



VALENCIO MORTGAGE CORP. MORTGAGE LOAN ACKNOWLEDGEMENT FORM

ACKNOWLEDGEMENT: Business hereby accepts employment by Borrower to secure a mortgage loan commitment from a Lender. Receipt of a mortgage loan commitment by Business satisfies Business obligation under the Mortgage Brokerage Business Contract and Good Faith Estimate of costs to Borrower and the terms of this Contract are deemed fulfilled upon receipt of the mortgage loan commitment. The term "commitment" shall mean a commitment received by the Business from a Lender or Investor. Upon demand by the Borrower, Business shall produce or the Borrower's inspection evidence of the mortgage loan commitment which commitment is not required to disclose the identity of the source of the fundings for the mortgage loan.

DEPOSIT: Business acknowledges the receipt of certain funds from Borrower. If an application fee is submitted, it may or may not be refundable. If settlement or closing occurs, a non-refundable application fee shall be credited against the amount owed by Borrower. The deposit of third party fees set forth on Page I are non-refundable even if a mortgage loan commitment is not received. However, any money deposited with the Business for the payment of third party fees shall be returned to Borrower if the services for which the money is deposited are not performed. This disbursement is not a waiver of any other sum due Business by Borrower, as more fully enumerated herein. In the event of default by Borrower, Business is authorized to immediately disburse from the deposited sums all moneys then due Business or any third party.

DEFAULT BY BORROWER: If a commitment is obtained and title is not found to be good, marketable and insurable by the attorney or title company reviewing the title, or the Borrower refuses to execute and deliver the documents required by the Business or by the Lender, or in any other way fails to comply with this agreement, or if for any other reason the loan referred to herein cannot be closed through no fault of the business, or if a commitment cannot be obtained because Borrower has failed to provide information or documentation to the Lender or Business in a timely manner, failed to provide accurate information which caused the need for review or further information by the Lender or Business or failed to be ready, willing or able to close the loan no later than the date specified by the Lender or Business, Borrower acknowledges that the full Brokerage Fee has been earned by the Business and agrees to pay the same, plus any and all costs incurred on Borrower's behalf.

NONLIABILITY FOR LENDERS ACTS: Borrower hereby acknowledges that Business is acting on behalf of the Borrower to secure a mortgage loan commitment pursuant to this Agreement. Borrower also acknowledges that Business shall not be responsible for any error or omission of the Lender or other investor nor for any term or condition of the loan documentation that may be contrary to any state or federal law. Business shall not be responsible for any nonperformance of a commitment, rate lock-in, or mortgage loan by any Lender or other Investor.

LITIGATION: In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to all costs, including attorneys fees, whether before trial, at trial, on appeal, or in any administrative or quasi-judicial proceeding. In the event that Borrower causes any administrative complaint to be brought against Business, which arises out of this Agreement, and Business substantially prevails in any administrative proceedings, including entering into a Settlement Agreement with the applicable regulatory agency, through which the Business or its agent is the substantially prevailing party. Business or its agent shall be entitled to attorneys fees from Borrower, including all costs connected therewith in defending against any administrative action brought against Business, its agents, or employee in this regard.

ADDITIONAL CLAUSES: Any loan commitment and loan obtained by Business may contain such additional clauses or provisions as the Lender may request, including but not limited to non-assumable clauses, late fee clauses and pre-payment penalties. These additional clauses and provisions may differ with the terms of this Agreement and may be beyond the control of the Business.

MORTGAGE BROKERAGE FEE: Borrower hereby acknowledges that the Mortgage Brokerage Fee referred to in this Agreement is due and payable to Business upon Business receiving a mortgage loan commitment or, if no written commitment is received, upon a loan being funded. This fee may be in addition to the deposit required pursuant to this Agreement. To secure payment thereof, Borrower hereby acknowledges that Business may take any step authorized by law to collect same, including but not limited to instituting a civil cause of action. Unless otherwise agreed between Business and Borrower, the Mortgage Brokerage Fee shall be due and payable in full upon receipt by Business of a mortgage loan commitment from the Lender or other investor or may be paid at closing. If agreed to by Business, Deferral of receipt of the Mortgage Brokerage fee shall not waive any right of the Business to receive said fee from Borrower if settlement or closing does not occur.

GOOD FAITH ESTIMATE OF COSTS: The estimated costs set forth in this Agreement may be expressed as a range of possible costs and can be charged only when such costs have been incurred in connection with securing the loan or loan commitment. Actual costs incurred for items, which include but are not limited to, express mail fees, long distance calls and photographs, will be paid by Borrower unless otherwise stated herein. The actual costs incurred in securing the loan or loan commitment will be provided at settlement or closing.

GUARANTY: Borrower represents and warrants that he/she/it is the fee simple title holder to the property described in this Agreement and that there are no judgments, unpaid taxes, mortgages, or liens which affect title to the property except as described in Sections I and VII herein. Borrower agrees to pay all costs necessary to clear any defects if status of the title differs from the representations made herein.

ASSIGNMENT: This Agreement may not be assigned by Borrower. Business may assign this Agreement in whole or in part to any other entity licensed under Chapter 494, Florida Statutes.

DISCLOSURE OF BUSINESS RELATIONSHIP: Borrower acknowledges that Business may receive a financial benefit from the use of the specified products and services listed in Section VI.

DECISION: You acknowledge that in applying for this loan you have carefully considered all of your personal and financial circumstances, that it is in your best interest to proceed with the loan and that you have not relied upon any advice by the Mortgage Brokerage Business or its associate as to the wisdom of doing so.

SEVERABILITY OF CLAUSES CONTAINED HEREIN: In the event that any part or portion of this Agreement is held invalid or unlawful through any administrative, quasi-judicial proceeding, the invalidity or illegality thereof shall not affect the validity of this Agreement as a whole and the other provisions and conditions contained herein remain in full force and effect as if the legal or invalid provision had not been eliminated.

ADDENDUM TO MORTGAGE BROKERS AGREEMENT AND GOOD FAITH ESTIMATE: This Good Faith Estimate is being provided by Valencia Mortgage Corp., a mortgage broker, and no lender has yet been obtained. A Lender will provide you with an additional Good Faith Estimate within three Business Days of the receipt of your loan application.

1. That such Mortgage Brokerage Business may not make mortgage loans or commitments. The Mortgage Brokerage Business may make a commitment and may furnish a lock-in of the rate and program on behalf of the Lender when the Mortgage Brokerage Business has obtained a written commitment or lock-in for the loan from the Lender on behalf of the Borrower for the loan. The commitment must be in the same form and substance as issued by the Lender.
2. That such Mortgage Brokerage Business cannot guarantee acceptance into any particular loan program or promise any specific loan terms or conditions.
3. Any amount collected in excess of the actual cost shall be returned within 60 days after rejections, withdrawal or closing.

APPLICANT RIGHT TO COPY OF APPRAISAL: Upon written request, a creditor shall furnish an applicant with the copy of the appraisal report used in connection with an application for credit that is to be secured by lien on a dwelling. The creditor may require reimbursement from the applicant for the cost of the appraisal. The creditor shall mail or deliver a copy of an appraisal report within 15 days after receiving a written request from the applicant, or after receiving the report, whichever occurs later.

Borrower Signature _____

Date _____