

**XYZ MORTGAGE SERVICES, INC.**  
**000 MAIN STREET**  
**ANYWHERE, SOUTH CAROLINA 29000**  
**TELEPHONE: 803-000-0000**

**Notice to Prospective Borrower(s):** Read this contract carefully so that you can make an informed choice. You are entitled to a copy of this contract. Signing this contract does not obligate you to obtain a mortgage loan through this mortgage broker, nor does it constitute mortgage loan approval.

This agreement is valid for ninety (90) days from this date.

Proposed Loan Amount \$ \_\_\_\_\_ 1<sup>st</sup> or 2<sup>nd</sup> Mortgage \_\_\_\_\_ Interest Rate \_\_\_\_\_

**Who do I Represent?**

\_\_\_\_\_, **as your mortgage broker and/or originator, (we are/I am) acting as your agent in providing mortgage brokerage services. As your agent we/I owe you a duty of the utmost care, honesty and loyalty, including full disclosure of all material facts.**

(Broker/originator initial the following statement that is applicable.)

\_\_\_ We are/I am, also, the agent for \_\_\_\_\_  
(Name of Additional Person with an agency relationship)

\_\_\_ We/I do not have an agency relationship with any other person.

We will provide the following services at the estimated cost shown for each. These services will be paid for by the person indicated, either you (the borrower), the lender or both. (See attached Good Faith Estimate (GFE) for services provided, estimated cost and the person responsible for payment)

**Lender Payments to Broker (Yield Spread Premium) Disclosure**

For purposes of this disclosure, a yield spread premium (YSP) is the amount paid to the broker by the lender based on the difference between the interest rate at which the broker originates the loan and the par, or market rate offered by a lender. If you would rather pay a lower interest rate, you may pay higher up front fees; if you pay less up front, you may pay a higher interest rate. Before you sign this contract, I can display alternatives for you. The amounts disclosed here apply only if you qualify for this loan.

1. Dollar amount of Yield Spread Premium \$ \_\_\_\_\_
2. Dollar amount of mortgage \$ \_\_\_\_\_

Percent of Yield Spread Premium in relation to loan amount \_\_\_\_\_% (Item 1/Item 2)

The following is an itemization of points, fees and commissions related to my mortgage

_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

3. Total Points, Fees and Commissions \$ \_\_\_\_\_

Percent of Points, Fees and Commissions in relation to loan amount (Item 3/Item2) \_\_\_\_\_ %

Total of Yield Spread Premium, Points, Fees and Commissions (Item 1 + Item 3) \$ \_\_\_\_\_

Percent of Yield Spread Premium, Points, Fees and Commissions in relation to the total loan amount \$ \_\_\_\_\_

It is also understood that no fee will be charged if either the applicant or lender turns down the loan.

This loan may be co-brokered; that is XYZ Mortgage Services, Inc. may share mortgage broker services or fees with another mortgage broker on behalf of the applicant. Within three days of making a final decision to co-broker a loan, XYZ Mortgage Services, Inc. will provide applicant with written notice of such co-brokering.

**Agency to Receive Borrower Complaints**

The following agencies are designated to receive complaints or inquiries about the origination and making of your mortgage:

Street Address	South Carolina Department of Consumer Affairs 2221 Devine Street, 2nd Floor Columbia, SC 29205
Mailing Address	P.O. Box 5757 Columbia, SC 29250
Phone	803-734-4200 or toll free in SC only 1-800-922-1594

I acknowledge by my signature that I have received a fully executed copy of this disclosure at the time of my application for a mortgage, it has been explained to me and I understand it, I understand that a copy of this disclosure will be maintained in my file with my mortgage broker and further, I voluntarily enter into this mortgage transaction.

\_\_\_\_\_  
NAME (please print)

\_\_\_\_\_  
CLIENT'S SIGNATURE

\_\_\_\_\_  
DATE SIGNED

\_\_\_\_\_  
NAME (please print)

\_\_\_\_\_  
CLIENT'S SIGNATURE

\_\_\_\_\_  
DATE SIGNED

By signing below, the mortgage broker certifies that the information in this contract is accurate and complies with all provisions of section 8 of the Real Estate Settlement Procedures Act, 24 CFR part 3500 and South Carolina Law.

By: \_\_\_\_\_  
XYZ Mortgage Services, Inc.

\_\_\_\_\_  
DATE SIGNED

### **Attention Borrowers: Know Your Rights!**

This may be the largest and most important loan you get during your lifetime. You should be aware of certain rights before you enter into any loan agreement.

1. You have the **RIGHT** to shop for the best loan for you and compare the charges of different mortgage brokers and lenders
2. You have the **RIGHT** to be informed about the total cost of your loan including the interest rate, points and other fees.
3. You have the **RIGHT** to ask for a Good Faith Estimate of all loan and settlement charges before you agree to the loan and pay any fees.
4. You have the **RIGHT** to know what fees are not refundable if you decide to cancel the loan agreement.
5. You have the **RIGHT** to ask your mortgage broker to explain exactly what the mortgage broker will do for you.
6. You have the **RIGHT** to know how much the mortgage broker is getting paid by you and the lender for your loan.
7. You have the **RIGHT** to ask questions about charges and loan terms that you do not understand.
8. You have the **RIGHT** to a credit decision that is not based on your race, color, religion, national origin, sex, marital status, age, or whether any income is from public assistance.
9. You have the **RIGHT** to know the reason if your loan was turned down.
10. You have the **RIGHT** to ask for the HUD settlement costs booklet "Buying Your Home".
11. You have the **RIGHT** to request a copy of your settlement statement (Form HUD-1 or 1-A) one day prior to your loan closing.

*Buying Your Home* and other helpful information is available at HUD's WEB site:

[http://portal.hud.gov/hudportal/HUD?src=/topics/buying\\_a\\_home](http://portal.hud.gov/hudportal/HUD?src=/topics/buying_a_home)

For other questions call 1-(202) 708-1112.