

MORTGAGE LOAN ORIGINATION AGREEMENT
(BORROWER / BROKER AGREEMENT)

Borrowers Agreement to Application Terms
Affidavit and Statement of Conditions

Borrower(s) _____
Property _____

In this agreement, the words I, me, and my refer to borrower and/or borrowers. The words you and yours refer to American Freedom Group, Inc. DBA American Freedom Mortgage, a mortgage broker licensed and bonded by the State of Washington, its agents, subsidiaries, or assigns.

FEES FOR SERVICES: I agree to pay you ___% of the loan amount or \$_____, whichever is greater. When you have received a written commitment from a lender, this agreement will be placed with the lender and the fee will be paid to you upon completion of the transaction. In the event such commitment cannot be obtained, no fee is earned by you.

BROKER NOTICE: I understand and agree that you may act as a mortgage broker in fulfilling my loan request; as such the information developed from my application will be used for obtaining the type of loan for which applied. It is understood that in your capacity, you will use your best efforts to obtain a favorable loan approval on my behalf, but in no way guarantee or warrant that the approved loan terms and conditions will duplicate the terms and conditions stated on my mortgage loan application. While acting in the capacity of mortgage broker, I agree to hold you harmless from all liability and damages that may occur as a result of your good faith efforts in placing my loan request with an investor. In connection with this loan we may enter into separate independent contractor agreements with various lenders. While we seek to assist you in meeting your financial needs, we do not distribute the products of all lenders or investors in the market and cannot guarantee the lowest price or best terms available in the market. I acknowledge that you are not my agent and that you may be compensated by both myself and the lender to whom you may broker our loan. I understand that you render services to both myself and the lender, that your offices serve as facilities provided in lieu of the lenders and that the goods that result as the work product of your services and facilities are loans that are sold to wholesale mortgage lenders that may be sold at the highest market price you can obtain. I acknowledge that I am familiar with market rates and I am satisfied you are competitive in the marketplace.

DISCLAIMER OF VALUE OR CONDITION: Neither you nor your agents nor employees, have made any warranties, statements or representations as to the quality, value or condition of the property, and you are not responsible to me for the condition of the property. I agree not to assert any claim against you or your affiliates for any defect or deficiency of the property.

NO LIABILITY FOR OTHER AGREEMENTS: You will have no liability for any agreements I may have made with other persons in connection with this loan request or its approval date.

LEGAL RIGHTS: I understand that in connection with the real estate transaction in which I have an interest, you select, prepare, and complete certain instruments or documents which may substantially affect my legal rights, but are doing so for your own benefit and to protect your own interest in this transaction. If I have any questions regarding such documents or instruments or my rights, I will consult an attorney of my choice.

LENDERS REQUIREMENTS FOR HAZARD INSURANCE: I shall provide, or cause to be provided, to you or your assigns, a policy of Hazard Insurance, in an amount equal to the loan amount or full replacement value of all improvements to the real property, whichever is less or required by the loan commitment, showing the correct property address of the financed property and the insured's name as it will appear on the Deed of Trust. In addition, I agree:

- a. The insurer shall hold a minimum rating with Best's Guide of B+ :VI
- b. The deductible clause shall not be more than \$500.
- c. You and your designated lender must appear as first mortgagee and be protected by "lender's loss payee endorsement 438 BFU" attached to policy endorsed as follows:
American Freedom Group, Inc. dba American Freedom Mortgage

2731 Wetmore Avenue, Suite 305 Everett, WA 98201
425-212-5920

NOTE: THE ABOVE ENDORSEMENT MAY CHANGE AT TIME OF CLOSING DUE TO EARLY ASSIGNMENT. CHECK WITH YOUR LOAN OFFICER AS TO EXACT WORDING.

Failure to deliver the original insurance policy or binder in exactly the form described will delay closing of my loan until corrected.

APPLICATION NOT COMMITMENT: I acknowledge that acceptance and processing of my loan application by you does not constitute a commitment to lend, nor does it obligate you to approve said application.

POST CLOSING COOPERATION: If my application is approved and the loan is closed, I agree, if request is made by you, your assigns, investors, or closing agent to fully cooperate and adjust for clerical errors and/or all closing documentation if deemed necessary or desirable in the reasonable discretion of Veteran Mortgage Inc., to enable you to see, convey, seek guaranty, insure, or market said loan to any entity including but not limited to FNMA, FHLMC, FHA, VA, or any other investor as applicable.

CANCELLATION: I understand that I may cancel this application at any time; however, should I decide to cancel after written lender commitment, I will be subject to a fee, for services rendered, of \$300. **THIRD PARTY FEES:** Borrower acknowledges that in the course of processing a loan, some third party fees may be incurred. Should borrower fail to close a loan and such fees are incurred, borrower will pay the third party fees directly to the provider for any fee or cost incurred. Third party fees include appraisal, credit reports, title cancellation, and professional inspections.

NO OTHER APPLICATION: In consideration of the service to be rendered, I certify that no other loan application is pending with another lending institution, nor shall I make application with another institution for a period of 60 days.

AGREEMENT: This statement, together with all other documents submitted herewith, is made by the undersigned for the purpose of obtaining the benefits of a mortgage loan and the undersigned hereby represents that, to the best of their knowledge and belief, the statements, information and descriptions contained therein are true, correct and complete.

ACKNOWLEDGMENT: I understand that it is your policy to close loans within established guidelines in the most expedient method possible. Any delays in closing may be beyond your control. I have had sufficient time to read, understand and agree to the provisions of this agreement. I also acknowledge receipt of a copy of this agreement.

I fully understand that it is a federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the facts as presented by myself, as applicable under the provisions of Title 18, USC., Sec. 104.

Borrower Date

Borrower Date