

# Broker Disclosures

## Overview

This job aid has been created to assist Citizens customers who take advantage of Citizens Broker disclosures package in accurately completing the disclosures. Below is a comprehensive list of required Broker disclosures, which must be signed by all borrowers and co-borrowers. Some states may also require disclosures to be signed by the Loan Officer (LO), as indicated by the table below. In some states, Brokers must complete additional fields that will populate in Q.disclosures.

## Affiliated Business Disclosure (ABD)

If an affiliate relationship is on record with Broker Administration, the affiliated business arrangement will be included in the Broker disclosure package. A separate disclosure will be provided for each affiliate relationship. The Broker will be required to provide at least one service description (*Service Desc.*) for the affiliate and the corresponding fee (*Amount*) for that service. Up to 6 services may be provided for each affiliate.

Affiliated Business Arrangement Disclosure Statement Notice	
Affiliate Settlement Services provides the following services:	
Service Desc. <input type="text"/>	Amount <input type="text"/> <span style="color: red;">✗</span>
	<input type="button" value="Add Affiliate Fee"/>

## Anti-Steering Disclosure (ASD)

The Anti-Steering Disclosure is now required at loan submission for all brokered, lender-paid loans. Several new, easy-to-use *Anti-Steering Disclosure* fields have been added to Q.disclosures; the information entered into these fields by the Broker will appear on the disclosure, which will now be included in the initial disclosure package.

Anti-Steering Disclosure	
Fixed Rate Program	
Lowest Interest Rate available to the Borrower they would likely qualify for <input type="text"/> %	Total dollar amount of Discount Points and Origination Fees for this rate \$ <input type="text"/>
Does the lowest interest rate have any negative features? <input type="text"/> ▼	
Lowest Interest Rate available to the Borrower without negative features <input type="text"/> %	Total dollar amount of Discount Points and Origination Fees for this rate \$ <input type="text"/>
Lowest dollar amount of Discount Points and Origination Fees available \$ <input type="text"/>	What is the interest rate? <input type="text"/> %
Adjustable Rate Program	Is the Borrower interested in an Adjustable-Rate loan progr <input type="text"/> ▼

## Additional Disclosure Documents and Signatures by State

State	Additional Documents in Broker Package	Loan Officer Signature Required
Alabama	AL Mortgage Loan Origination Agreement	N/A
Arizona	AZ Advanced Fee Agreement	✓
California*	California Acknowledgment of Receipt of Loan Estimate and Compensation Notification	N/A
Colorado	Tangible Net Benefit Disclosure	✓
Connecticut	Advance Fee Agreement	✓
Delaware*	Mortgage Broker Agreement	✓
	Broker Agreement With Lender*	✓
Florida	Broker Agreement With Lender*	✓
Illinois*	IL Loan Brokerage Disclosure Statement	N/A


State	Additional Documents in Broker Package	Loan Officer Signature Required
	IL Loan Brokerage Agreement	✓
Indiana	Indiana Loan Broker Agreement	✓
Louisiana	Mortgage Broker Agreement	✓
Maine	Mortgage Broker Contract	✓
	Maine Notice to Consumer	N/A
Maryland	Broker Agreement With Lender*	✓
	Maryland Mortgage Broker Agreement	✓
Minnesota	Broker Agreement With Lender*	✓
Missouri	Missouri Loan Brokerage Disclosure Statement & Fee Agreement	N/A
	Broker Agreement With Lender*	✓
New Jersey	New Jersey Mortgage Broker Agreement	✓
North Carolina*	Mortgage Broker Agreement	✓
North Dakota	ND Money Broker Contract	N/A
Rhode Island	Prohibited Acts of Lenders and Loan Brokers	✓
South Carolina	Mortgage Broker Fee Agreement	✓
Texas	Texas Mortgage Company Disclosure	✓
Vermont	Broker Agreement With Lender*	✓
Virginia	Mortgage Broker Agreement	✓
Wisconsin*	WI Disclosure Statement	N/A
	WI Mortgage Broker Agreement	✓
	Broker Agreement With Lender*	✓
Wyoming	WY Broker Agreement	✓

\* Additional action required - please see below section for details

### California

If the Broker holds both Bureau of Real Estate (BRE) and Department of Business Oversight (DBO) licenses, the section *Mortgage Loan Disclosure Statement Notice* will appear in Q.Disclosures, asking which license the loan will be originated under. If BRE is selected, the MLDS Alternative Disclosure for Lender Paid Compensation will be included in the Broker disclosure package.

#### Mortgage Loan Disclosure Statement Notice

License Loan Originated Under  

### Delaware

The section *Mortgage Broker Agreement* will appear in Q.Disclosures. In addition to the standard origination services, confirm if the *Broker will analyze borrower's income and debt to pre-qualify them to determine the maximum mortgage loan they can afford?* via the drop-down. This information will be included on the Broker agreement.

#### Mortgage Broker Agreement

Broker will analyze borrower's income and debt to pre-qualify them to determine the maximum mortgage loan they can afford?

**Note:** In order to use Citizens' Broker disclosures for subject properties located in Delaware, the Broker must have a maximum compensation set in their comp agreement with Citizens. If not already set, a maximum compensation can be set up by contacting TPO Administration at [brokeradmin@franklinamerican.com](mailto:brokeradmin@franklinamerican.com). Maximum compensation will apply to all states in which the Broker does business.

### Illinois

The *Loan Brokerage Disclosure Statement* section will appear in Q.Disclosures. Select whether the Broker only brokers loans to one entity. If "yes," a checkbox will be included on the Broker agreement.

Loan Brokerage Disclosure Statement	
Broker only brokers loans to one entity?	<input type="checkbox"/>

### Indiana

The section *Loan Broker Agreement* will appear in Q.Disclosures. If any third-party fees are being collected prior to closing, the amount collected needs to be entered as the *Required Deposit Amount*. Enter the number of days the Broker agreement with the borrower will be in effect.

Loan Broker Agreement	
Are any third party fees being collected by the broker prior to closing?	Yes <input type="checkbox"/>
Required Deposit Amount	<input type="text"/>
Number of Days Broker Agreement in Effect	<input type="text"/>

### North Carolina

If a loan for a property in North Carolina is an Adjustable Rate Mortgage loan and a Higher Priced Mortgage Loan, the Broker will need to provide the Rate Spread Home Loan Disclosure to the borrower and submit it to Citizens. This will not be included in the initial Broker disclosure package.

### Wisconsin

The *Mortgage Broker Agreement* section will appear in Q.Disclosures. Select the services provided by the Broker to include on the Mortgage Broker Agreement.

Mortgage Broker Agreement	
In consideration for the mortgage broker company earning its fee, the services to be provided by the mortgage broker company are as follows (select an answer for each):	
Taking the mortgage loan application	Yes <input checked="" type="checkbox"/>
Assembling information	<input type="checkbox"/>
Reviewing, analyzing and evaluating the applicant's financial statements, income and credit history	<input type="checkbox"/>
Processing the mortgage loan file including verifying of information	<input type="checkbox"/>
Preparing all paperwork and documentation necessary for a conditional mortgage loan approval	<input type="checkbox"/>
Arranging for a conditional mortgage loan commitment between the applicant and a lender	<input type="checkbox"/>
Other	<input type="checkbox"/>

### Broker Agreement With Lender

If the subject property is located in Delaware, Florida, Maryland, Minnesota, Missouri, Vermont, or Wisconsin, the Broker Agreement With Lender is only required to be signed by the LO. This form is intended for the LO and lender only and will not be sent to the borrower. Effective March 6, 2019, the Broker Agreement With Lender will now be included in the initial disclosure package. The LO will no longer receive a copy of the form in a separate email. Please note that the Broker Agreement With Lender is still available at [wholesale.franklinamerican.com](http://wholesale.franklinamerican.com) > Forms; LOs may continue to obtain the agreement from the [FAMC](http://FAMC) website. The Broker Agreement With Lender is required to be signed by the LO (either wet sign or e-sign) and uploaded upon initial submission.

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