

FEE INFORMATION FROM YOUR MORTGAGE BROKER

For Your Mortgage Loan or Home Equity Line of Credit ("loan")

Dear Borrower:

This disclosure explains the costs you will pay for services provided by your mortgage broker, and the options you have to pay those costs.

You are requesting that 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 to pay your mortgage broker as described below.

There are three ways that your mortgage broker can be paid. Not all of these payment methods are available on every loan and only you can decide which available option(s) makes the most sense for you.

- You may choose to pay your mortgage broker an agreed to amount that will not result in an increase in your interest rate if those fees are paid at or before closing with your own funds.
- You may choose to pay your mortgage broker an agreed to amount over the term of your loan by adding those fees to your loan amount. If you choose this option, you will owe more money to the lender and you will pay interest on those mortgage broker fees.
- You may pay your mortgage broker by choosing to pay the lender a higher interest rate. In turn, the lender may pay certain mortgage broker fees on your behalf. (This is sometimes called "Mortgage Broker Compensation," "Yield Spread Premium" or "YSP")

In summary, you may pay all mortgage broker fees up front and pay a lower interest rate. Or, if you prefer to minimize your upfront fees, you may add mortgage broker fees to your loan amount or you may pay over time by paying a higher interest rate to your lender.

Interest rates move constantly. The way to set a certain interest rate with a lender is for your mortgage broker to "lock" your loan (if your lender allows you the option 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 you will pay. If you choose to pay your mortgage broker fees through a higher interest rate and your loan has been locked, your mortgage broker will tell you the amount of the mortgage broker fee that the lender is paying to the mortgage broker. The amount of the mortgage broker fee paid by the lender may vary depending on the loan product and terms, as well as the lender with whom your mortgage broker places your loan. Be sure that you understand and are satisfied with the product and terms that have been offered to you.

This document discloses only the fees charged by your mortgage broker. Other companies may also charge for services related to your loan that are to be paid by you, your mortgage broker, or another party. You should receive a separate disclosure of those costs. Please be sure that you have received that disclosure, 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.

If the terms of your loan materially change, the costs you will pay for services provided by your mortgage broker, and how you will pay those costs, may also change.

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- Original Disclosure** provided with loan application.
- Addendum to Original Disclosure** The costs you will pay for services provided by your mortgage broker and how you will pay those costs have changed from those previously disclosed to you due to the following material. change(s) to your loan (check all that apply):

Loan Number _____

- Your loan amount has changed Your loan program has changed Your loan has been re-locked
- The total cost has not changed, but how you will pay these costs has changed.

FIRST MORTGAGE

The fees you pay your mortgage broker directly or indirectly for the first mortgage will be:

Mortgage Broker Compensation ¹	\$		¹ This fee is paid via YSP.
Processing Fee	\$		
Origination Fee ² (% of \$)	\$		² If the actual amount of your loan is different, the amount of the origination fee will change, but it will still be based on the same percentage.
Percent of Loan Amount	\$		
Total Compensation	\$		

You will pay these fees using: *(check all that apply)*

- Option 1 Your lender will pay your mortgage broker via YSP not to exceed \$ _____. This may result in lower up front costs but you will pay a higher interest rate than if you choose one of the other available options.
- Option 2 You choose to pay mortgage broker fees in the amount of \$ _____ at or before your loan closing.
- Option 3 You choose to add mortgage broker fees in the amount of \$ _____ to your loan balance.
- Option 4 Third parties, such as the seller or builder, will pay mortgage broker fees on your behalf in amount of \$ _____.

SECOND MORTGAGE

If you are applying for a second mortgage, you are borrowing more money against your home. You will have two mortgage payments every month. The mortgages may have different interest rates and they may be due over different time periods. The fees you pay your mortgage broker for the second mortgage will be:

Processing Fee	\$	
Origination Fee	\$	
Total	\$	

You will pay these fees using: *(check all that apply)*

- Option 1 You choose to pay mortgage broker fees in the amount of \$ _____ at or before your loan closing.
- Option 2 You choose to add mortgage broker fees in the amount of \$ _____ to your loan balance.

In addition to the "total" amount disclosed above,

- IF THIS IS A LOAN: The lender will pay mortgage broker fees in the amount of \$ _____ which is equal to _____ % of the amount of your Loan (\$ _____). This amount paid by the lender does not vary with your loan's interest rate.
- IF THIS IS A LINE OF CREDIT: The lender will pay mortgage broker fees up to \$ _____ which is equal to _____ % of the estimated amount of your Line of Credit (\$ _____). The actual amount of the fees paid will be based on the amount of your initial advance. If the actual amount of your initial advance is different, the amount of this fee will be lower, but it will still be based on this same percentage. This amount paid by the lender does not vary with your loan's interest rate.

Signed:

Broker Loan Officer Name

Broker Loan Officer Signature Date

Broker Entity Name

Broker Entity Address & License Number Date

Borrower Name

Borrower Signature Date

Borrower Name

Borrower Signature Date

ADDITIONAL SIGNATURE PAGE FOR
"FEE INFORMATION FROM YOUR MORTGAGE BROKER"

The undersigned agree to the terms of the attached **FEE INFORMATION FROM YOUR MORTGAGE BROKER**, as applicable.

Borrower Name	Borrower Signature	Date
Borrower Name	Borrower Signature	Date
Borrower Name	Borrower Signature	Date
Borrower Name	Borrower Signature	Date
Borrower Name	Borrower Signature	Date
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