amount represents the total sum difference of Box 1 and Box 2 of your Good Faith Estimate.:

(Must be completed)

4. Loan Options: If you have elected to have the lender pay the mortgage broker's compensation, for each type of transaction in which you have expressed an interest, your mortgage broker has obtained loan options from a significant number of creditors with which your mortgage broker regularly does business. Your mortgage broker has a good faith belief that you likely qualify for these loans. These options as presented to you represent the following:

Loan with the lowest Interest Rate
Loan with the lowest rate without risky features, such as negative amortization or prepayment penalty
Loan with the lowest total dollar amount for origination points and fees and discount points

By signing below, you acknowledge that:

- (i) You have received an initial Good Faith Estimate within three (3) business days of the mortgage loan application date and you intend to proceed with the loan transaction.
- (ii) The Agreement has been explained to you and you understand it.
- (iii) You have not been charged any fees, other than a reasonable credit fee (if applicable), prior to entering into this Agreement
- (iv) You voluntarily enter into this Agreement and agree to the fees above.
- (v) The fees above are based on current market rates and your current loan request.
- (vi) If you have elected to have the lender pay the mortgage broker's compensation, you have been provided with loan options that represent a loan with the lowest interest rate, loan with the lowest interest rate without risky features and loan with the lowest total dollar amount for origination points and fees and discount points

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

Borrower: _____ Co-Borrower: _____

Signature: _____ Signature: _____

Date: _____ Date: _____

Broker Name: _____ **By:** Signature: _____
(Printed Name)

Date: _____