

## Minnesota Home Mortgage Services Processing Agreement

This loan processing agreement is made and entered into this \_\_\_\_\_ day in the month of \_\_\_\_\_ for the year 20\_\_ and between \_\_\_\_\_ (company name), a US company hereinafter referred to “the Company”, and Minnesota Home Mortgage Services hereinafter referred to as “MN Home”.

WHEREAS, the Company is in the business of brokering mortgage loan applications, and:

WHEREAS MN Home has substantial experience processing mortgage loan applications and is interested in processing mortgage loan applications originated by the Company in accordance with the terms set forth below.

NOW, THEREFORE, the parties hereto agree as follows:

- I. **LOAN PROCESSING:** The Company will, from time to time, submit loan applications it has originated to MN Home for loan processing. MN Home agrees to promptly and diligently process such loan applications in compliance with all applicable laws and regulations. MN Home will make every reasonable effort to ensure that all loan applications are fully processed to the extent that the Company’s chosen lender’s requirements are satisfied. The Company must allow an appropriate amount of time necessary to properly process and submit all loan applications.
- II. **LOAN PROCESSING FEES:** The Company understands, and agrees to, the fact that the most mutually desirable method of payment of all fees due MN Home, accrued pursuant to the terms of this agreement, is by direct payment by the designated closing agent involved in each transaction. By signing this agreement, including separate Attachment A, the Company completely supports this stated method of payment of fees due MN Home, and will include MN Home’s fee on the GFE and HUD-1.

The company further states that in cases where payment of third party processing fees are restricted, it will instruct the closing agent to deduct from funds due the Company, the fees due MN Home, and forward them directly to MN Home. In cases where this is not possible, the Company will submit payment to MN Home within seven days of loan funding.

- III. **DISCLOSURES:** MN Home assumes no liability for errors or omissions of third parties on loan applications or closing documentation. The Company is entirely responsible for verifying closing figures, and all documents prior to signing as well as assuring that all loan documents meet state and federal guidelines including Real Estate Procedure Settlement Act (RESPA) and Truth in Lending (TIL).

Additionally, the Company is responsible for the following: a) Choosing the lender to submit the applications to. b) Explaining the chosen loan program and interest rate to the borrowers and locking the chosen interest rate with the lender. c) Helping gather the missing items from the borrower as outlined in the “missing documentation” form as provided by MN Home. d) Forwarding all original documentation to MN Home as requested and in a timely manner. e) Verify accuracy of completed lender’s fee/closing sheet.

- IV. **CONFIDENTIALITY:** MN Home agrees to treat as confidential the identities of, and all financial information submitted by, borrowers whose loan applications will be processed by MN Home.
- V. **TERMINATION OF AGREEMENT:** Either party may terminate this agreement at will. If either party terminates this Agreement, MN Home agrees to promptly deliver to the Company all loan application files currently being processed, all files for loans that have closed, in exchange for a check for all work performed including any/all fees incurred by MN Home as referenced to in paragraph VIII (Fees and Charges).
- VI. **NON-SOLICITATION:** MN Home agrees that it will not solicit any of the borrowers whose loan applications are submitted to MN Home for the purpose of obtaining loans for such persons. MN Home shall not convey, transfer, discuss or sell any loan application information to any person or entity not under contract to process files for MN Home, without specific written permission from the Company.
- VII. **INDEPENDENT CONTRACTOR:** The Company acknowledges and agrees that MN Home is not an employee of the Company and is an independent contractor. MN Home may, from time to time, fill out order forms on behalf of the Company in order to secure appraisals, credit reports, title insurance, Home Owners Certificates and other documents necessary to perform its processing obligations. It is understood that MN Home orders these documents as a courtesy to the Company, and the Company agrees to accept financial responsibility for any and all documents ordered in connection with the processing of their loan applications. MN Home may submit a detailed bill to the Company for reimbursement within 15 days

MN Home shall not be financially responsible for fraud or any audits conducted by lender, state or federal agencies or claims made by the borrower in connection with the processed loan file.

- VIII. **FEES AND CHARGES:** The Company agrees to the following charges:
- |   |          |
|---|----------|
| a) Conforming/Sub-prime refinance or purchase | \$375.00 |
| b) Simultaneous 2 <sup>nd</sup> mortgage      | \$ 75.00 |
| c) Stand Alone 2 <sup>nd</sup> mortgage       | \$250.00 |
| d) FHA/VA                                     | \$425.00 |
| e) Submissions to 2 <sup>nd</sup> lender      | \$ 75.00 |
| f) Cancellation of submitted file             | \$ 75.00 |
| g) Rush fee-file closing within two weeks     | \$ 50.00 |

MN Home shall not be responsible for any incidental charges necessary for processing the application including, without limitation, courier or overnight fees involved in forwarding the processed application or any other documentation to the Company, it's lender or any other party. In this regard, Company shall provide MN Home overnight, courier and same day messenger billing numbers and hereby authorize MN Home use of same in connection with the processing of the loan application.

- IX. **LEGAL COUNSEL:** All parties to this agreement have been advised and have had the opportunity to seek and obtain independent legal counsel to advise them of their rights and liabilities that may be incurred in connections with this transaction.

MN Home and the Company hereby agree to the terms and conditions set forth. This is a binding legal document. Do not sign or execute this document until you have completely read and understood all of it's provisions.

**ALL LOAN APPLICATIONS MUST INCLUDE THE FOLLOWING:**

- Processing Submission Page.
- Complete signed 1003 application.
- Copy of Good Faith Estimate (GFE) and Truth in Lending (TIL) dated within three business days of application.
- Credit report (all pages).
- All signed disclosures.
- Signed Borrowers Authorization Form.
- Lock-in confirmation.

**Authorized Minnesota Home Mortgage Services Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Company Name:** \_\_\_\_\_

**Company Address:** \_\_\_\_\_

**Company Phone:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**Name (Printed):** \_\_\_\_\_ **Title:** \_\_\_\_\_

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_