

**FLORIDA MORTGAGE BROKERAGE CONTRACT**

Date: \_\_\_\_\_ Loan Number: \_\_\_\_\_  
Lender: \_\_\_\_\_  
Borrowers: \_\_\_\_\_

Property Address: \_\_\_\_\_

This Mortgage Brokerage Contract is being provided by

a Mortgage Brokerage Business, and no lender has yet been obtained.

Property Address: \_\_\_\_\_ Loan Amount \$ \_\_\_\_\_ No. of Months \_\_\_\_\_  
 Fixed Rate  ARM (type: \_\_\_\_\_)  
Legal Description: \_\_\_\_\_  GPM  Other (explain: \_\_\_\_\_)

Sales Price: \_\_\_\_\_ Interest Rate \_\_\_\_\_ %  
Appr. Fair Market Value: \_\_\_\_\_ Loan:  1<sup>st</sup> Mtg.  2<sup>nd</sup> Mtg.  3<sup>rd</sup> Mtg.  Other Mtg.  
 There is a Prepayment Penalty  There will be a Balloon Payment  
Adjustable Rate Mortgage Information:  
 Your interest rate will be based on an index plus a margin.  
The index used to determine your initial interest rate and/or all adjustment is: \_\_\_\_\_

NOTE: If the index for your variable rate mortgage loan is no longer available, the lender will choose a new index which is based on comparable information.

Information about the index can be found: \_\_\_\_\_  
Your interest rate can change \_\_\_\_\_ and every \_\_\_\_\_ thereafter.  
Your interest rate cannot increase or decrease more than \_\_\_\_\_ percentage point(s) at each adjustment.  
Your interest rate cannot increase or decrease more than \_\_\_\_\_ percentage point(s) over the term of the loan.  
Your interest rate will be rounded off to  the nearest  next highest  next lowest \_\_\_\_\_% at each adjustment.  
Your interest rate will never be less than \_\_\_\_\_ or greater than \_\_\_\_\_.  
Your payment can change \_\_\_\_\_, and every \_\_\_\_\_ thereafter, based on changes in the interest rate.  
 Your payment will not increase more than \_\_\_\_\_ percentage point(s) or \$ \_\_\_\_\_ at each adjustment.  
 Your loan has the potential for negative amortization. If your payment is not sufficient to cover the interest due, the difference will be added to your loan amount.

Estimated net proceeds due Borrower \$ \_\_\_\_\_.  
Estimated net proceeds is the cash to be received by the Borrower after payment of any fees, charges, debts, liens, or encumbrances to perfect the lien of the new mortgage and establish the agreed upon priority of the new mortgage. The Borrower agrees to pay a Mortgage Brokerage fee in the amount of \$ \_\_\_\_\_ plus actual costs incurred. Brokerage Business agrees to exert its best efforts to obtain a loan commitment in accordance with provisions contained here and on page 2 of this Agreement. Borrower will not hold the Mortgage Brokerage Business and its employees or colleagues responsible for failure to obtain said loan commitment. The Borrower acknowledges that the Mortgage Brokerage Business, through its agent, has advised Borrower that the business will receive additional compensation from the lender based upon the mortgage program and terms that the Borrower has engaged the Brokerage Business to obtain in the form of a commitment, and that said additional compensation will be in a range of \$ \_\_\_\_\_ to \$ \_\_\_\_\_ the time of settlement or, with the exact amount to be disclosed to Borrower at closing.

Agent is hereby authorized to obtain a mortgage loan commitment ("Commitment") within 90 days from the \_\_\_\_\_ day of \_\_\_\_\_. On behalf of the lender, the Mortgage Brokerage Business may issue a commitment or rate lock-in to the Borrower for financing of the property on terms and conditions described on page 2.

The title to the above property is good and marketable, subject only to the following liens /mortgages:  
Lender and/or Lien \_\_\_\_\_ Balance Due \$ \_\_\_\_\_  
Lender and/or Lien \_\_\_\_\_ Balance Due \$ \_\_\_\_\_  
Borrower agrees to pay all of the above at or prior to the loan closing.



**ADDITIONAL CLAUSES:** Any loan commitment and loan acquired by the Brokerage Business may contain additional clauses, provisions or covenants as the lender may request, such as assumption fees, late fees, and prepayment penalties. This Contract may differ from the additional clauses, provisions and covenants imposed by the lender and may be beyond the control of the Mortgage Brokerage Business.

**AGENCY; NONLIABILITY FOR LENDER'S ACTS:** Borrower accepts that Brokerage Business is acting as an "agent" on Borrower's behalf in obtaining a Mortgage Loan Commitment. Brokerage Business, as agent, is not responsible for lender or investor errors or any provisions or covenants that may contradict any state or federal law. Any nonperformance by any lender or investor of a commitment or rate lock-in or mortgage loan shall not be the Brokerage Business's responsibility.

**APPLICATION FEE:** An application fee is charged for the initial cost of processing, verifying and preparing your loan package to submit to a lender for commitment, and will be credited against the amount the Borrower owes if closing occurs. The Good Faith Estimate will indicate whether the application fee is refundable or nonrefundable.

**ASSIGNMENT:** Borrower may not assign this Contract to any other party. Under Chapter 3D-40.088(2)(a), Department of Banking and Finance Regulations, the Brokerage Business may assign its fees and obligations to another Licensed Mortgage Brokerage Business or Registrant provided the assignment is made by agreement in writing and is acknowledged and executed by the Borrower.

**COMMITMENT:** Defined as a written or oral commitment received by the Brokerage Business from a lender or investor, unless otherwise specified between Borrower and Brokerage Business in writing. Brokerage Business is acting on Borrower's behalf to obtain a Mortgage Loan Commitment. Such Brokerage Business may not make mortgage loans or commitments. Furthermore, Brokerage Business cannot guarantee acceptance into any particular program or promise any specific loan terms or conditions. The Brokerage Business may make a commitment and may furnish a lock-in of the rate and program on behalf of the lender when the Brokerage Business has obtained a written commitment or lock-in for the loan from the lender on behalf of the Borrower for the loan. The commitment must be in the same form and substance as issued by the lender.

**DECISION:** In applying for this Loan Borrower acknowledges that Borrower has reviewed his personal and financial situation and that it is in Borrower's best interest to proceed with the loan. Borrower further acknowledges that Borrower has not relied on the advice of the Mortgage Brokerage Business or its colleagues as to the wisdom of doing so.

**DEFAULT:** A Mortgage Brokerage Business is entitled to collect a Mortgage Brokerage fee plus fees and expenses incurred on behalf of Borrower should a loan not close due to the "substantial fault of the Borrower" as defined by Florida law. If a Mortgage Loan Commitment is secured, but is not closed due to the Borrower's refusal to execute and deliver the required lender's documents, or unmarketable or uninsurable title is found by the attorney or Title Company acting for the lender, or in any other way fails to comply with this Contract, or if for any other reason the loan does not close through no fault of the lender, the Borrower agrees that the full brokerage fee has been earned by Brokerage Business and agrees to pay the brokerage fee and all costs incurred on Borrower's behalf immediately.

**DEPOSIT:** Any deposit will be used to pay Borrower's costs and expenses incurred by Brokerage Business, or any third party, necessary to secure the Mortgage Loan Commitment. Actual costs are non-refundable if incurred by the Brokerage Business, whether or not a Mortgage Loan Commitment is obtained. Upon Borrower's default, the Brokerage Business may immediately disburse all sums due the Brokerage Business, or any third party from the deposit. Any disbursement of funds should not be construed as a waiver of any other sums due the Brokerage Business by Borrower.

Brokerage Business shall refund the deposit to Borrower only if:

- i.) services are not performed; OR
- ii.) services are performed, but are in excess of the broker fee and the Mortgage Loan Commitment is not obtained.

**DISCLOSURE:** The Brokerage Business may own an interest in the service provider and the Brokerage Business may receive additional financial benefit. Items noted with \*\* on the Good Faith Estimate are not refundable and may be collected or required to be paid at time of application. Said items may require a particular provider of service and the Brokerage Business may have a business relationship with said provider. Any amount collected in excess of the actual cost shall be returned within 60 days after rejection, withdrawal or closing.

**LITIGATION:** Borrower agrees to pay for all costs incurred, including attorneys' fees, whether before trial, at trial, on appeal, or in any other administrative or quasi-judicial proceedings, if litigation arises from this Contract. [Florida laws apply to any interpretation of or litigation occurring under this Contract unless otherwise specified by Brokerage Business.]

Initials \_\_\_\_\_

