

The Manchester Company

483 New York Avenue, Huntington, New York 11743

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PRE-APPLICATION DISCLOSURE AND FEE AGREEMENT

In this Pre-Application Disclosure, The Manchester Company is referred to as “We,” “Us,” and “Our”; the applicant is referred to as “You” and “Your”.

WHO WE ARE AND WHAT WE DO: The Manchester Company is a mortgage broker, registered by the New York State Banking Department (“Banking Department”) to assist applicants in obtaining mortgage loans.

As authorized by regulations of the Banking Department, We are prepared to assist You in securing a mortgage loan. You understand that Our services may include, but are not limited to the following:

- Counseling on available mortgage products;
- Counseling on general mortgage qualification procedures and requirements;
- Counseling on Your financial capabilities;
- Assistance in obtaining information required for the mortgage application, in completing and processing the loan application(s), and in meeting conditions of the loan commitment.

ENGAGEMENT OF MORTGAGE BROKER’S SERVICES: You hereby agree to engage Us for the purpose of advising You about financing and to provide the services described above. This agreement will continue until the earlier of the declination of Your loan application(s), the closing of Your loan, or Your termination of Our services.

You acknowledge that prior to paying any fees or completing any application(s), You were advised of the following:

- Our services are advisory and administrative in nature;
- We are not authorized to make mortgage loans or commitments;
- We cannot guarantee acceptance into any particular loan program, or specific loan terms or conditions;
- We may be eligible to receive a lender-paid bonus (cash or non-cash) if Your loan is placed with a particular lender, and We will notify You if this occurs.

BROKER’S FEE: You understand that, as compensation for Our services, We will be paid as follows:

(a) **You will pay Us (Check one of the following options):**

directly, on signing of the application, a fee of ___ % of the Loan Amount or \$ _____;
(1)

Applicant(s)’ Initials: _____; _____; _____

Registered Mortgage Broker, NYS Banking Department, Loans Arranged with Third Party Lenders

___ directly upon Your signed acceptance of a commitment, a fee of ___% of the Loan Amount or \$ _____.

___ from the loan proceeds at closing, a fee of ___ % of the Loan Amount or \$ _____. You authorize the lender's attorney to collect this fee from You at closing.

(b) In addition to the fee paid by You, We will be paid by the lender as follows (Check all of the following that apply):

___ The fee the lender will pay Us is not known at this time, but will be disclosed to You at the time of the lock-in or when the rate is set. The maximum points paid, including premium pricing payable by the lender to Us, shall not exceed _____ () points.

___ The premium pricing payable to You by the lender shall not exceed _____ () points.

Our broker's fee, whether paid by You directly, of from the loan proceeds, or by the lender, will be considered a cost of the credit and will be disclosed to You by the lender as part of the financing charges. You acknowledge that (A) this fee will be paid to Us; (B) this agreement discloses all of the fees that We will receive; and (C) there is no other fee agreement between us.

OTHER FEES: You understand that You are required to pay the following fees:

- Application Fee \$ _____
- Credit Report Fee \$ _____ E*
- Property Appraisal Fee \$ _____ E*

E* means this number is Your good faith estimate of the cost of these services provided by a third party. You understand that if the actual cost exceeds the estimates, You will be billed for and will pay the shortfall at or prior to closing. If, on the other hand, the actual cost is less than the estimates, We will make a refund of the difference to You, at or prior to closing.

REFUND OF FEES: Following is our refund policy

- THE APPLICATION FEE IS NON-REFUNDABLE.
- THE CREDIT REPORT AND APPRAISAL FEES ARE NON-REFUNDABLE EXCEPT THAT (A) ANY AMOUNTS COLLECTED IN EXCESS OF THE ACTUAL COST WILL BE REFUNDED AT OR PRIOR TO CLOSING; AND (B) IF THE CREDIT REPORT OR APPRAISAL HAS NOT BEEN DONE, THE FEES WILL BE REFUNDED IN FULL.

Processing Fee : \$ _____

(2)

Applicant(s)' Initials _____
Applicant(s)' Initials _____

PREPAYMENT PENALTIES:

I understand that mortgage products impose a prepayment penalty on the borrower. You will disclose the amount of, or the formula for calculating, the prepayment penalty, and the terms of the prepayment penalty, if any, as soon as you know them.

DIVISION OF FEES: _____ **(Check if applicable)** If checked, there will be a division of fees with other mortgage bankers, banking organizations or mortgage brokers as follows: The fees received by us are being divided between Us and _____. We shall receive a fee of \$_____ or a good faith estimate of \$_____ and _____ shall receive a fee of \$_____ or a good faith estimate of \$_____.

PRIVATE LENDERS: _____ **(Check if applicable)** If checked, this is a loan that will be placed with private lenders, and the following disclosures are applicable to Your loan. Pay careful attention to them.

- THIS LOAN WILL BE PLACED WITH A PRIVATE LENDER THAT IS NEITHER A BANKING ORGANIZATION NOR A LICENSED MORTGAGE BANKER. THEREFORE, CERTAIN CONSUMER PROTECTIONS AND LENDER DISCLOSURES REQUIRED BY NEW YORK LAW AND REGULATIONS DO NOT APPLY TO THE LOAN. A BALLOON MORTGAGE PLACED WITH A PRIVATE LENDER NEED NOT HAVE A TERM OF AT LEAST THREE (3) YEARS.

You understand that You may address any questions, comments or complaints about Your application to BLAISE PUNTURO at (631) 385-4949. If You live more than 50 miles from Huntington, You may call collect.

By signing below, You acknowledge receipt of a copy of this Pre-Application Disclosure and Fee Agreement.

Applicant: _____ Date _____

Applicant: _____ Date _____

(3)

DO NOT SIGN THIS AGREEMENT IF SPACES ARE LEFT BLANK

Applicant(s)' Initials _____
Applicant(s)' Initials _____