



FEE INFORMATION FROM YOUR MORTGAGE BROKER
For Your Mortgage Loan

Dear Borrower,

This disclosure explains the costs you will pay for services provided by your mortgage broker, and how you will pay these 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 the mortgage broker the fees as described below.

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

1. You may choose to pay your mortgage broker with your own money.
2. You may choose to pay your mortgage broker over time by adding the mortgage broker fees to your loan amount. If you choose this option, you will owe more money to the lender and you will pay interest on the mortgage broker fees.
3. You may choose to pay your mortgage broker by paying the lender a higher interest rate. Your lender will then pay your mortgage broker on your behalf in exchange for your paying a higher interest rate on your loan (this is sometimes called a "Yield Spread Premium").
4. The lender may pay your mortgage broker in a flat fee in an amount that will not vary with your loan's interest rate.

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 (Option 3) 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 the 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 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.

Applicant Signature

Date

Applicant Signature

Date

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