

MORTGAGE BROKER COMPENSATION

_____ MB No.: _____
Name of LICENSED MORTGAGE BROKER Business

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The TOTAL amount of Broker Compensation will be:

\$ _____ or _____ Points

A point equals one percent of the loan amount. At a loan amount of \$ _____, the point(s) will equal \$ _____.

You may pay our fees at closing or finance the fees by increasing your loan amount. You may also request that the lender pay all or a portion of our broker fees on your behalf at loan closing in exchange for a higher interest rate on your loan. This payment to us typically is called a yield spread premium. **Your interest rate will be higher if you choose a yield spread premium rather than paying our broker compensation at closing.** We have discussed this pricing option with you, including the interest rate that you would pay without a yield spread premium.

The total broker compensation will not increase if you change any of the terms of your loan other than loan amount. However, with your approval, the way in which we are compensated may change. For example, you may later agree that more or less of total broker compensation will be paid by the lender as a yield spread premium.

Note: Massachusetts regulations (940 C.M.R. 8.06(17)) make it unlawful for us, as a mortgage broker, to arrange a loan if our financial interest conflicts with your interests. For example, we cannot increase our own compensation by arranging a loan for you with higher interest rates, increased charges or less favorable terms than those for which you would otherwise qualify.

BROKER FEES THAT YOU WILL PAY AT CLOSING OR BY INCREASING THE LOAN AMOUNT: \$ _____ or _____ Points

BROKER FEES LENDER WILL PAY: \$ _____ or _____ Points

TOTAL BROKER COMPENSATION: \$ _____ or _____ Points

I acknowledge that I have read this disclosure and that I have chosen to pay the total broker compensation as indicated above. I understand that if the lender pays any portion of my broker fees, my interest rate will be higher.

Borrower: _____ Co-Borrower: _____

Signature: _____ Signature: _____

Date: _____ Date: _____

Broker: _____

Signature: _____

Date: _____