



MORTGAGE BROKER REPRESENTATION

Exclusive Right to Borrow

Prepared by: Agent _____
Broker _____

Phone _____
Email _____

NOTE: This form is used by a broker when a buyer or an owner of a property agrees to employ the broker as their sole agent for a fixed period of time to authorize the broker to arrange a mortgage.

DATE: _____, 20_____, at _____, California.
Items left blank or unchecked are not applicable.

1. REPRESENTATION COMMITMENTS:

- 1.1 Client employs and grants to Broker the exclusive right to locate a lender and arrange a mortgage to be secured by the property described herein, for the period of this representation beginning on _____, 20____ and terminating on _____, 20_____.
- 1.2 Broker to use diligence in the performance of this employment. Client to cooperate with Broker to meet the objectives of this employment.
- 1.3 Client hands \$_____ to Broker for deposit into Broker's trust account for application to Client's obligations under the attached Marketing Package Cost Sheet. [See **RPI** Form 107]

2. ADDENDA to this agreement include:

- 2.1 Credit Application [See **RPI** Form 302]
- 2.2 Loan Purpose Statement [See **RPI** Form 202-2]
- 2.3 Acknowledgement of Changing Conditions [See **RPI** Form 202-1]
- 2.4 Additional Provisions Addendum [See **RPI** Form 250]
- 2.5 _____
- 2.6 _____

3. BROKERAGE FEE:

NOTICE: The amount or rate of real estate fees is not fixed by law. They are set by each Broker individually and may be negotiable between Client and Broker.

- 3.1 Client agrees to pay Broker _____% of the principal amount of the mortgage sought or obtained, or _____, WHEN:
 - a. Anyone procures a lender on the terms stated in this agreement, or on any other terms accepted by Client during the period of this representation.
 - b. The property is withdrawn as collateral, or title is made unmarketable as collateral by Client during the retainer period without legal justification.
 - c. Client terminates this employment of Broker during the retainer period.
 - d. Within one year after termination of this agreement, Client or their agent enter into negotiations with a lender the Broker or a cooperating broker negotiated with during the period of this representation which later results in a transaction contemplated by this agreement. Broker to identify prospective lenders by written notice to Client within 21 days after termination of this agreement. [See **RPI** Form 122-1]
- 3.2 If this agreement terminates without Client becoming obligated to pay Broker a fee, Client to pay Broker the sum of \$_____ per hour of time accounted for by Broker, not to exceed \$_____.

4. MORTGAGE TERMS:

- 4.1 Mortgage sought is \$_____, payable as follows:
 - a. Interest at an annual rate of no more than _____%, fixed, ARM, type _____
 - b. Payments due monthly or _____, amortized over _____ years.
 - c. Final/balloon payment due _____, 20_____.
 - d. Late charge _____
 - e. Prepayment penalty _____
 - f. Mortgage escrow with _____
 - g. A lender's ALTA policy purchased by Client in the amount of the mortgage.
Title Company _____
 - h. The note and trust deed forms that will be used are to be published by **RPI**.

5. REAL ESTATE SECURING THE MORTGAGE:

5.1 Type _____
Address _____
Referred to as _____
Vesting _____

5.2 The priority for the lien securing the mortgage sought will be first, or second.

5.3 Encumbrances of record:

- a. A first mortgage in the amount of \$_____, payable \$_____ per month until paid, including interest at _____%, ARM, type _____, due _____, 20_____, impounds being \$_____ monthly.
Lender: _____
- b. A second mortgage in the amount of \$_____, payable \$_____ per month, until paid, including interest at _____%, ARM, type _____, due _____, 20_____.
Lender: _____
- c. Other encumbrance, bond, assessment or lien in the amount of \$_____.
Lienholder: _____

5.4 My purchase price on _____ was \$_____. Since the purchase of the property, I have invested in repairs and improvements of approximately \$_____.

5.5 The current fair market value is \$_____.
Property taxes for the year 20_____ were \$_____.

5.6 The property is occupied by _____
at a rental rate of \$_____ per month, under a:
 rental agreement; or
 lease agreement which expires _____, 20_____.
a. See attached Rental Income Rent Roll. [See RPI Form 352-1]

6. PERSONAL PROPERTY INCLUDED AS COLLATERAL:

6.1 Referred to as _____

6.2 Encumbered for the amount of \$_____, payable \$_____ monthly, including interest at _____%, due _____, 20_____.
Lender _____

7. GENERAL PROVISIONS:

- 7.1 Broker is authorized to release to and review with prospective lenders the financial information supplied by Client or credit agencies.
- 7.2 Client warrants all necessary permits have been obtained for any additions, alterations, repairs, installations or replacements to the structure or its components, except _____.
a. See attached Condition of Property Disclosure. [See RPI Form 304]
- 7.3 Client authorizes Broker to cooperate with other agents and divide with them any compensation due.
- 7.4 Before any party to this agreement files an action on a dispute arising out of this agreement which remains unresolved after 30 days of informal negotiations, the parties agree to enter into non-binding mediation administered by a neutral dispute resolution organization and undertake a good faith effort during mediation to settle the dispute.
- 7.5 The prevailing party in any action on a dispute will be entitled to attorney fees and costs, unless they file an action without first offering to enter into mediation to resolve the dispute.

7.6 This representation agreement is governed by California law.

7.7

I agree to render services on the terms stated above.

Date: _____, 20____

Broker's Name: _____

DRE #: _____ NMLS #: _____

Agent's Name: _____

DRE #: _____ NMLS #: _____

Signature: _____

Address: _____

Phone: _____ Cell: _____

Email: _____

I agree to employ Broker on the terms stated above.

See attached Signature Page Addendum. [RPI Form 251]

Date: _____, 20____

Client's Name: _____

Signature: _____

Client's Name: _____

Signature: _____

Address: _____

Phone: _____ Cell: _____

Email: _____