

## MEMORANDUM OF UNDERSTANDING (MOU)

This Memorandum of Understanding (MOU) is an agreement between \_\_\_\_\_ the Client(s) and \_\_\_\_\_, NMLS# \_\_\_\_\_, a licensed mortgage loan originator (MLO), collectively known as The Parties.

The purpose of this MOU is to establish the terms and conditions for the MLO referring the Client(s) to a HUD-certified housing counselor (HCA) and/or Certified Credit Counselor (CCCs) who will provide mortgage-readiness counseling services so that the Client(s) may obtain a mortgage through the professional services of the referring MLO.

### 1. Mortgage-Readiness Counseling Fees

The Fees for Mortgage-Readiness Counseling provided by the HCA and/or CCC may be paid by either the referring MLO or the Client.

#### Client Paid Services

- a. **Client Paid.** When the Client pays an upfront fee to the HCA and/or CCC for the mortgage readiness counseling services, that fee will be \$99\* excluding SDS cost and possible homebuyer Education class cost.
- b. **Student Loan Repayment (SDS)** services are paid separately from HCA and/or CCC fee but only if SDS service is completed. There is no cost to discover all eligible savings possibilities. For clients who wish to implement a plan, SDS costs are discounted at \$60/Standard, \$160/Premium with live counselor, a 40% discount from list prices.
- c. **Client Agrees to Pay.**
  - **HCA and/or CCC Fees.** If the Client agrees to pay the mortgage-readiness counseling services fee to the HCA and/or CCC, check here: \_\_\_\_\_
  - **SDS service.** If Client agrees to pay SDS services as applicable, check here: \_\_\_\_\_
- d. **Credit to Client(s) after HomePrep completion.** The Client fee of \$99 paid upfront to the HCA and/or CCC for the mortgage-readiness counseling fee as indicated by checking the box in 1c. is refunded to the client after they finish the HomePrep process by the **HCA**.

#### MLO Paid Services

- e. **MLO Paid Credit using MOU.** This Memorandum of Understanding (MOU) can apply a credit (\$0 to \$300) of \$\_\_\_\_, agreed upon by the MLO, to be paid towards the client(s) mortgage closing costs, if the client(s) return to the referring MLO for their mortgage.
- f. **MLO Agrees to Pay.** If the referring MLO agrees to pay the credit listed on this MOU in 1e., please check here. \_\_\_\_\_

### 2. Mortgage-Readiness Counseling Services

One or more of the mortgage-readiness counseling services will be provided as determined by the referring MLO and HCA and/or CCC. Please check services client needs.

1. \_\_\_ Credit: \_\_\_ Short term credit help (0-6 mos) \_\_\_ Long term credit help (7 mos to 5 years)
2. \_\_\_ Student Loan repayment plan and/or default resolution (*may require additional cost*)
3. \_\_\_ Down payment assistance
4. \_\_\_ Homebuyer Education class (*may require additional cost*)
5. \_\_\_ Budgeting
6. \_\_\_ Feedback from Freddie Mac's LPA automated underwriting system (AUS)
7. \_\_\_ 6 mos post-mortgage HUD counseling

**3. Client's Authorization**

By signing this MOU, the Client authorizes the referring MLO to share and exchange, the Client's data, documents and information related to the mortgage application to facilitate effective mortgage-readiness counseling services.

**4. Duty to Cooperate**

The Client agrees to provide best efforts to cooperate with the HCA and/or CCC and referring MLO by responding in a timely fashion to requests for information and taking the necessary steps recommended by the HCA to reach mortgage-readiness. The HCA and/or CCC agree to provide best efforts and to give an estimated timeline for the Client reaching mortgage-readiness. This estimate may change based on the Client's most current information and any changes that may occur during the counseling services.

- 5. No Guarantees.** The Client agrees that by signing this MOU and participating in the mortgage-readiness counseling services the Client is not guaranteed to obtain a mortgage loan.

**6. SIGNATURES**

I agree to the terms of this Memorandum of Understanding (MOU).

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Signature of Client 1

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Date

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Signature of Client 2

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Date

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Mortgage Loan Originator Signature

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Date