

# 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 \$\_\_\_\_\_. Your fees may increase if the loan amount increases, or decrease if the loan amount decreases. The fees in this Agreement are for broker services and do not include other closing costs or credits from us or other parties for non-broker related services. Please refer to your Good Faith Estimate for other fees related to the settlement of your loan.
- 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. In addition, you may pay our fees by electing to pay the mortgage lender a higher interest rate.

When you elect to pay a higher interest rate, the mortgage lender will provide you with a credit which will be applied against and may reduce your settlement charges, including our fees. Paying our fees directly versus indirectly may result in a lower interest rate. 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.

**MAXIMUM BROKER FEE:** This amount represents the total of all fees that are paid to us, directly or indirectly, 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.

\_\_\_\_\_  
**Must be completed**

Please note, the amount listed as “Our origination charge” in Block 1 of your Good Faith Estimate may be greater than the Maximum Broker Fee shown here, as the total “Our Origination Charge” may also contain other origination charges and fees for your loan from the mortgage lender and other third parties, as applicable.

**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:

\_\_\_\_\_  
**Must be completed**

Please note that until you lock your interest rate the amount of this credit may change. If the credit is reduced, the portion of our fees paid by you to us directly will increase.

**YOUR ADJUSTED BROKER FEE** - The portion of our fees that will be paid by you to us directly after applying the above credit of the mortgage lender, if applicable. This amount is included in the “Your Adjusted Origination Charges” of Block A on your Good Faith Estimate. Until you lock your interest rate, your adjusted broker fees may change and you may be required to pay higher fees directly to us at closing.

\_\_\_\_\_  
**Must be completed**

The “Your Adjusted Origination Charges” amount on your Good Faith Estimate may be different than the amount listed here as “Your Adjusted Origination Charges” on your Good Faith Estimate represents the total sum or difference of Blocks 1 and 2 on your Good Faith Estimate.

**Borrower:** \_\_\_\_\_

**Co-Borrower:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Broker Name:** \_\_\_\_\_

**Broker Signature:** \_\_\_\_\_