

**AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT**

Loan Broker (Regulation X (RESPA); 12 CFR §1024.15)

**NOTE:** This form is used by a mortgage loan originator (MLO) when referring the borrower to affiliated settlement service providers while arranging a consumer mortgage, to disclose to the borrower that the MLO shares in the provider's earnings.

**DATE:** \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_, California.  
*Items left blank or unchecked are not applicable.*

**1. NOTICE:**

- 1.1 To \_\_\_\_\_, as the Borrower,
- 1.2 from \_\_\_\_\_, as the Referring Party,
- 1.3 regarding real estate referred to as \_\_\_\_\_.

**2.** You are hereby given notice that \_\_\_\_\_, as the Referring Party, has business relationships with the following settlement service providers:

| <u>Provider</u> | <u>Percentage of Ownership</u> | <u>Description of Relationship</u> |
|-----------------|--------------------------------|------------------------------------|
| 2.1 _____,      | _____%                         | _____                              |
| 2.2 _____,      | _____%                         | _____                              |
| 2.3 _____,      | _____%                         | _____                              |

**3.** Because of these relationships, these referrals may provide \_\_\_\_\_, as the Referring Party, a financial or other benefit.

**4.** Set forth at Section 5 below is the estimated charge or range of charges for the settlement services listed.

4.1 You are not required to use the listed providers as a condition for the settlement of your mortgage on the subject property.

4.2 **THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THOSE SERVICES.**

| <u>Provider</u> | <u>Settlement Service</u> | <u>Charges or Range of Charges</u> |
|-----------------|---------------------------|------------------------------------|
| 5.1 _____,      | _____                     | _____                              |
| 5.2 _____,      | _____                     | _____                              |
| 5.3 _____,      | _____                     | _____                              |

**6.** Set forth below is the estimated charge or range of charges for the settlement services of a title company, credit reporting agency, or real estate appraiser that we, as your Lender, will require you to use, as a condition of your loan on this property, to represent our interest in this transaction.

| <u>Provider</u> | <u>Settlement Service</u> | <u>Charges or Range of Charges</u> |
|-----------------|---------------------------|------------------------------------|
| 6.1 _____,      | _____                     | _____                              |
| 6.2 _____,      | _____                     | _____                              |
| 6.3 _____,      | _____                     | _____                              |

**7. ACKNOWLEDGMENT:**

I/We have read this disclosure form and understand that \_\_\_\_\_ as the Referring Party, is referring me/us to purchase one or more of the above described services and may receive a financial or other benefit as the result of this referral.

|  |  |
|--|--|
| <p><b>The above stated information is true and correct.</b><br/> Date: _____, 20____<br/> Borrower's Name: _____</p> | <p><b>The above stated information is true and correct.</b><br/> Date: _____, 20____<br/> Borrower's Name: _____</p> |
| Signature: _____   | Signature: _____   |