

IMPORTANT NOTICE OF LOAN TERMS

OFFERED BY:

Name of LICENSED MORTGAGE BROKER Business

MB No.: _____

Name of Person Arranging the Loan

Address of Mortgage Broker

1. MORTGAGE 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:	\$ _____
Origination fee:	\$ _____	Broker Fee:	\$ _____
Other:	\$ _____	TOTAL:	\$ _____

2. MORTGAGE BROKER FEES WHICH THE LENDER WILL PAY:

We may be receiving a fee or other compensation from the lender for arranging this loan. We are receiving fees in this amount from the lender: \$ _____. This payment from the lender to us was calculated as follows:

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

3. YOUR MORTGAGE LOAN TERMS:

You have applied for a mortgage loan based on the following terms:

- (a) **Total loan amount:** \$ _____.
- (b) **Term:** 30 yrs:____ 20 yrs:____ 15 yrs:____ Other: ____ yrs.
- (c) **Fixed or Adjustable Interest Rates and Scheduled Payments** (complete (1) or (2), as applicable):
 - (1) _____ This loan provides a **fixed interest rate** for the full term.

Your Fixed Interest Rate: _____%.

Your Scheduled Monthly payment, at present, will be: \$_____.

This monthly payment ____ **INCLUDES** ____ **DOES NOT INCLUDE** property tax and insurance payments on this property. If this monthly payment does not include tax and insurance, those payments will be approximately:

\$_____ per month for property taxes, and

\$_____ per month for insurance.

(2) _____ The interest rate on this loan is **adjustable**.

Your initial rate: _____%. This rate will last for _____ years.

Your interest rate will first adjust in _____ years.

Your interest rate will then adjust every _____ months.

Your interest rate will never be lower than: _____%.

Your interest rate may go as high as (if capped): _____%.

Your scheduled monthly payments:

During the initial rate period, your payment will be: \$_____.

After your first adjustment, your payment (based on current rates) will be: \$_____.

After your second adjustment, your payment (based on current rates) will be: \$_____.

Your monthly payment under this loan (based on current rates) could be up to: \$_____.

This monthly payment ____ **INCLUDES** ____ **DOES NOT INCLUDE** property tax and insurance payments on this property. If this monthly payment does not include tax and insurance, those payments will be approximately:

\$_____ per month for property taxes, and

\$_____ per month for insurance.

(d) **Prepayment penalties:** This loan allows the lender to charge prepayment penalties.
YES: _____ NO: _____

- (e) Caution: No mortgage lender or broker can “guarantee” or assure you that you will qualify for refinancing in the future, for example, to avoid increased monthly payments under an adjustable rate loan. If a lender or broker has made such a promise, it is untrue, because they cannot know all future circumstances that may affect the extension of credit.

Borrower: _____

Co-Borrower: _____

Signature: _____

Signature: _____

Date: _____