

# LOAN BROKERAGE AGREEMENT

THIS AGREEMENT is entered into by and between Cherry Creek Mortgage Company, Inc. (Broker) and \_\_\_\_\_ [Borrower(s)] this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

The parties are entering this Agreement to satisfy the requirements of California Financial Code Section 50701.

1. **Appointment of Agent:** Borrower appoints Broker to act as his or her agent, to help Borrower obtain a residential mortgage loan from an institutional lender. When acting as Borrower's agent, Broker owes Borrower a fiduciary duty of utmost care, honesty, and loyalty in the transaction, including the duty to fully disclose all material facts. Broker shall act as Borrower's exclusive agent.

2. **Services:** Broker shall perform the following services for Borrower: (1) take an application; (2) collect financial information (tax returns, bank statement) and other information related to the application process; (3) order a credit report and appraisal; (4) provide disclosures mandated by state and federal law; (5) identify for borrower institutional lenders (if any) from whom Borrower appears eligible to obtain a residential mortgage loan; (6) other if any (explanation attached).

3. **Fees for Services:** Broker shall be compensated by the Borrower, the lender or both, in the amounts set forth in the Good Faith Estimate of Closing Costs (copy attached). All sums owed to Broker by Borrower for services performed by Broker under this Agreement, other than the Application Fee, shall be due and payable at closing.

4. **Application Fee:** Upon execution of this Agreement, Borrower shall pay Broker an Application Fee in the amount of \$\_\_\_\_\_. The Application Fee shall be refunded only if Broker fails (through no fault of Borrower) to perform the services described in Paragraph 2 within 90 days of the date of this Agreement.

5. **Other Charges:** Borrower agrees to pay Broker in advance for actual charges to be incurred on behalf of Borrower to process the application, such as credit report fees and appraisal fees. Estimate of these charges are set forth in the Good Faith Estimate of Closing Costs.

6. **Borrower's Right to Rescind:** If Broker makes a materially false or misleading statement or omission in the inducement or implementation of this Agreement, the borrower may, upon written notice to Broker: (1) rescind the Agreement; (2) recover fees paid to the Broker; and (3) recover actual costs, including attorney's fees, for enforcing the Borrower's rights under the Agreement.

**BROKER:**

**BORROWER (s):**

*Cherry Creek Mortgage Company, Inc.*

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

