

MORTGAGE LOAN ORIGINATION AGREEMENT

You, the applicant(s) who have signed below, enter into this Mortgage Loan Origination Agreement

("Agreement") with _____

located at _____

("Broker"). Broker has authorized

_____ to enter into this Agreement on its behalf.

In this Agreement, the Broker and

_____ are collectively referred to as "we," "us" or

"our." The entity that will provide your mortgage loan funds is referred to as a "lender."

NATURE OF RELATIONSHIP

- You agree that we are acting as an independent contractor, and not as an agent of you or a lender.
- We have entered into separate, independent contractor agreements with approximately _____ lenders.
- We will assist you in obtaining a loan from a lender upon such terms and conditions as you may request or a lender may require. We are licensed as a mortgage broker under the laws of _____.
- We seek to assist you in meeting your mortgage financing needs in a responsive and professional manner. We do not, however, distribute the products of all lenders and cannot guarantee the lowest loan price or best loan terms available in the market.

OTHER TERMS

- You understand that this Agreement is not a commitment to extend credit.
- You agree that a lender who provides you with a mortgage loan may rely on this Agreement and your selected method of compensating us, but the Lender will receive none of the compensation discussed herein.
- You acknowledge receipt of a copy of this signed Agreement and Exhibit A.
- You may wish to consult with legal counsel before signing this Agreement.
- By signing this Agreement, you expressly request Broker to perform the services identified within the Agreement for the compensation listed.

Applicant(s)	
Initials	Initials

Broker
Initials

OUR COMPENSATION

- The origination of a mortgage loan requires the provision of certain goods, facilities and services at a cost that you ultimately pay.
- We require compensation for the goods, facilities and services we provide to assist you to obtain a loan, which may include some or all of those listed on the attached **Exhibit A**.
- There are several methods of compensating us for the goods, facilities and services we provide, and we encourage you to discuss these methods with us:
 - You may pay all of our compensation from your own funds. If you pay all of our compensation directly, your out of pocket costs at closing will be higher but your interest rate and monthly payment will be lower compared to other methods you may choose to compensate us;
 - You may let us arrange for the financing of our compensation by letting us take our compensation out of your loan proceeds. Because financing our compensation in this manner will increase your loan amount, you will pay a higher monthly payment and you may pay higher points and fees (e.g., if such are based on the loan amount);
 - You may let us arrange for the financing of our compensation through your loan's interest rate. Lenders generally provide their loan products to us at a wholesale interest rate. We can offer a loan to you at a higher, retail interest rate. We will obtain our compensation based on a formula that takes into account the difference between the wholesale and retail rates. The amount paid by the lender to us is commonly referred to as a Yield Spread Premium ("YSP"). Because financing our compensation in this manner will increase your loan's interest rate, you will pay a higher monthly payment; or
 - You may use a combination of any of the foregoing methods for compensating us.
- You understand that the method of compensation that you select may impact the availability of various loan products and the terms of any offered loan. As a result, you may select your desired method of compensating us before closing and at a point in time when you are better able to ascertain how each method of compensating us will impact your finances and the availability of certain loan products. You will confirm your selection of a particular method to compensate us at closing.
- The loan amount currently being requested is \$ _____.
- Our total Mortgage Broker compensation, disclosed as both Mortgage Broker Fee and YSP below, including fees payable to third parties for assisting you in obtaining a loan will not exceed \$ _____. Our total compensation is broken out as follows:
 - YSP to the Mortgage Broker will be _____ % which equals \$ _____. YSP is determined by multiplying the YSP percentage by the loan amount. For Home Equity Lines of Credit ("HELOCs"), the YSP percentage is multiplied using the draw amount (the amount advanced to you at closing). Please note that YSP is based on loan/draw amount and as loan/draw amount changes (either higher or lower than the original amount requested) the YSP amount will change accordingly.
 - Mortgage Broker fee will be: \$ _____. This total may include such fees as Application, Origination, Processing, etc.
- The actual amount of our compensation will be disclosed on your HUD-1 or HUD-1A Settlement Statement and on the Mortgage Broker Compensation Confirmation you will receive at closing.

MORTGAGE LOAN APPLICANT(S)

Signature _____	Signature _____
Name (Print) _____	Name (Print) _____
Date _____	Date _____

BROKER

Brokerage _____	Signature _____
Date _____	Name (Print) _____

Exhibit A

**Broker will perform some or all of these origination services
in relation to your loan application**

Application (required)

- a. Obtain loan application information from each borrower and fill out the application.

Counseling Type Services

- a. Analyze the prospective borrower's income and debt, and pre-qualify the prospective borrower to determine the maximum loan that the prospective borrower can afford.
- b. Educate each prospective borrower in the home buying and financing process, advise each borrower about the different types of loan products available, and demonstrate how closing costs and monthly payments vary under each product.
- c. Collect financial information required by the Lender, (e.g. tax returns, bank statements) and other related documents that are part of the application process.
- d. Assist each borrower to understand and resolve credit problems.
- e. Maintain regular contact with each borrower, the lender, and any realtor, dealer or other involved third party, between the submission of an application and any closing to apprise each of them as to the status of the application and to gather any additional information as needed.

Other Origination Services

- a. Provide required legal disclosures (e.g. Truth-In-Lending, Good Faith Estimate) to the prospective borrower(s).
- b. Initiate and order VOEs (verification of employment) and VODs (verification of deposit).
- c. Initiate and order requests for mortgage and other loan verifications.
- d. Initiate and order appraisals and other inspections.
- e. Initiate and order inspections or engineering reports.
- f. Order legal documents.
- g. Determine whether the property is located in a flood zone or order such service.
- h. Participate in the loan closing and forward the closing documents to the Lender.

Applicant(s)		Broker
Initials	Initials	Initials