

ETHOS LOAN APPLICATION SUPPLEMENT (BROKER FEE AGREEMENT)

Borrower(s): _____ _____	Loan Originator (Broker): Steven Mark Hershman _____
Subject Property Address: _____ _____	Address: <u>210 Avenue I, Suite F</u> <u>Redondo Beach, CA 90277</u>
Phone: _____	Phone: <u>877-981-5626</u> NMLS: <u>235217</u>
	Loan Originator Company: Loans4Less.com _____
	NMLS: <u>235831</u>

This Ethos Loan Application Supplement (Broker Fee Agreement) sets forth certain terms and acknowledgements regarding the mortgage loan transaction.

(1) BROKER SERVICES: Your mortgage broker is responsible for explaining this agreement to you. You should not sign this agreement if you do not understand it.

Your mortgage broker is responsible for providing some or all of the following services:

- Taking information from you and filling out a loan application;
- Analyzing your income and debt and pre-qualifying you to determine the maximum mortgage that you can afford;
- Educating you in the home buying and financing process, advising you about the different types of loan products available, and demonstrating how closing costs and monthly payments could vary under each product;
- Collecting financial information (such as tax returns, bank statements and the like) and other related documents that are part of the application process;
- Initiating and/or ordering VOEs (verifications of employment) and VODs (verifications of deposit);
- Initiating and/or ordering requests for mortgage and other loan verifications;
- Initiating and/or ordering appraisals;
- Initiating and/or ordering inspections or engineering reports;
- Providing required federal and state disclosures and notices to you;
- Assisting you in understanding and clearing credit problems;
- Maintaining regular contact with you and others involved in the application process (such as realtors and the lender) between application and closing to apprise them of the status of the application and gather any additional information as needed;

- Ordering legal documents;
- Determining whether the property is located in a flood zone or ordering such service; and
- Participating in the loan closing.

The Broker is not the lender for this loan transaction. In providing the above services, the identified mortgage broker above (“Broker”) is acting as your agent relating to an inquiry on a mortgage loan transaction with Ethos Lending LLC (the “Transaction”). When acting as agent for the borrower(s), the Broker owes to the borrower(s) a fiduciary duty of utmost care, honesty, and loyalty in the transaction, including the duty of full disclosure of all material facts.

This agreement shall remain in effect, and the services shall be provided, through the later of the closing date of this mortgage loan or thirty (30) days from the date on which the application is complete. You understand that this agreement is not a commitment to extend credit.

(2) BROKER COMPENSATION:

<input type="checkbox"/> Borrower-Paid Compensation <p>By electing this option, the Borrower(s), agree to pay all Broker fees directly. No additional compensation associated with this Transaction will be paid to the Broker by any other party (including Ethos Lending LLC). If borrower(s) select this option, the points and fees for the Transaction may be higher, but the interest rate for the Transaction may be lower.</p> <p><u>Calculation:</u></p> <p>(1) Loan Amount: \$ _____</p> <p>(2) Multiplied by Borrower-Paid Compensation Percentage _____ %</p> <p>(3) Plus Fixed Fee Amount \$ _____</p> <p>(4) Total Broker Fee \$ _____</p>	<input checked="" type="checkbox"/> Lender-Paid Compensation <p>By electing this option, the Borrower(s), agree that the creditor (Ethos Lending LLC) will pay all Broker fees. No additional Broker compensation associated with this loan will be charged to the borrower(s) by the Broker or will be paid by the borrower(s) to the Broker. If borrower(s) select this option, the points and fees for the Transaction may be lower, but the interest rate for the Transaction may be higher.</p> <p><u>Calculation:</u></p> <p>(1) Loan Amount: \$ _____</p> <p>(2) Multiplied by Lender-Paid Compensation Percentage <u>1.000</u> %</p> <p>(3) Plus Fixed Fee Amount \$ <u>550</u></p> <p>(4) Total Broker Fee \$ _____</p>
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This agreement governs the payment of any fees to the following Broker in connection with the Transaction. The compensation selection of borrower-paid compensation or lender-paid compensation is an indication of preference to assist your mortgage broker in selecting the appropriate mortgage products for you. Ethos Lending LLC may rely on borrower(s) selection to determine the compensation owed to the Broker to comply with applicable law.

Pursuant to rules promulgated by the U.S. Consumer Financial Protection Bureau (“CFPB”), the Broker may only be compensated by the Borrower or by the creditor (in this case, Ethos Lending LLC), but not both. The Broker’s compensation will not be less than \$ _____ or more than \$ _____.

All compensation shall be as set forth in the Loan Estimate and the Closing Disclosure. Your mortgage broker shall explain fully to you how any credit may be applied and how your mortgage broker shall be compensated.

In no event shall the cost of the Broker’s services to the Borrower exceed the amount disclosed in this agreement. The Broker will only be entitled to obtain or retain compensation if the loan closes. The Borrower may be entitled to the refund of certain funds paid to the Broker upon exercise of the right to rescind the transaction under the Federal Truth-In-Lending Act, as amended, and the regulations thereunder.

(3) PROVIDED DISCLOSURES:

The borrower(s) and Broker certify that the disclosures identified (“Provided Disclosures”) applicable to the Transactions were provided to the borrower(s) within three (3) business days of the borrower(s) application.

By signing below, the borrower(s) acknowledge receiving the Provided Disclosures within three (3) business days of their application.

- **Loan Estimate:** The Borrower(s) received the Loan Estimate provided by Ethos Lending LLC within three (3) business days of their application. The Borrower(s) have not received a Loan Estimate for this application from any other entity.
- **Settlement Service Provider List**
- **Home Loan Toolkit**
- **Consumer Handbook on Adjustable-Rate Mortgages (“CHARM Booklet”)**
(Adjustable-Rate loans only)
- **Interest Only Mortgage Payments and Payment Option Arms - Are They For You?**
(IO loans only)

(4) BROKER ACKNOWLEDGEMENT:

By signing this Loan Application Supplement, the Broker hereby certifies that: (i) all statements set forth herein are true and complete, (ii) Broker has clearly explained to borrower(s) the services it has and will provide to borrower(s); (iii) Broker will be compensated for its services exclusively and only according to the compensation method selected by the borrower(s); and (iv) Broker has

not and will not accept any other method or amount of compensation in connection with its services from any party other than Ethos Lending LLC or borrower(s), as applicable.

(5) INTENT TO PROCEED:

Be aware, you cannot be charged any fee, other than a fee limited to the cost of a credit report, until you have received the Loan Estimate and signed this agreement.

By signing this Agreement, the borrower(s) confirm that the borrower(s) intend to proceed with the transaction that is the subject of the Loan Estimate provided by Ethos Lending LLC.

After signing this Agreement, if the borrower(s) instruct the Broker to advance funds for payment of any appraisal fees, the borrower(s) may be responsible for reimbursement of such funds to the Broker. These fees may not be refundable. No other fees shall be charged until the closing of the transaction. Ethos Lending LLC estimates completing the transaction within approximately thirty (30) days unless an earlier rate lock period is selected.

Notice to California Borrowers:

Any loan is made pursuant to the California Finance Lenders Law, Division 9 (commencing with Section 22000) of the Financial Code. **FOR INFORMATION CONTACT THE DEPARTMENT OF CORPORATIONS, STATE OF CALIFORNIA.**

An applicant, if married, may apply for a separate account.

Except where establishment of an impound account may be required as permitted by Cal. Civ. Code 2954(a), the establishment of an impound account shall not be required as a condition to the execution of a mortgage loan transaction. Interest will be paid on such account in accordance with applicable law.



Note to Broker: This Loan Application Supplement must be signed by Broker and all borrower(s).

Note to Borrower(s): By signing this agreement, you acknowledge that:

- (i) it was fully completed when provided to you,
- (ii) it has been explained to you and you understand it,
- (iii) you are entitled to receive a fully executed copy of this agreement
- (iv) you have received the Provided Disclosures, including the Loan Estimate, and
- (v) you intend to proceed with the transaction that is the subject of the Loan Estimate.

<p>Broker Certification:</p> <p>_____ Loan Originator Signature</p> <p>Loan Originator's Name: STEVEN MARK HERSHMAN</p> <p>Date: _____ NMLS: 235217</p>	<p>Borrower(s) Acknowledgement & Agreement:</p> <p>_____ Borrower Signature</p> <p>Borrower Name: Date:</p> <p>_____ Borrower Signature</p> <p>Borrower Name: Date:</p>
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This Ethos Loan Application Supplement (Broker Fee Agreement) relates to a Transaction with: Ethos Lending LLC, 180 Montgomery St., Suite 1000, San Francisco, CA 94104 (NMLS #: 1121650). Ethos is licensed or otherwise operates by exemptions in numerous states. Contract for questions or inquiries is Consumer Complaints Manager, available toll-free at 855-384-6753 or by email at customersupport@ethoslending.com. Licensee is a correspondent lender and does not hold mortgage loans or service mortgage loans for more than 90 days in the regular course of business.

Certain licenses for Ethos are:

Alabama Consumer Credit License #21967; Arizona Mortgage Banker License #0930150; Arkansas Combination Mortgage Banker-Broker-Servicer License #106433; California Finance Lenders Law License #6054815; Colorado Mortgage Company Registration (NMLS 1121650); Connecticut Mortgage Lender License #ML-1121650; Delaware Lender License #27862; District of Columbia Mortgage Lender License #MLB1121650; Florida Mortgage Lender License #MLD1154; Georgia Mortgage Lender License #43006; Illinois Residential Mortgage License #MB.6761059; Indiana First Lien Mortgage Lending License #24760; Iowa Mortgage Banker License #2014-0076; Kansas Mortgage Company License #MC.0025238; Kentucky Mortgage Company License #MC328879; Louisiana Residential Lending License (NMLS 1121650); Maine Supervised Lender License #1121650; Maryland Mortgage Lender License #21455; Michigan 1st Mortgage Broker/Lender License #FL0019349; Minnesota Residential Mortgage Originator License #MN-MO-1121650; Mississippi Mortgage Lender License #1121650; Nebraska Mortgage Banker License (NMLS 1121650); New Jersey Residential Mortgage Lender License (NMLS 1121650); New Mexico Mortgage Loan Company License (NMLS 1121650); North Carolina Mortgage Lender License #L-161498; Ohio Mortgage Broker Act Certificate of Registration #MB.804195.000; Ohio Mortgage Loan Act Certificate of Registration #SM.501893.000; Pennsylvania Mortgage Lender License #48747; Tennessee Mortgage License #120443; Texas SML Mortgage Company License (NMLS 1121650); Virginia Lender License #MC-5865; Washington Consumer Loan Company License #CL-1121650; Wisconsin Mortgage Banker License #1121650BA.