

1 If this box is checked, the form has been amended.

Mortgage Broker Fee Agreement

Do not pay any fees before entering into this Agreement.

This agreement ("Agreement") is by and between **2** _____, a mortgage broker ("we," "us," "our") and the Borrower(s) who sign(s) below ("you," "your").

1. OUR SERVICES: A mortgage broker charges fees to arrange a loan from a mortgage lender who will fund the loan. We will assist you in obtaining a loan, but we do not distribute the products of all mortgage lenders, and so cannot guarantee you the lowest price or best terms available. Be sure that you understand and are satisfied with the 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 Broker Fees listed below for our services.

2. YOUR MORTGAGE LOAN: You are currently applying for a mortgage loan in the amount of \$ **3** _____. If your actual loan amount is different, then the dollar amount of any 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. The fees in this Agreement are for broker services only and do not include other closing costs or credits from us or other parties.

3. BROKER FEES: Our Broker Fees may be paid by you directly and will be paid with cash you must bring to closing, or, depending on your loan approval, you may include some or all of these fees in your loan amount and pay us at closing out of your loan proceeds. You also agree that the mortgage lender may pay us additional fees which are typically called a "yield spread premium." Any additional fees paid by the mortgage lender to us will increase the interest rate on your loan beyond what the interest rate would be if some or all of these fees were paid directly by you. We have discussed this pricing option with you. In addition to our Broker Fees, estimates of other fees you will pay in connection with your loan are shown on your Good Faith Estimate of Closing Costs. 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.

Broker Fees That You Will Pay Directly:

Amount of Fee

Application Fee

\$ _____ **4a**

Processing Fee

\$ _____ **4b**

Other: (e.g. Origination Fee) _____

\$ _____ **4c**

Broker Points (_____ % of loan amount)

\$ _____ **4d**

4 **Total Direct Broker Fees You Will Pay:**
(Excluding fees paid to third parties, such as appraisal fees)

\$ _____
(Must be completed)

5 **Broker Compensation That the Lender Will Pay:**
The mortgage lender will pay a yield spread premium to us as your mortgage broker.
The yield spread premium will not exceed _____ % of your loan amount.

\$ _____
(Must be completed)

6 **MAXIMUM BROKER FEE:** Total including Direct Broker Fees and Broker Compensation that the Lender will pay:

\$ _____
(Must be completed)

The fees and compensation above are based on current market rates and your current loan request.

By signing below, you acknowledge that (i) you have received a fully executed copy of this Agreement at the time of your mortgage application; (ii) the Agreement has been explained to you and you understand it; and, (iii) you voluntarily enter into this Agreement and agree to the Broker Fees above.

7 Borrower: _____
Signature: _____
Date: _____

Co-Borrower: _____
Signature: _____
Date: _____

Broker Name: _____
Printed Name: _____

By: Signature: _____
Date: _____

INSTRUCTION PAGE

- 1** **Optional:** Check this box if:
- The original form was not accurate (e.g. calculation was incorrect or fee amount was illegible). Changes were initialed and dated by all borrowers and broker prior to signing closing docs.
 - Maximum Broker Fees **6** increase as a result of an acceptable exception in policy (e.g. product change) and prior to signing closing docs either (1) this was a new Agreement that was fully executed and dated, or (2) the original form was amended with changes that have been initialed and dated by all borrowers and broker.

2 **Optional:** Enter the Broker Company Name

3 **Mandatory:** Enter loan amount including UFMIP.

4 **Mandatory:** Must equal **4a** + **4b** + **4c** + **4d**

4a	Application Fee	Optional
4b	Processing Fee	Optional
4c	Other: If other broker fees are being charged, enter fee name. Do not include third party fees.	Optional
4d	Broker Points: If Broker Points are being charged, enter percentage and amount.	Optional. If completed, Must equal % x loan amount. Note: on FHA loans, 1% Origination Point x base loan amount is acceptable.

Note: Do not include third party fees (e.g. credit report fee).

- 5** **Enter the YSP Percentage (%) and Amount (% x loan amount).**
- Percentage (%) and Amount are mandatory. Blanks are not acceptable.**
 - ❖ Must enter the percentage and fee dollar amount.
 - ❖ Amount must equal YSP % x loan amount.
 - ❖ If YSP is not applicable, enter \$0 or N/A in either or both fields.

6 **Mandatory:** Must equal **4** + **5**

7 EVERY borrower and broker **must** sign and date **prior to** submission.

Borrower: _____
 Signature: _____
 Date: _____
 Broker Name: _____
 Printed Name: _____

Co-Borrower: _____
 Signature: _____
 Date: _____
 By: Signature: _____
 Date: _____