

FEE AGREEMENT (DISCLOSURE)

PURCHASE AREA DEVELOPMENT DISTRICT (PADD)
1002 Medical Drive
Mayfield, KY 42066

The PADD has advised the applicant that the PADD is authorized and prepared to assist the applicant in securing financing. The applicant understands that PADD's services may include, but are not limited to the following:

- Counseling on available loan products;
- Counseling on general loan qualification procedures and requirements;
- Counseling on applicant's financial capabilities;
- Assistance in obtaining information required to complete the loan application; and
- Assistance in processing the loan application and in meeting conditions of the loan commitment.

The applicant hereby agrees to engage the PADD for the purpose of advising the applicant about financing and to provide the services described above. This agreement will continue until the earlier of the declination of the applicant's loan request(s), the closing of the loan or the applicant's termination of PADD's services.

The applicant acknowledges that prior to paying any fees or completing any application(s), the applicant was advised of the following:

- PADD's services are advisory and administrative in nature;
- PADD cannot guarantee acceptance into any particular loan program or specific loan terms or conditions.
- The applicant is not required to obtain or pay for unwanted services.

FEES:

The applicant understands that, as compensation for PADD's services, the applicant is required to pay the following fees. Some fees may be **NON-REFUNDABLE**, others may be offset with other fees during the application process.

- **CREDIT REPORT FEE *** **\$20.00**
This fee is used in order to obtain and assess a credit report about the applicant.

The "Credit Report Fee" will be the first fee you have to pay (check or money order payable to "Purchase Area Development District") in order to enable PADD to determine your eligibility for one or more of its loan programs.

- **CLOSING FEE** **1.00% of loan amount (min. \$500.00)**
If the loan application(s) is (are) approved and the loan(s) closed, the applicant will receive an offset against the "Closing Fee" in the amount of the "Packaging & Processing Fee". This means that the "Closing Fee" to be paid equals the amount of 1.00% (minimum of \$500.00) of

the loan amount minus the received "Application Packaging & Processing Fee" for that loan. **The "Closing Fee" covers legal and other costs associated with the preparation and execution of the loan application and is just an estimate of the actual costs. In case the "Closing Fee" of 1.00% of the loan amount is not sufficient, the applicant agrees to pay any shortfall at closing and will receive a list about all additional costs.**

- **SBA 7(A) LOAN GUARANTY** **\$1,000.00**
One half of the fee is due at the beginning of the application process. The remaining amount is due upon the delivery of the completed application to the lending institution.
- **RURAL DEVELOPMENT B&I GUARANTY** **1.00% of loan amount**
One half of the fee is due at the beginning of the application process. The remaining amount is due upon the delivery of the completed application to the lending institution.
- **OTHER FEES**
Other fees or costs, including miscellaneous closing costs, title insurance fees, recording/filing costs, processing costs, etc., must be paid by the applicant at the time of the loan closing and/or the time they occur. If a project is not funded, the applicant is responsible for paying any/all fees incurred by PADD on behalf of the project.

Applicant Company Name (print above)

By: _____
Signature(s)

Date: _____

Title: _____

* The applicant may obtain its own copy of its credit report prior to applying for a loan for a small fee from any of the credit reporting agencies. For more information, the applicant can call Equifax at (800) 685-1111, Trans Union at (800) 916-8800 or Experian (formally TRW) at (888) 397-3742. In the event that the application is denied as a result of an agency's report, if the applicant contacts the agency that issued the credit report at the appropriate number listed above within 60 days of the issuance of the report, the fee for the credit report may be waived pursuant to the applicable laws and regulations.