**Section 1050.1010 Loan Brokerage Agreement**

Before a mortgage loan applicant (also referred to in this Section as "borrower" or "customer") signs a completed residential mortgage loan application or gives the licensee any consideration, whichever comes first, a loan brokerage agreement shall be required and shall be in writing and signed by both the mortgage loan applicant and a licensee whose services to the customer shall be loan brokering as defined at Section 1-4(o) of the Act.

a) The loan brokerage agreement shall carry a clear and conspicuous statement that, upon request, a copy of the agreement shall be made available to the borrower or the borrower's attorney for review prior to signing.

b) Both the licensee's authorized representative and the borrower shall sign and date the loan brokerage agreement, and a copy of the executed agreement shall be given to the customer.

c) The loan brokerage agreement shall contain an explicit description of the services the licensee agrees to perform for the borrower and an accounting of estimated loan costs and fees paid to the licensee that may be provided through reference to, or be taken from, a good faith estimate or TILA-RESPA Integrated Loan Estimate. The loan brokerage agreement shall contain language of prominence equal to or greater than the estimate, listing the types of situations or conditions that could materially affect the amounts indicated as a result of details that could not be known by the licensee at the time of signing the loan brokerage agreement. Examples of such situations or conditions include, but are not limited to, an appraised value different from that estimated by the borrower or credit obligations that the borrower fails to report.

d) The loan brokerage agreement shall carry a clear and conspicuous statement as to the conditions under which the borrower is obligated to pay the licensee.

e) The loan brokerage agreement shall provide that, if the licensee makes false or misleading statements in the agreement, the borrower may, upon written notice:

1) void the agreement;

2) recover monies paid to the broker for which no services have been performed; and

3) recover actual costs, including attorney fees for enforcing the borrower's rights under the loan brokerage agreement.

f) The loan brokerage agreement shall incorporate by reference the Loan Brokerage Disclosure Statement described in Section 1050.1020.

g) Except for a Rate-Lock Fee Agreement in accordance with Section 1050.1335, the loan brokerage agreement shall be the only agreement between the borrower and licensee with respect to a single loan; provider, however, that the licensee also shall provide to the customer any disclosure statement necessary to comply with Federal and State requirements, including, but not limited to, the Consumer Protection Credit Act (15 USC 1601), Equal Credit Opportunity Act (Title VII), and Truth in Lending Act (Title I) and Consumer Fraud and Deceptive Business Practices Act [815 ILCS 505].

h) The loan brokerage agreement shall contain the name and Unique Identifier in the Nationwide Multistate Licensing System and Registry of any licensee and Mortgage Loan Originator assisting the licensee in performing services for the borrower.

(Source: Amended at 41 Ill. Reg. 12405, effective October 6, 2017)