

Broker Fee Agreement

GENERAL INFORMATION

Broker Name: _____ Loan # (if known): _____

Borrower Name(s): _____

Property Address: _____

City: _____ State: _____ Zip Code: _____

BROKER FEE AGREEMENT

NO STATEMENT OR REPRESENTATION BY A MORTGAGE BROKER IS VALID OR ENFORCEABLE UNLESS THE STATEMENT OR REPRESENTATION IS IN WRITING.

You have engaged the above-named mortgage broker to advise and assist you in obtaining a residential mortgage loan to be secured by real property you own or are purchasing upon such terms and conditions as you may request in your loan application and/or a lender may require. This Broker Fee Agreement ("Agreement") describes some of the services the mortgage broker will provide and the compensation for such services.

1. **OUR SERVICES:** We are acting as an independent contractor and not as your agent or fiduciary. 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. Our services may include, but are not limited to:

- Arranging for a conditional mortgage loan commitment between you and a mortgage lender;
- Taking an application, assembling information and preparing all paperwork and documentation necessary for a conditional mortgage loan commitment; and
- Reviewing, analyzing and evaluating your financial statements, income and credit history.

We will continue to provide these services until your loan is closed or you terminate our services for any reason, whichever occurs earlier.

You understand that the mortgage broker works on a best effort basis and cannot make mortgage loans or issue loan commitments in the broker's name. We cannot guarantee acceptance into any particular mortgage program or promise any specific mortgage loan conditions.

2. **BROKER FEES:** Our Broker Fees will either be paid by you directly, or by the mortgage lender, Federal law prohibits us from receiving Broker Fees from you and the mortgage lender on the same transaction. If our Broker Fees are paid by the mortgage lender, your interest rate will be higher than if you pay our Broker Fees directly. However, the amount of Broker Fees we receive from the mortgage lender will not vary based upon the interest rate you receive. In addition to our Broker Fees, estimates of other fees you will pay in connection with your loan are shown on your loan estimate.

We have discussed these options with you, and you have selected the following option for payment of Broker Fees (*check the applicable box below*):

Broker Fee Agreement

You will pay all Broker Fees Directly

Amount of Fee

Application Fee

\$_____

 Non-refundable

 Refundable if: _____

Broker Fee (*An amount not to exceed _____ % of the loan amount*)

\$_____

 Non-refundable

 Refundable if: _____

Processing Fee

\$_____

 Non-refundable

 Refundable if: _____

Other: _____

\$_____

 Non-refundable

 Refundable if: _____

Total Direct Broker Fees:

(Excluding fees paid to third parties, such as appraisal fees)

\$_____

(Line above must be completed)

The Mortgage Lender will pay the Broker Fees

The Lender will pay us a Broker Fee.

The amount of the Broker Fee will be _____% of your loan amount.

Plus flat fee of \$_____ (*if applicable*)

You will not pay us any Broker Fees in connection with this loan.

\$_____

3. **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 of the 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.

Broker Fee Agreement

AGREEMENT

By signing below, I acknowledge that I have received a fully executed copy of this Agreement at the time of my mortgage application. It has been explained to me and I understand it. I voluntarily enter into this Agreement and agree to the Broker Fees above.

Broker

Broker Signature: _____

Date: _____

Broker Name (Print): _____

Applicant

Applicant Signature: _____

Date: _____

Applicant Signature: _____

Date: _____