



## App+5 Loan Disclosure

Notice to Prospective Borrower(s): Read this contract carefully so that you make an informed choice. You are entitled to a copy of this contract. Signing this contract does not obligate you to obtain a mortgage loan, nor does it constitute mortgage loan approval.

The institution you are working with has a business relationship with Flanagan State Bank. Your bank (the "Originating Broker") and Flanagan State Bank will be working together to consider your application for a mortgage loan and, if that application is granted, to complete your mortgage loan.

Per the current laws regulating mortgages, each institution must complete a certain amount of work on your loan to earn the fees that are charged. The compensation charged will be competitive to what you would normally be charged in your area. The benefit to you is the ability to offer you more loan options for financing your mortgage.

This contract outlines the fees charged by \_\_\_\_\_ (the "Originating Broker") and the services it provides to earn the compensation being charged.

### **This contract is between:**

Name(s) of borrower(s): \_\_\_\_\_  
\_\_\_\_\_ and  
\_\_\_\_\_ (the "Originating  
Broker" located at \_\_\_\_\_.

The Lender, Flanagan State Bank, will be authorized by Originating Broker to work directly with you to evaluate your loan application and to complete the loan once the initial steps have been completed by Originating Bank. The Lender has authorized Originating Broker to engage you and advise you about various loan products available to you through the Lender.

### **Who does Originating Broker represent?**

The Originating Broker represents you. The Originating Broker is your agent and owes you a fiduciary duty.

### **What Originating Broker will be paid:**

This allows the Originating Broker to charge an origination fee not to exceed 1%. No other fees may be charged by Originating Broker. The fees charged must be reasonable based on the services provided and consistent to meet Equal Credit Opportunity Act regulations.

Originating Broker's total compensation will be (1%) or \$\_\_\_\_\_.

Contract term: This contract will expire 3 months from the date of signatures unless extended

**Originating Broker Agreement**

By signing below, Originating Broker further certifies that the information in this contract is accurate and complies with all provisions of the Real Estate Settlement Procedures Act and the TILA Reg Z. The Originating Broker also agrees to the italicized statement below.

*As an agent of Originating Broker, I owe all others a duty of fair and honest dealing. I will strive to ensure you get the best loan terms possible that meet your loan objectives. Originating Broker will charge you a fee for my services, but I will not receive any fee for your mortgage loan from the Lender.*

\_\_\_\_\_  
Originating Broker – Loan Officer Signature

\_\_\_\_\_  
Date

**Borrower Agreement**

I agree to the terms of this contract.

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Borrower Signature (if applicable)

\_\_\_\_\_  
Date

**Originating Broker and Lender Addendum**

Please Note: A normal application has 5 components.

- 1. Taking the loan application and signing the initial disclosures with the borrower
- 2. Processing
- 3. Underwriting
- 4. Closing
- 5. Funding

By signing this portion of the form, you are acknowledging the agreement that you will complete step 1 plus at least 5 other services as listed on the App+5 Checklist on this loan to earn the fee due to your organization. If any of these 5 items are not completed, this contract will be null and void.

Flanagan State Bank will be the final originator of this transaction. The borrower(s) will be working directly with Flanagan State Bank and their staff to complete the loan process. You will be able to maintain contact with the borrower in an advisory role and not an originating role.

\_\_\_\_\_  
Originating Broker – Loan Officer Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Flanagan State Bank Representative Signature

\_\_\_\_\_  
Date