

## Broker Fee Disclosure

**Borrower's Name:** \_\_\_\_\_

Dear Borrower,

This document is intended to detail fees that will be paid to your Mortgage Broker. You are requesting your mortgage broker invest time in researching, processing and providing assistance to you in the home loan process. Your mortgage broker will be paid for the time and effort spent on your behalf, and you are agreeing that your mortgage broker will be paid as follows.

You have a choice in how your mortgage broker will be paid. You may either pay your mortgage broker yourself, or the lender may pay all your mortgage broker fees for you in exchange for you paying a higher interest rate. Ask your mortgage broker about how these two options will impact your interest rate and fees.

You are applying for a loan in which (*check one*):  You will pay your mortgage broker fees yourself; or  
 The lender will pay your mortgage broker fees for you.

Based on the option and loan type you selected, the information below explains how you will pay your mortgage broker: Please only complete one section.

<p>The amount in the box to the right is the portion of the mortgage broker fees that you will pay to your mortgage broker. ⇒</p> <p>This amount is calculated as _____% of your estimated loan amount, plus \$_____ in fees. Your estimated loan amount is \$_____. If your loan amount changes, the dollar amount of this fee will also change, but will still be based on the same percentage and the same minimum and maximum.</p>	\$
<p>The amount in the box to the right is the portion of the mortgage broker fees that the lender will pay to your broker. Ask your mortgage broker if the lender is providing any additional credit to be applied to other settlement charges. ⇒</p> <p>This amount is calculated as _____% of your estimated loan amount. Your estimated loan amount is \$_____. If your loan amount changes, the dollar amount of this fee will also change, but will still be based on the same percentage and the same minimum and maximum.</p>	\$

Your Loan Options. For each type of transaction in which you expressed an interest, your mortgage broker has obtained loan options from a significant number of the creditors with which your mortgage broker regularly does business. Your mortgage broker has a good faith belief that you likely qualify for the following loans:

Type of Transaction ( <i>check one</i> ) <input type="checkbox"/> Fixed Rate <input type="checkbox"/> Adjustable Rate	Interest Rate	Total origination points or fees and discount points
Loan with the lowest Interest Rate ⇒	%	\$
Loan with the lowest Interest Rate without negative amortization, a prepayment penalty, interest-only payments, a balloon payment ⇒	%	\$

in the first 7 years of the life of the loan, a demand feature, shared equity, or shared appreciation			
Loan with the lowest total dollar amount for origination points or fees and discount points	⇒	%	\$
<b>You are applying for a loan with the following terms</b>	⇒	%	\$

If you expressed an interest in an adjustable rate loan and if the loan's initial rate is fixed for at least 5 years, the "Interest Rate" disclosed in this document is the initial rate that would be in effect at consummation. If the loan's initial rate is not fixed for at least 5 years, the Interest Rate is the fully-indexed rate that would be in effect at consummation without regard to any initial discount or premium.

**This is not a lock-in agreement or a loan commitment.** While the Interest Rate and fees described throughout this document are available on the date this document was prepared, if you have not locked your loan they are subject to change and may not be available on the day you do lock your loan. Additionally, even if your loan is locked, the Interest Rate and fees may be subject to change as the loan is underwritten.

If you have not locked your loan, please be aware that interest rates move constantly. The way to set a certain Interest Rate and fees is for your mortgage broker to lock your loan. Once you lock your loan, you are agreeing to close your loan within a certain period of time and at a certain interest rate. If you instruct your mortgage broker to lock your loan, your mortgage broker can explain to you the Interest Rate and fees you will pay.

You have or will be provided with a Loan Estimate ("LE"). Please be sure that you have received the LE, and that you understand and are comfortable with the fees disclosed on it. If you pay fees before the loan closes, ask your mortgage broker whether those fees are partially or fully refundable and under what circumstances. Be sure that you understand and are satisfied with the product and terms that have been offered to you.

Signed:

\_\_\_\_\_  
 Broker Loan Officer Name                      Broker Loan Officer Signature                      Date

\_\_\_\_\_  
 Broker Entity Name    Broker Entity Address & License Number

\_\_\_\_\_  
 Borrower Name                                      Borrower Signature                                      Date

\_\_\_\_\_  
 Borrower Name                                      Borrower Signature                                      Date

\_\_\_\_\_  
 Borrower Name                                      Borrower Signature                                      Date

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 Borrower Name                                      Borrower Signature                                      Date