

# 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 \$ \_\_\_\_\_  
Our fees 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 for non-broker related services.

**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 by the lender. 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 by the lender, the lender will compensate us based on the interest rate and term selected. When you elect to pay a higher interest rate, the mortgage lender may provide you with a credit which can be applied against and reduce your settlement charges. 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.

Only one section is to be completed. You will either fill in the Paid by Consumer section or Paid by the Mortgage Lender section. You will not complete both.

### Amount

**Broker Compensation Paid by Consumer** (1) - This amount represents the total of all fees that are paid to us directly by you 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 (GFE). The "Our origination charge" amount represents the total sum of all origination charges and fees for your loan from the mortgage broker, mortgage lender and other third parties, as applicable.

\_\_\_\_\_

(1) In Wisconsin, this fee shall constitute a "broker administration fee." In Iowa, this fee shall constitute a "broker administration fee." In all other states, this fee shall constitute a broker origination fee.

## OR

**Broker Compensation Paid by the Mortgage Lender** - This amount represents the total of all fees that are paid to us by the mortgage lender for your loan with that mortgage lender. This amount is included in the "Our origination charge" of Block 1 of your Good Faith Estimate (GFE). The "Our origination charge" amount represents the total sum of all origination charges and fees for your loan from the mortgage broker, mortgage lender and other third parties, as applicable.

\_\_\_\_\_

By signing below, you acknowledge that:

- (i) You have received an initial Good Faith Estimate within three (3) business days of the mortgage loan application date and you intend to proceed with the loan transaction.
- (ii) The Agreement has been explained to you and you understand it.
- (iii) You have not been charged any fees, other than a reasonable credit fee (if applicable), prior to entering into this Agreement
- (iv) You voluntarily enter into this Agreement and agree to the fees above.
- (v) The fees above are based on current market rates and your current loan request.

If this box is checked, the form has been amended. All amendments must be initialed by borrower, or a new agreement must be completed.

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

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

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

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

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

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

**Broker Name:** \_\_\_\_\_  
(Printed Name)

By: Signature: \_\_\_\_\_

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