



Bay Financial Co

# IMPORTANT INFORMATION FROM YOUR MORTGAGE BROKER

(THE BASIC FACTS ABOUT YOUR MORTGAGE LOAN REQUEST)

## 1. BROKER FEES WHICH YOU WILL PAY:

We are a Mortgage Broker. We do not fund loans. We are charging you fees to arrange a mortgage loan from a mortgage lender. These are the fees we are charging you.

Application fee: \$ \_\_\_\_\_ Processing fee: \$ \_\_\_\_\_ Other fee: \$ \_\_\_\_\_  
Broker fee (points): \$ \_\_\_\_\_ (equal to \_\_\_\_\_ % of loan amount) TOTAL: \$ \_\_\_\_\_

## 2. BROKER FEES YOU ARE REQUESTING THE LENDER TO PAY:

You may request that the lender pay all or a portion of our broker fees (see above) on your behalf at loan closing in exchange for a slightly higher interest rate on your loan. This payment to us is typically called a yield spread premium. Your interest rate will be higher if you choose a yield spread premium that if you decide to pay our broker fee at closing. We have discussed this pricing option with you and you have decided to request \_\_\_\_\_ not request \_\_\_\_\_ that the lender pay a yield spread premium equal to \_\_\_\_\_ % of your loan amount (\$ \_\_\_\_\_).

## 3. YOUR MORTGAGE LOAN TERMS:

You want to apply for a mortgage loan on the following terms:

- (a) Total loan amount: \$ \_\_\_\_\_
- (b) Term: 30 years \_\_\_\_\_ 20 years \_\_\_\_\_ 15 years \_\_\_\_\_ other \_\_\_\_\_
- (c) Interest rates: Fixed \_\_\_\_\_ % Adjustable \_\_\_\_\_ %  
If adjustable, when will the interest first adjust? \_\_\_\_\_  
How often may the interest rate adjust thereafter? \_\_\_\_\_  
Maximum rate allowed over the term of the loan? \_\_\_\_\_
- (d) Prepayment fee: No \_\_\_\_\_ Yes \_\_\_\_\_ (Term requested: \_\_\_\_\_ months)

A prepayment fee – sometimes called a prepayment penalty – is a fee imposed by a lender when you repay your loan early. If you select a prepayment fee, your interest rate will be lower but if you pay off your loan during the term of the prepayment fee provision, the prepayment fee may be substantial – this could impact your ability to refinance your loan or sell your property during the prepayment fee period.

DO NOT SIGN THIS DOCUMENT IF YOU DON'T UNDERSTAND THE INFORMATION ABOVE

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Applicant's Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Applicant's Name

\_\_\_\_\_  
Date