

## MORTGAGE BROKER FEE AGREEMENT AND DISCLOSURE

This Mortgage Broker Fee Agreement and Disclosure (“Agreement”) is by and between \_\_\_\_\_, a mortgage broker (“Broker”) and \_\_\_\_\_ (“Borrower”). This Agreement discloses and governs the overall compensation that will be paid to Broker for the origination of Borrower’s mortgage loan.

### Broker Services

Broker is compensated to arrange a mortgage loan from a lender who will fund the mortgage loan. Broker will assist you in obtaining a loan from a lender. Please note that Broker does not offer the products of all mortgage lenders, so cannot guarantee you the lowest price or best loan terms available in the market. Be sure that you understand and are satisfied with the mortgage loan we arrange for you.

### Broker Compensation

Broker’s compensation may be paid by you directly (Borrower Paid Compensation) or by the mortgage lender (Lender Paid Compensation). Broker may not receive compensation from both you and the mortgage lender. Please choose one of the following methods of Broker Compensation:

**Borrower Paid Compensation:** If you pay Broker’s compensation directly, you will pay Broker’s compensation from your own funds or the loan proceeds at the time of closing. Paying Broker’s compensation directly may result in a lower interest rate. Any credit you receive from the mortgage lender cannot be used to pay any portion of Broker’s compensation.

**Lender Paid Compensation:** The mortgage lender will pay Broker’s compensation, usually through an increase to the interest rate.

The Broker compensation in this Agreement is for Broker’s services only and does not include other closing costs and charges which may be incurred in connection with your mortgage loan. Estimates of the costs and charges you will pay in connection with your mortgage loan will be shown on the Loan Estimate.

You will not be charged any fee, other than a reasonable credit report fee (if applicable), prior to (1) receiving the Loan Estimate; and (2) indicating your intent to proceed with the mortgage loan transaction.

By signing below, you acknowledge and agree as follows:

- (1) You request Broker to arrange a mortgage loan from a lender, and agree to the compensation set forth above for Broker’s services.
- (2) This Agreement has been explained to you and you understand its terms.
- (3) The compensation set forth above is based on current market rates and your current mortgage loan request.

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|--------------------------------|---------------|---------------------------------------|---------------|
| _____<br>Borrower Signature    | _____<br>Date | _____<br>Co-Borrower Signature        | _____<br>Date |
| _____<br>Borrower Printed Name |               | _____<br>Co-Borrower Printed Name     |               |
| _____<br>Broker Name           |               | _____<br>Loan Originator Signature    | _____<br>Date |
|                                |               | _____<br>Loan Originator Printed Name |               |