



Mortgage Broker Agreement

This Mortgage Broker Agreement (the "Agreement") is entered into as of this _____ day of _____, _____, by and between Northwestern Financial Corp., a Michigan corporation ("NFC"), and _____, a _____ ("Broker").

Recitals

WHEREAS, Broker is in the business of originating residential and/or commercial mortgage loans ("Loans") by taking and processing loan applications from prospective borrowers ("Borrowers") and submitting these applications to mortgage lenders, such as NFC, who underwrite, close and fund approved loans; and

WHEREAS, NFC is in the business of, among other things, making residential and commercial loans.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises made herein, and other good and valuable consideration, NFC and Broker hereby agree as follows:

Agreement

1. **Origination and Submission of Loans.** Broker may from time to time originate and submit to NFC completed or partial loan packages for hard money loans for Borrowers under such programs, terms and requirements as NFC may establish from time to time. Such loan packages shall be submitted as follows:
 - a. Broker shall submit and furnish to NFC such credit, financial, and other information concerning Borrowers that NFC may require in determination whether to approve and fund the Loans, including, without limitation, accurate loan applications and credit documentation.
 - b. Broker agrees to fully cooperate with NFC before and after any Loan closing, and to fully assist NFC to obtain any information and documentation NFC reasonably requires.
 - c. NFC shall review all loans submitted by Broker. If a Loan submitted for review meets NFC's current requirements, NFC shall underwrite the Loan and make a decision, in its sole discretion, whether to fund the loan and close the Loan. Nothing in this agreement shall require NFC to approve or fund any Loan submitted by Broker. Broker shall not warrant or represent to any Borrower that NFC has approved or will approve and fund any loan until at such time as NFC has determined that the Loan meets all of its underwriting and other requirements.
 - d. In consideration of Broker's origination of approved Loans meeting all of the requirements set forth herein, **NFC shall pay to Broker a commission of 2% based on the gross Loan amount.** Broker understands and agrees that payment of any compensation for the origination of Loans shall be based solely on actual and specific origination provided by Broker in connection with each Loan transaction. Broker shall not be entitled to any compensation to be paid by NFC with respect to any Loan unless such Loan is actually funded and closed.

- e. The contents of all Loan packages submitted to NFC by broker shall become the property of NFC, and all information therein may be subject to NFC's independent verification. Broker understands that NFC is a Hard Money Lender, and in its due diligence for its investors requires personal contact with the borrowers to verify information provided to NFC by Broker and/or the Borrowers. Broker hereby assigns all Broker's right, title, and interest in such Loan files to NFC, with exception of any right of the Broker to receive compensation as provided above.

2. **Representations and Warranties.** Broker hereby makes the following representations and warranties to NFC.

- a. None of the information or documentation contained in any Loan package submitted to NFC, and none of the representations made by Broker to NFC related to any Loan package submitted to NFC, will contain any untrue information, statement, or representation or omit to state a fact necessary in order to make such information, statement, or representation not misleading. Neither Broker nor any person or entity employed or engaged by Broker, including, without limitation, its officers, employees, appraisers, credit reporting agencies, or other agents involved with the Loan, has (i) made any false representation or provided information which is not true, complete and accurate as is reasonably necessary for NFC to make an underwriting decision; or (ii) received any direct or indirect benefit, fee, commission or other consideration of value from Borrower or any other party in connection with the Loan, except those fees legally and properly charged to Borrower.
- b. All federal, state, and local laws, rules and regulations applicable to the Loans have been complied with, including, without limitation, the Real Estate Settlement Procedures Act, the Truth-in-Lending Act, the Equal Credit Opportunity Act, the Home Mortgage Disclosure Act, the Fair Housing Act, the Flood Disaster Protection Act, the Fair Credit Reporting Act, and all other statutes or regulations governing fraud, consumer protection, consumer credit transactions, or interest charges.
- c. All Loans submitted to NFC comply with all requirements, regulations, and guidelines applicable to the Loans, including, without limitation, all requirements, regulations, and guidelines of the State of Michigan Lending Laws. Broker understands and acknowledges that NFC may sell closed and funded Loans to private investors.
- d. Broker is a duly organized and validly existing entity, is in good standing as a Licensed Mortgage Broker and/or Lender in the State of Michigan through the Office of Financial and Insurance Services. This Agreement has been duly authorized and executed by broker and is, or upon delivery will be, a legal, valid and binding obligation of Broker enforceable in accordance with its terms. The execution, delivery, and performance of this Agreement by Broker will not violate Broker's articles of incorporation, bylaws, any instruments related to the conduct of Broker's business, or any other agreement or instrument to which Broker is a party. Neither Broker nor any of its agents know of any suit, action, legal or administrative or other proceeding pending or threatened against Broker which would materially effect its ability to execute, deliver, or perform its obligations under this Agreement.
- e. The representations and warranties made by Broker to NFC hereunder shall be true in respects on the date hereof, and on the dates that all Loans are funded by NFC and closed. If at any time during the period between the submission of any Loan package to NFC and the funding and closing of the Loan, Broker discovers, or has reason to believe, that any of its representations and warranties may cease to be true, Broker shall give written notice thereof to NFC immediately.

3. **Indemnification.** Broker shall have no obligation to repurchase a mortgage loan from NFC. Broker agrees to indemnify, defend and hold NFC harmless from and against any loss, damage, costs or expenses, including, without limitation, all reasonable attorneys' fees and expenses arising out of the following:

- a. Any act or omission of Broker, or any employee or agent of Broker, including, without limitation, any fraud or misrepresentation in the origination or processing of the Loan;
- b. The breach by Broker, or any employee or agent of Broker, of any representations, warranties, or covenants set forth herein.

4. **Fraud.** The submission of a Loan package to NFC containing any false information or misrepresentations is a federal crime and NFC cooperates with government agencies and law enforcement officials to pursue such false information or fraudulent activity.

5. **Discrimination.** NFC is committed to the principles of fair lending. Broker agrees that all loan fees and interest rates must be charged to all borrowers on a non-discriminatory basis, without consideration of race, gender, national origin or age. Broker agrees to indemnify, defend and hold NFC harmless from any discriminatory practices employed by Broker or its employees and agents.

6. **Right of Offset.** Broker acknowledges and agrees that NFC shall have the right to offset or withhold any origination fees or other fees or compensation to be paid to Broker hereunder, in connection with any liability or potential liability of Broker to NFC hereunder, including, without limitation, any liability or potential liability related to the breach or alleged breach by broker of any representations, warranties, or covenants hereunder, or related to the failure or alleged failure of any Loans to comply with the requirements set forth herein.

7. **Termination of Agreement.** This Agreement may be terminated by either party, without cause, upon one (1) day's prior written notice to the other party; provided, however, that in the event that NFC, in its sole judgment and discretion, determines that there has been fraud or misrepresentation concerning any Loans submitted by Broker, or any other material breach by Broker of this Agreement, NFC reserves the right to terminate this Agreement immediately and without prior notice, and to refuse to close or fund any loans submitted by Broker prior to such termination. All obligations or liabilities of Broker to NFC hereunder shall expressly survive termination of this Agreement.

8. **Miscellaneous.**

a. **Notices.** Any notice or demand which is required or permitted to be given by any party under this Agreement shall deem to have been given if either (i) personally served, or (ii) sent by prepaid, certified mail, addressed to the party at its address set forth below:

If to NFC: Northwestern Financial Corp.
39111 West Six Mile Road
Livonia, MI 48152
Attention: Trent Dalrymple

If to Broker _____

Attention: _____

Each party may change its address for notices by providing written notice thereof to the other party.

b. **Entire Agreement/Amendment.** This Agreement constitutes the entire agreement between parties pertaining to the subject matter contained herein and supersedes all prior and contemporaneous agreements, representations, and understandings of the parties. No modification or amendment of this Agreement shall be binding unless executed in writing by all the parties hereto.

c. **Waivers/Non-Cumulative Remedies.** Failure or delay on the part of either party to exercise any right provided for herein shall not act as a waiver of any right hereunder, nor shall any single or partial exercise of any right of any party preclude any other or further exercise thereof. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute a waiver of any provision, or shall constitute a continuing waiver, unless such waiver is in writing and executed by the party making the waiver. All remedies provided herein are deemed cumulative and nonexclusive.

- d. **Relationship of the Parties.** It is agreed that NFC and Broker shall not be deemed to be partners or joint venturers by virtue of this Agreement or the transactions contemplated by it. Broker shall, in all respects, act as an independent contractor with respect to the transactions contemplated by this Agreement.
- e. **Survival.** All of the representations, warranties, covenants and obligations made herein by parties hereto shall survive and continue in effect after the termination of the Agreement or the consummation of the transactions contemplated by the Agreement.
- f. **Governing Law/Venue.** This Agreement shall be construed in accordance with, and governed by, the laws of the State of Michigan and the United States of America. This Agreement is performable in Livonia, Wayne County, Michigan. Any action arising out of this Agreement shall be initiated only in a state court in Wayne County, Michigan or the United States District Court for the Southeastern District of Michigan.
- g. **Attorneys' Fees.** If any legal action or other proceeding is brought for the enforcement of this Agreement, or in connection with any dispute related thereto, the prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in such proceeding, in addition to any relief to which party may be entitled.

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement as of the date indicated above.

NORTHWESTERN FINANCIAL CORP.

By: _____

BROKER

By: _____

Print Name _____

Title _____