

Mortgage Brokerage Agreement: California

Borrower Name: _____ Loan #: _____

Borrower Name: _____ MIN: _____

Property Address: _____

City: _____ State: _____ Zip Code: _____

Broker Name: _____

Broker Loan #: _____

Broker License #: _____

AGREEMENT TERMS & CONDITIONS

Broker is acting as your agent in providing brokerage services to you. When acting as your agent, Broker owes to you a fiduciary duty of the utmost care, honesty, and loyalty in the transaction, including the duty of full disclosure of all material facts. Broker enters into separate independent contractor agreements with various lenders. While Broker seeks to assist you in meeting your financial needs, Broker does not distribute the products of all lenders or investors in the market and cannot guarantee the lowest price or best terms available in the market, nor can Broker guarantee your acceptance into any loan financing program.

Broker ___ is ___ not authorized to act as an agent for another person(s). If Broker is authorized to act as an agent for another person(s) in this transaction, that person or those persons are identified as follows:

The services that Broker will perform may include, but are not limited to, the following:

Loan Services

- ___ Obtain applicant information and fill out application.
- ___ Provide disclosures (Truth-in-Lending, Good Faith Estimate, state disclosures).
- ___ Initiate and order verification of employment / verification of deposit(s).
- ___ Initiate and order mortgage payoff statement(s) and other loan verifications.
- ___ Initiate and order appraisal(s).
- ___ Order legal documents.
- ___ Make / order Flood Zone determination.
- ___ Participate in loan closing.
- ___ Submit applicant information to lender(s) for approval.

Counseling Services

Analyze income and debt to determine the maximum mortgage amount.

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- ☐ Collect financial information and other related documents.
- ☐ Educate the applicant in the home buying and/or financing process.
- ☐ Assist in identifying and clearing credit problems.
- ☐ Maintain regular contact with applicant, realtors, and lender.

Additional Services

- ☐ Initiate and order any inspections or engineering reports.
- ☐ Order mortgage insurance.
- ☐ Order tax certificate.
- ☐ Operate a computer loan origination system (CLO).
- ☐ Operate an automated underwriting system (AUS).
- ☐ Order title insurance commitment / abstract.
- ☐ Order survey.
- ☐ Order credit report.
- ☐ Order insured closing letter from settlement agent.
- ☐ Other: _____

Borrower is obligated to pay Broker for brokerage services rendered under this Agreement at the time of closing. No broker fee will be charged if the loan fails to close.

If Broker, as a licensee, makes a materially false or misleading statement or omission in the inducement or implementation of this Agreement, the Borrower may, in addition to other legal rights or remedies, upon written notice, (i) rescind the brokerage Agreement; (ii) recover fees paid by the Borrower to the Broker for brokerage services rendered by Broker pursuant to this Agreement; (iii) recover actual costs, including attorney's fees, for enforcing the Borrower's rights under this Agreement.

This Agreement shall be the only agreement between the Borrower and the Broker with respect to a single loan for the property referenced above.

A Broker whose services are limited to providing brokerage services may not require a Borrower to pay fees or charges before the residential mortgage loan closing. This Agreement requires the following:

(Only one may be checked)

- ☐ No advance fees, other than credit report and appraisal fees, will be collected by Broker prior to loan closing. Borrower may be asked to pay third party vendors directly.
- ☐ Actual charges to be incurred by the Broker on behalf of the Borrower for services from third parties necessary to process the application, such as credit reports, appraisals, inspections, flood certification, and tax service, and, in transactions where those services are provided by the Broker, a charge not to exceed the fee customarily charged for the same or comparable service in the community in which the service was rendered. If actual costs are less than collected, the excess will be refunded to the Borrower.

Additional Broker compensation may come from a service release or yield spread premium derived from the loan because of a higher interest rate and may be paid directly to Broker by the lender. A good faith estimate of the fees Broker will receive for the services provided, whether paid by Borrower, or an institutional lender, is contained in the attached hereto and made a part hereof (Mortgage Loan Disclosure Statement).

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ACKNOWLEDGMENT

I/We hereby acknowledge that this California Brokerage Agreement was executed by me/us and Broker before Broker performed any brokerage services and that a copy of this Agreement was provided to me at the time of execution or within three (3) business days after execution. I/We further acknowledge that nothing contained in this Agreement guarantees that my/our loan will be accepted by any lender or investor and understand that this Agreement does not constitute an approval of a loan.

BORROWER

Borrower Signature: _____

Date:

Borrower Signature: _____

Date:

BROKER (AUTHORIZED REPRESENTATIVE)

By: _____

Date:

Print Name: