

LOAN BROKERAGE AGREEMENT

Date: _____
App. No.: _____
Licensee: _____
Borrower(s): _____
Property Address: _____

YOU OR YOUR ATTORNEY MAY REVIEW A COPY OF THIS LOAN BROKERAGE AGREEMENT PRIOR TO SIGNING IT.

You have engaged the above-named residential mortgage lender licensee ("we," "us" and "our") to advise and assist you in obtaining a mortgage loan, repayment of which will be secured by real property you own, from a participating lender with whom we from time to time contract upon such terms and conditions as you may request or a lender may require. This agreement describes the services we will provide or perform and our compensation for such services, and is the only agreement between you and us with respect to this loan transaction.

DESCRIPTION OF THE NATURE OF OUR RELATIONSHIP AND THE SERVICES WE WILL PROVIDE OR PERFORM

We are acting as your agent in providing the services described below, and as such, owe you a fiduciary duty of utmost care, honesty, and loyalty in the transaction, including the duty of full disclosure of all material facts. We may also be authorized to act as an agent for one or more other person(s) in connection with this transaction; if so, the names of all such other person(s) is/are:

While we seek to assist you in meeting your financial needs, we do not distribute the products of all lenders or investors in the market; we cannot guarantee the lowest price or best terms available in the market and we cannot guarantee acceptance into any particular loan program or promise any specific loan terms or conditions. Our services may include, but are not limited to, the following:

- Taking information from you and filling out a loan application;
- Analyzing your income and debt and pre-qualifying you to determine the maximum mortgage that you can afford;
- Educating you in the home buying and financing process, advising you about the different types of loan products available, and demonstrating how closing costs and monthly payments could vary under each product;
- Collecting financial information (such as tax returns, bank statements and the like) and other related documents that are part of the application process;
- Initiating and/or ordering VOEs (verifications of employment) and VODs (verifications of deposit);
- Initiating and/or ordering requests for mortgage and other loan verifications;
- Initiating and/or ordering appraisals;
- Initiating and/or ordering inspections or engineering reports;
- Providing required federal and state disclosures and notices to you;
- Assisting you in understanding and clearing credit problems;
- Maintaining regular contact with you and others involved in the application process (such as realtors and the lender) between application and closing to apprise them of the status of the application and gather any additional information as needed;
- Ordering legal documents;
- Determining whether the property is located in a flood zone or ordering such service; and
- Participating in the loan closing.

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

OUR COMPENSATION

The lenders whose loan products we distribute generally provide their loan products to us at a wholesale rate. The retail price we offer you - your interest rate, total points and fees - will include our compensation. In some cases, we will receive all of our compensation from you, to be paid in cash or from the loan proceeds at the time of settlement. In other cases, we will receive all of our compensation from the lender. You may be able to obtain a lower interest rate by paying higher points and fees. (A "point" is 1% of the loan amount.) Alternatively, you may be able to finance the payment of our compensation or other costs that you would otherwise be required to pay directly by paying a higher interest rate.

Having discussed the specific effects these alternatives may have on your interest rate, points, fees and other loan terms, and the various payment options that are available to you, you agree our compensation will be paid as follows:

- (1) **Borrower Compensation:** As compensation for our services under this Agreement, you agree to pay us a mortgage brokerage fee in the amount of _____ % of the loan amount or \$ _____. You may

