

TILA/RESPA Integrated Disclosure Rule

Solving the Puzzle




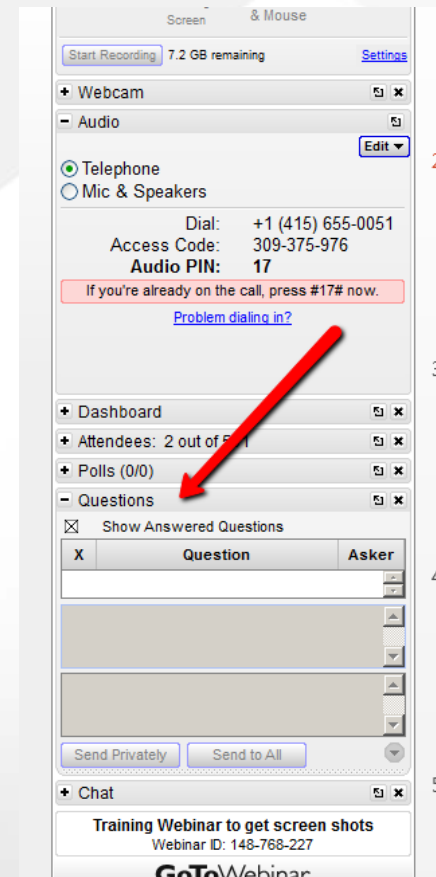
May 12, 2015
Presented by:

Gary D. Clark, CMB
Chief Operating Officer
Sierra Pacific Mortgage



Webinar

- All lines will be muted
- You can type your questions in the questions section along the right hand nav as you see here: 
- Time permitting we will answer as many questions as possible



The screenshot shows a webinar control panel with the following sections:

- Start Recording** (7.2 GB remaining) and **Settings** link.
- Webcam** (toggle on).
- Audio** (toggle on) with an **Edit** dropdown.
- Telephone** (selected) and **Mic & Speakers** (unselected).
- Telephone details: **Dial:** +1 (415) 655-0051, **Access Code:** 309-375-976, **Audio PIN:** 17. A red box contains the text: "If you're already on the call, press #17# now." with a **Problem dialing in?** link below it.
- Dashboard** (toggle on).
- Attendees:** 2 out of 5.
- Polls (0/0)** (toggle on).
- Questions** (toggle on) section containing:
 - Show Answered Questions
 - A table with columns **X**, **Question**, and **Asker**.
 - Buttons: **Send Privately** and **Send to All**.
- Chat** (toggle on).
- Footer: **Training Webinar to get screen shots**, Webinar ID: 148-768-227, and **GoToWebinar** logo.

Red annotations in the image include a vertical line on the right side with numbers 2, 3, 4, and 5, and a red arrow pointing to the questions section.



Today's Speaker



Gary D. Clark, CMB

Gary is the Chief Operating Officer for Sierra Pacific Mortgage. In this role Gary oversees the Compliance Group, Operations and Information Technology. Gary is a 30+ year veteran of the mortgage industry beginning his career as a loan originator for an independent mortgage banker. His background includes origination, construction lending, compliance, operations and secondary marketing. Gary was awarded the designation of Certified Mortgage Banker by the Mortgage Bankers Association in 2006 and is one of only 1,500 employed in the industry to hold this designation.



Legal Disclaimer

- I am not an attorney
- Notwithstanding the foregoing, this webinar is presented with a word of caution. This presentation may cause restlessness, nausea, dizziness or blurred vision. Some humor may or may not be present, and some may laugh or cry based upon the information contained herein. The opinions expressed are solely mine or my wife's but not necessarily those of my employers (past or present), my friends, or those of my sports buddies. This presentation is subject to change without notice, and is void where prohibited by law. No animals were harmed in the making of this presentation, especially my dog Satie. If this presentation lasts more than 4 hours, please seek immediate help. As always, seek your own guidance in understanding the regulations expressed herein.

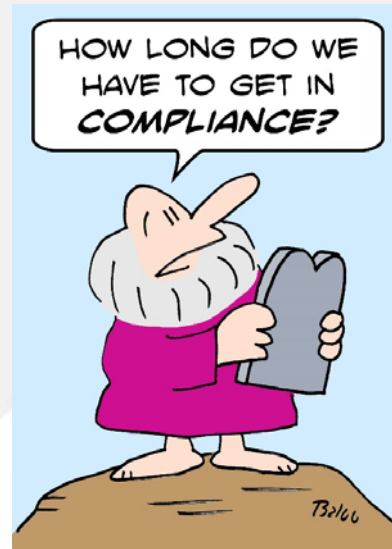


TILA-RESPA Integrated Disclosure Rule

- Over 1,880 pages
- Impacts both the loan origination process and the closing process
- Combines current forms
- Impacts systems
- Changes business process
 - Single biggest impact on the origination process since the initial implementation of RESPA in 1974



Effective Date



- Effective for applications originated August 1, 2015
 - Applications prior to August 1st must use the old disclosure documents



TILA-RESPA - Why Change?

- Dodd-Frank Act directed the CFPB to integrate the mortgage loan disclosure under TILA and RESPA Sections 4 and 5.
- CFPB spent over one year in extensive industry and consumer research and outreach
- Outreach included a study conducted with over 800 consumers which concluded the new disclosures had statistically better performance than the current disclosures
- The forms use clear language and designed to make it easier for consumers to locate key information about their loan



What Has Changed?

- New definition of “Loan Application”
- Combines the initial GFE and TILA disclosure into a single document
 - Loan Estimate (LE)
- Combines the final TILA and the HUD-1 into a single document
 - Closing Disclosure (CD)
- New timing requirements for issuance of both the LE and the CD
- New tolerances or variations
- Creditor (Lender) has increased responsibility



What Loans are Impacted?

- Almost all closed-end 1st and 2nd mortgage loans including consumer construction, construction-to-perm and vacant land
- Does not apply to:
 - Heloc's
 - Reverse mortgages
 - Mobile home loans not attached to real estate
 - 2nd deeds of trust used as down payment assistance programs (DPA) which do not require the payment of interest and are forgiven incrementally in whole or part over time



Origination Process - Application Defined

- Under the rule an application has been defined as being received and requires the issuance of the Loan Estimate (LE) within three days of receipt of:
 - Consumer name
 - Consumer income
 - Social Security Number
 - Property address
 - Estimate of the value of the property
 - Loan amount
- This applies to both the broker and/or the creditor (lender)



Pre-Application and Disclosure Opportunities

- Use a “Worksheet” to educate your borrowers about loan options and costs to close
 - Cannot be labeled or appear to resemble an LE
 - Must contain a specific disclosure: “Your actual rate, payment and costs could be higher. Get an official Loan Estimate before choosing a loan”. This disclosure must be in a minimum 12 point font.
- You can only collect a credit report fee prior to obtaining a borrower’s consent to proceed.
 - Collecting a post dated check and/or credit card information to be used later is considered by regulation to be the same as collecting funds¹



Origination Process - Impacts

- Purchase borrowers who are shopping
 - Property Address = TBD – No Application
 - Treat them as “Prospects” in your LOS systems
 - Convert them to applications when you have the final element
- Refinance borrowers who “may” be interested in refinancing
 - If you obtain all six elements of an application, you must issue an LE
- Website “Applications”
 - If the borrower completes an online “Application” which has the six elements and sends you the data (vs. just saving), you must issue an LE



Origination Process – How to Proceed

- When you have an application, the LE must be delivered no later than the third “General” business day after the application is received and not later than the seventh business day before consummation
- General business day is defined as a day in which the creditors offices are open to the public to carry on substantially all functions
- General business day is used in providing the LE and subsequent LE’s issued due to changed circumstances
- The consumer must receive the LE before they can indicate their intent to proceed
- You cannot “require” any confirming documentation prior to placing the LE in the mail

delivering or



Origination Process – How is the LE Received?

- Face to Face – have the borrower sign the LE as received
 - The borrower may then indicate their intent to proceed
- Electronic Delivery – have the borrower sign the consent for electronic delivery first, then sign the LE as received
 - Once the LE is signed the borrower may indicate their intent to proceed
- Mail Box Rule – Consumer is considered to have received the LE three general business days after it is placed in the mail; this applies to electronic delivery as well
- Unless you have documentation to the contrary you must wait three general business days after sending the LE to obtain the consumers consent to proceed



Origination Process – Timing of the LE

- Day 0 – Application Received
- Day 1 – 3 – Issue the LE
 - You are now permitted to request verifying documentation
- Day 1– 6 Borrower may indicate their intent to proceed
 - You are now permitted to collect additional funds (i.e. appraisal fee)
- You can reduce the time frame by obtaining the borrower's written acknowledgement of the LE



Origination Process – Timing of the LE

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3 Application received by Creditor. The only fee Creditor may collect before providing the Loan Estimate is for the credit report.	4	5	6 Loan Estimate delivered or placed in mail. Creditor may request verifying information.	7	8
9	10	11 Consumer receives Loan Estimate. Consumer indicates an intention to proceed with Application.	12 Copy of Contract received by Creditor.	13 Appraisal ordered by Creditor.	14 7-day waiting period for consummation after delivery of Loan Estimate expired. First day when consummation can occur.	15

- This example assumes the creditor is open on Saturday. If the creditor is closed on Saturday the mail box rule of receipt moves to the 12th



LE – Page 1

FICUS BANK
4321 Random Boulevard • Somers, CT 12340 Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED: 2/15/2013
APPLICANTS: Michael Jones and Mary Stone
123 Anywhere Street
Anytown, ST 12345
PROPERTY: 456 Somewhere Avenue
Anytown, ST 12345
SALE PRICE: \$180,000

LOAN TERM: 30 years
PURPOSE: Purchase
PRODUCT: Fixed Rate
LOAN TYPE: Conventional FHA VA
LOAN ID #: 123456789
RATE LOCK: NO YES, until 4/16/2013 at 5:00 p.m. EDT
Before closing, your interest rate points and/or lender credit can change unless you lock the interest rate. All other estimated closing costs expire on 3/4/2013 at 5:00 p.m. EDT.

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest	\$761.78	NO
<small>See Page 2 for Payments below for your Estimated Total Monthly Payment.</small>		
Prepayment of Penalty	YES - As high as \$3,200 if you pay off the loan during the first 2 years.	
Balloon Payment	NO	

Payment Calculation	Does the loan have these features?	
	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow <small>Amount can increase over time</small>	+ 206	+ 206
Estimated Total Monthly Payment	\$1,050	\$968

Estimated Taxes, Insurance & Assessments <small>Amount can increase over time</small>	\$206 a month	This estimate includes	In escrow?
		<input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other <small>See item 6 on page 2 for enclosed property costs. You must pay for other property costs separately.</small>	YES

Costs at Closing	
Estimated Closing Costs	\$8,054 Includes: \$5,672 in Loan Costs + \$2,382 in Other Costs - \$0 in Lender Credits. See page 2 for details.
Estimated Cash to Close	\$16,054 Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.

LOAN ESTIMATE PAGE 1 OF 2 - LOAN ID# 123456789

• Summary Information

- Creditor Information & Loan Parameters
- Loan Terms
- Projected Payments
 - P & I
 - MI
 - Impounds
- Summary Closing Costs
- Summary Cash to Close



LE – Page 1 Basic Information

FICUS BANK
4321 Random Boulevard • Somersy, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED: 2/15/2013
APPLICANTS: Michael Jones and Mary Stone
123 Anywhere Street
Anytown, ST 12345
PROPERTY: 456 Somewhere Avenue
Anytown, ST 12345
SALE PRICE: \$180,000

LOAN TERM: 30 years
PURPOSE: Purchase
PRODUCT: Fixed Rate
LOAN TYPE: Conventional FHA VA
LOAN ID#: 123456789
RATE LOCK: NO YES, until 4/16/2013 at 5:00 p.m. EDT
Before closing, your interest rate points and lender credit can change unless you lock the interest rate. All other estimated closing costs expire on 3/4/2013 at 5:00 p.m. EDT.

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <small>See Payment Schedule below for your Estimated Total Monthly Payment</small>	\$761.78	NO
Does the loan have these features?		
Prepayment Penalty	YES	-As high as \$3,200 if you pay off the loan during the first 2 years
Balloon Payment	NO	
Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow Amount (can increase over time)	+ 206	+ 206
Estimated Total Monthly Payment	\$1,050	\$968
Estimated Taxes, Insurance & Assessments <small>Amount can increase over time</small>	\$206 a month	This estimate includes: <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other <small>See Section G on page 2 for escrow property costs. You must pay for other property costs separately.</small>
Costs at Closing		
Estimated Closing Costs	\$8,054 Includes \$5,672 in Loan Costs + \$2,382 in Other Costs - \$0 in Lender Credits. See page 2 for details.	
Estimated Cash to Close	\$16,054 Includes Closing Costs. See Calculating Cash to Close on page 2 for details.	

Visit www.consumerfinance.gov/mortgage-estimate for general information and tool.
LOAN ESTIMATE PAGE 1 OF 2 - LOAN ID# 123456789

FICUS BANK
4321 Random Boulevard • Somersy, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED: 2/15/2013
APPLICANTS: Michael Jones and Mary Stone
123 Anywhere Street
Anytown, ST 12345
PROPERTY: 456 Somewhere Avenue
Anytown, ST 12345
SALE PRICE: \$180,000

LOAN TERM: 30 years
PURPOSE: Purchase
PRODUCT: Fixed Rate
LOAN TYPE: Conventional FHA VA
LOAN ID#: 123456789
RATE LOCK: NO YES, until 4/16/2013 at 5:00 p.m. EDT
Before closing, your interest rate points and lender credit can change unless you lock the interest rate. All other estimated closing costs expire on 3/4/2013 at 5:00 p.m. EDT.

- Creditor Name & Info
- Date Issued
- Property
- Sales Price
- Loan Terms
- Purpose
- Product
- Loan Type
- Loan ID#¹
- Lock Info



¹Loan ID# must be the same throughout the transaction § 1026.37(a)(12)-1

LE – Page 1 Loan Terms

FICUS BANK
4321 Random Boulevard • Somecity, ST 12340 Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED: 2/15/2013
APPLICANTS: Michael Jones and Mary Stone
123 Anywhere Street
Anytown, ST 12345
PROPERTY: 456 Somewhere Avenue
Anytown, ST 12345
SALE PRICE: \$180,000

LOAN TERM: 30 years
PURPOSE: Purchase
PRODUCT: Fixed Rate
LOAN TYPE: Conventional FHA VA
LOAN ID#: 123456789
RATE LOCK: NO YES, until 4/16/2013 at 5:00 p.m. EDT
Before closing, your interest rate points and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/4/2013 at 5:00 p.m. EDT.

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment.</small>	\$761.78	NO
Prepayment Penalty	YES	-As high as \$3,240 if you pay off the loan during the first 2 years.
Balloon Payment		NO

Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow <small>Amount can increase over time.</small>	+ 206	+ 206
Estimated Total Monthly Payment	\$1,050	\$968

Estimated Taxes, Insurance & Assessments
Amount can increase over time

	This estimate includes	In escrow?
\$206 a month	<input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other <small>See item 6 on page 2 for escrow property costs. You must pay for other property costs separately.</small>	YES YES

Costs at Closing	
Estimated Closing Costs	\$8,054 Includes \$5,672 in Loan Costs + \$2,382 in Other Costs - \$0 in Lender Credits. See page 2 for details.
Estimated Cash to Close	\$16,054 Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.
LOAN ESTIMATE PAGE 1 OF 2 - LOAN ID# 123456789

Loan Terms		Can this amount increase after closing?
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment.</small>	\$761.78	NO
Prepayment Penalty	YES	-As high as \$3,240 if you pay off the loan during the first 2 years.
Balloon Payment		NO

- Loan Amount
- Interest Rate
- Monthly P&I
- Prepayment Penalty
- Balloon Payment



LE – Page 1 Projected Payments

FICUS BANK
4321 Random Boulevard - Somers, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED: 2/15/2013
APPLICANTS: Michael Jones and Mary Stone
123 Anywhere Street
Anytown, ST 12345
PROPERTY: 456 Somewhere Avenue
Anytown, ST 12345
SALE PRICE: \$180,000

LOAN TERM: 30 years
PURPOSE: Purchase
PRODUCT: Fixed Rate
LOAN TYPE: Conventional FHA VA
LOAN ID#: 123456789
RATE LOCK: NO YES, until 4/16/2013 at 5:00 p.m. EDT
Before closing, your interest rate points and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on **3/4/2013** at 5:00 p.m. EDT.

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$761.78	NO
Prepay or Penalty	YES	As high as \$3,240 if you pay off the loan during the first 2 years
Balloon Payment		NO

Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow <small>Amount can increase over time</small>	+ 206	+ 206
Estimated Total Monthly Payment	\$1,050	\$968

Estimated Taxes, Insurance & Assessments
Amount can increase over time

\$206 a month

This estimate includes
 Property Taxes
 Homeowner's Insurance
 Other:
See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.

In escrow?
YES
YES

Costs at Closing	
Estimated Closing Costs	\$8,054 <small>Includes \$5,672 in Loan Costs + \$2,382 in Other Costs - \$0 in Lender Credits. See page 2 for details.</small>
Estimated Cash to Close	\$16,054 <small>Includes Closing Costs. See Calculating Cash to Close on page 2 for details.</small>

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.
LOAN ESTIMATE PAGE 1 OF 2 - LOAN ID# 123456789

Projected Payments

Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow <small>Amount can increase over time</small>	+ 206	+ 206
Estimated Total Monthly Payment	\$1,050	\$968

Estimated Taxes, Insurance & Assessments
Amount can increase over time

\$206 a month

This estimate includes
 Property Taxes
 Homeowner's Insurance
 Other:
See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.

In escrow?
YES
YES

- Dynamic Form
- 1-4 Payment Columns
 - Loan Type
 - Payment Changes
 - Think Mortgage Insurance
 - Think Adjustable Rates



LE – Page 1 Costs at Closing

FICUS BANK
4321 Random Boulevard - Somers, CT 06207

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED: 2/15/2013
APPLICANTS: Michael Jones and Mary Stowe
123 Anywhere Street
Anytown, ST 12345
PROPERTY: 456 Somewhere Avenue
Anytown, ST 12345
SALE PRICE: \$180,000

LOAN TERM: 30 years
PURPOSE: Purchase
PRODUCT: Fixed Rate
LOAN TYPE: Conventional FHA VA
LOAN ID#: 123456789
RATE LOCK: NO YES, until 4/16/2013 at 5:00 p.m. EDT
Before closing your interest rate points and/or credit can change unless you lock the interest rate. All other estimated closing costs expire on 3/4/2013 at 5:00 p.m. EDT.

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$761.78	NO

Does the loan have these features?	
Prepayment Penalty	YES -As high as \$3,240 if you pay off the loan during the first 2 years
Balloon Payment	NO

Projected Payments	Years 1-7	Years 8-30
Payment Calculation		
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ .82	+ —
Estimated Escrow <small>Amount can increase over time</small>	+ .206	+ .206
Estimated Total Monthly Payment	\$1,050	\$968

Estimated Taxes, Insurance & Assessments <small>Amount can increase over time</small>	This estimate includes	Inescrow?
\$206 a month	<input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other	YES YES

See Section G on page 2 for information on how property costs. You must pay for other property costs separately.

Costs at Closing	
Estimated Closing Costs	\$8,054 Includes \$5,672 in Loan Costs + \$2,382 in Other Costs - \$0 in Lender Credits. See page 2 for details.
Estimated Cash to Close	\$16,054 Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.

LOAN ESTIMATE PAGE 1 OF 2 - LOAN ID# 123456789

Costs at Closing	
Estimated Closing Costs	\$8,054 Includes \$5,672 in Loan Costs + \$2,382 in Other Costs - \$0 in Lender Credits. See page 2 for details.
Estimated Cash to Close	\$16,054 Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.

LOAN ESTIMATE PAGE 1 OF 2 - LOAN ID# 123456789

- Estimated Closings Costs – From Page 2
- Estimated Cash to Close



LE – Page 2

Closing Cost Details

Loan Costs		Other Costs	
A. Origination Charges \$1,802		E. Taxes and Other Government Fees \$85	
.25 % of Loan Amount (Points)	\$405	Recording Fees and Other Taxes	\$85
Application Fee	\$300	Transfer Taxes	
Underwriting Fee	\$1,097		
		F. Prepays \$807	
		Homeowner's Insurance Premium (6 months)	\$605
		Mortgage Insurance Premium (months)	
		Prepaid Interest (\$17.44 per day for 15 days @ 3.875%)	\$202
		Property Taxes (months)	
		G. Initial Escrow Payment at Closing \$413	
		Homeowner's Insurance \$100.83 per month for 2 mo.	\$202
		Mortgage Insurance per month for mo.	
		Property Taxes \$103.30 per month for 2 mo.	\$211
		H. Other \$1,017	
		Title - Owner's Title Policy (optional)	\$1,017
		I. TOTAL OTHER COSTS (E + F + G + H) \$2,382	
		J. TOTAL CLOSING COSTS \$8,054	
		D + I	\$8,054
		Lender Credits	
B. Services You Cannot Shop For \$872		Calculating Cash to Close	
Appraisal Fee	\$405	Total Closing Costs (J)	\$8,054
Credit Report Fee	\$30	Closing Costs Financed (Paid from your Loan Amount)	\$0
Flood Determination Fee	\$20	Down Payment/Funds from Borrower	\$18,000
Flood Monitoring Fee	\$32	Deposit	-\$10,000
Tax Monitoring Fee	\$75	Funds for Borrower	\$0
Tax Status Research Fee	\$110	Seller Credits	\$0
		Adjustments and Other Credits	\$0
		Estimated Cash to Close	\$10,054
C. Services You Can Shop For \$3,198			
Pest Inspection Fee	\$135		
Survey Fee	\$65		
Title - Insurance Binder	\$700		
Title - Lender's Title Policy	\$335		
Title - Settlement Agent Fee	\$302		
Title - Title Search	\$1,201		
D. TOTAL LOAN COSTS (A + B + C) \$5,872			

- Closing Costs
 - A. Origination Charges
 - B. Services you cannot shop
 - C. Services you can shop
 - E. Taxes & Other Gov't Fees
 - F. Prepays
 - G. Initial Escrow Payments
 - H. Other
 - I. Total Other Costs
 - J. Total Closing Costs
 - List charges alphabetically



LE – Page 2 Section A

Closing Cost Details	
Loan Costs	
A. Origination Charges	\$1,802
.25% of Loan Amount (Points)	\$403
Application Fee	\$300
Underwriting Fee	\$1,097
B. Services You Cannot Shop For	
Appraisal Fee	\$403
Credit Report Fee	\$30
Flood Determination Fee	\$20
Flood Monitoring Fee	\$32
Tax Monitoring Fee	\$73
Tax Status Research Fee	\$110
C. Services You Can Shop For	
Pest Inspection Fee	\$135
Survey Fee	\$05
Title - Insurance Binder	\$700
Title - Lender's Title Policy	\$335
Title - Settlement Agent Fee	\$302
Title - Title Search	\$1,201
D. TOTAL LOAN COSTS (A + B + C)	\$5,672
Other Costs	
E. Taxes and Other Government Fees	\$85
Recording Fees and Other Taxes	\$85
Transfer Taxes	
F. Prepays	\$807
Homeowner's Insurance Premium (6 months)	\$603
Mortgage Insurance Premium (6 months)	
Prepaid Interest (\$17.44 per day for 15 days @ 3.875%)	\$262
Prepaid Taxes (6 months)	
G. Initial Escrow Payment at Closing	\$413
Homeowner's Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo.	
Property Taxes \$103.30 per month for 2 mo.	\$211
H. Other	\$1,017
Title - Owner's Title Policy (optional)	\$1,017
I. TOTAL OTHER COSTS (E + F + G + H)	\$2,382
J. TOTAL CLOSING COSTS	\$8,054
D + I	\$8,034
Lender Credits	
Calculating Cash to Close	
Total Closing Costs (J)	\$8,034
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$18,000
Deposit	-\$10,000
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
Estimated Cash to Close	\$10,034

Closing Cost Details	
Loan Costs	
A. Origination Charges	\$1,802
.25% of Loan Amount (Points)	\$403
Application Fee	\$300
Underwriting Fee	\$1,097

- Origination Charges
 - Includes discount points
 - Origination charges paid directly by the consumer to the originator – listed alphabetically
 - Application, Admin and Underwriting Fees
 - Any other items the consumer will pay to the creditor or originator for origination and extending credit
 - No variations (tolerances) permitted



LE – Page 2 Section B

Closing Cost Details

Loan Costs		Other Costs	
A. Origination Charges \$1,802		E. Taxes and Other Government Fees \$85	
.25 % of Loan Amount (Points)	\$405	Recording Fees and Other Taxes	\$85
Application Fee	\$300	Transfer Taxes	
Underwriting Fee	\$1,097		
		F. Prepaids \$807	
		Homeowner's Insurance Premium (6 months)	\$605
		Mortgage Insurance Premium (months)	
		Prepaid Interest (\$17.44 per day for 15 days @ 3.875%)	\$202
		Property Taxes (months)	
		G. Initial Escrow Payment at Closing \$413	
		Homeowner's Insurance \$100.83 per month for 2 mo.	\$202
		Mortgage Insurance per month for mo.	
		Property Taxes \$103.30 per month for 2 mo.	\$211
		H. Other \$1,017	
		Title - Owner's Title Policy (optional)	\$1,017
		I. TOTAL OTHER COSTS (E + F + G + H) \$2,382	
		J. TOTAL CLOSING COSTS \$8,054	
		D + I	\$8,034
		Lender Credits	
C. Services You Can Shop For \$3,198		Calculating Cash to Close	
Pest Inspection Fee	\$135	Total Closing Costs (J)	\$8,034
Survey Fee	\$05	Closing Costs Financed (Paid from your Loan Amount)	\$0
Title - Insurance Binder	\$700	Down Payment/Funds from Borrower	\$18,000
Title - Lender's Title Policy	\$335	Deposit	-\$10,000
Title - Settlement Agent Fee	\$302	Funds for Borrower	\$0
Title - Title Search	\$1,201	Seller Credits	\$0
		Adjustments and Other Credits	\$0
		Estimated Cash to Close	\$18,034
D. TOTAL LOAN COSTS (A + B + C) \$5,472			

B. Services You Cannot Shop For		\$672
Appraisal Fee		\$405
Credit Report Fee		\$30
Flood Determination Fee		\$20
Flood Monitoring Fee		\$32
Tax Monitoring Fee		\$75
Tax Status Research Fee		\$110

- Generally third party services required and selected by the broker or creditor
- List alphabetically
- No variations to the charges unless thru a changed circumstance
- Note appraisal fee is no a “no variation” cost. Be sure to get your quotes in advance



LE – Page 2 Section C & D

Closing Cost Details

Loan Costs		Other Costs	
A. Origination Charges \$1,802		E. Taxes and Other Government Fees \$85	
.25% of Loan Amount (Points)	\$403	Recording Fees and Other Taxes	\$85
Application Fee	\$300	Transfer Taxes	
Underwriting Fee	\$1,097		
		F. Prepaids \$807	
		Homeowner's Insurance Premium (6 months)	\$603
		Mortgage Insurance Premium (months)	
		Prepaid Interest (\$17.44 per day for 15 days @ 3.875%)	\$202
		Property Taxes (months)	
		G. Initial Escrow Payment at Closing \$413	
		Homeowner's Insurance \$100.83 per month for 2 mo.	\$202
		Mortgage Insurance per month for mo.	
		Property Taxes \$103.30 per month for 2 mo.	\$211
		H. Other \$1,017	
		Title - Owner's Title Policy (optional)	\$1,017
B. Services You Cannot Shop For \$872		L. TOTAL OTHER COSTS (E + F + G + H) \$2,382	
Appraisal Fee	\$403	J. TOTAL CLOSING COSTS \$8,054	
Credit Report Fee	\$30	D + I	\$8,034
Flood Determination Fee	\$20	Lender Credits	
Flood Monitoring Fee	\$32		
Tax Monitoring Fee	\$73	Calculating Cash to Close	
Tax Status Research Fee	\$110	Total Closing Costs (J)	\$8,034
		Closing Costs Financed (Paid from your Loan Amount)	\$0
		Down Payment/Funds from Borrower	\$18,000
		Deposit	-\$10,000
		Funds for Borrower	\$0
		Seller Credits	\$0
		Adjustments and Other Credits	\$0
		Estimated Cash to Close	\$10,034
D. TOTAL LOAN COSTS (A + B + C) \$5,672			
		C. Services You Can Shop For \$3,198	
		Pest Inspection Fee	\$135
		Survey Fee	\$65
		Title - Insurance Binder	\$700
		Title - Lender's Title Policy	\$535
		Title - Settlement Agent Fee	\$502
		Title - Title Search	\$1,261

C. Services You Can Shop For		\$3,198
Pest Inspection Fee		\$135
Survey Fee		\$65
Title - Insurance Binder		\$700
Title - Lender's Title Policy		\$535
Title - Settlement Agent Fee		\$502
Title - Title Search		\$1,261

- Generally services required for the transaction
- Listed alphabetically
- Title & Closing Agent Costs all begin "Title"
- 10% variation permitted and sometimes more based upon the service provider selected

- Section D - Total of A + B + C



LE – Page 2 Section E & F

Closing Cost Details

Loan Costs	
A. Origination Charges	\$1,802
.25 % of Loan Amount (Points)	\$403
Application Fee	\$300
Underwriting Fee	\$1,097
B. Services You Cannot Shop For	\$872
Appraisal Fee	\$403
Credit Report Fee	\$30
Flood Determination Fee	\$20
Flood Monitoring Fee	\$32
Tax Monitoring Fee	\$73
Tax Status Research Fee	\$110
C. Services You Can Shop For	\$3,198
Pest Inspection Fee	\$135
Survey Fee	\$05
Title - Insurance Binder	\$700
Title - Lender's Title Policy	\$335
Title - Settlement Agent Fee	\$302
Title - Title Search	\$1,201
D. TOTAL LOAN COSTS (A + B + C)	\$5,672
Other Costs	
E. Taxes and Other Government Fees	\$85
Recording Fees and Other Taxes	\$85
Transfer Taxes	
F. Prepays	\$867
Homeowner's Insurance Premium (6 months)	\$605
Mortgage Insurance Premium (months)	
Prepaid Interest (\$17.44 per day for 15 days @ 3.875%)	\$262
Property Taxes (months)	
G. Initial Escrow Payment at Closing	\$413
Homeowner's Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo.	
Property Taxes \$103.30 per month for 2 mo.	\$211
H. Other	\$1,017
Title - Owner's Title Policy (optional)	\$1,017
I. TOTAL OTHER COSTS (E + F + G + H)	\$2,382
J. TOTAL CLOSING COSTS	\$8,054
D + I	\$8,034
Lender Credits	
Calculating Cash to Close	
Total Closing Costs (J)	\$8,034
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$18,000
Deposit	-\$10,000
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
Estimated Cash to Close	\$10,034

Other Costs

E. Taxes and Other Government Fees	\$85
Recording Fees and Other Taxes	\$85
Transfer Taxes	
F. Prepays	\$867
Homeowner's Insurance Premium (6 months)	\$605
Mortgage Insurance Premium (months)	
Prepaid Interest (\$17.44 per day for 15 days @ 3.875%)	\$262
Property Taxes (months)	

- Recording Fees, Transfer Taxes
 - Alphabetical – No variation permitted on Transfer Taxes, 10% on Recording Fees
- HO Ins, MI, Prepaid Interest, Property Taxes
 - Alphabetical – variation is ok



LE – Page 2 – Section G & H

Closing Cost Details

Loan Costs		Other Costs	
A. Origination Charges	\$1,802	E. Taxes and Other Government Fees	\$85
.25 % of Loan Amount (Points)	\$403	Recording Fees and Other Taxes	\$83
Application Fee	\$300	Transfer Taxes	
Underwriting Fee	\$1,097		
		F. Prepays	\$807
		Homeowner's Insurance Premium (6 months)	\$603
		Mortgage Insurance Premium (months)	
		Paid Interest (\$17.44 per day for 15 days @ 3.875%)	\$202
		Property Taxes (months)	
B. Services You Cannot Shop For	\$872	G. Initial Escrow Payment at Closing	\$413
Appraisal Fee	\$403	Homeowner's Insurance \$100.83 per month for 2 mo.	\$202
Credit Report Fee	\$30	Mortgage Insurance per month for mo.	
Flood Determination Fee	\$20	Property Taxes \$103.30 per month for 2 mo.	\$211
Flood Monitoring Fee	\$32		
Tax Monitoring Fee	\$73		
Tax Status Research Fee	\$110		
		H. Other	\$1,017
		Title – Owner's Title Policy (optional)	\$1,017
C. Services You Can Shop For	\$3,198	I. TOTAL OTHER COSTS (E + F + G + H)	\$2,382
Pest Inspection Fee	\$135		
Survey Fee	\$65	J. TOTAL CLOSING COSTS	\$8,054
Title – Insurance Binder	\$700	D + I	\$8,034
Title – Lender's Title Policy	\$333	Lender Credits	
Title – Settlement Agent Fee	\$302		
Title – Title Search	\$1,201		
		Calculating Cash to Close	
D. TOTAL LOAN COSTS (A + B + C)	\$5,872	Total Closing Costs (J)	\$8,034
		Closing Costs Financed (Paid from your Loan Amount)	\$0
		Down Payment/Funds from Borrower	\$18,000
		Deposit	-\$10,000
		Funds for Borrower	\$0
		Seller Credits	\$0
		Adjustments and Other Credits	\$0
		Estimated Cash to Close	\$10,034

G. Initial Escrow Payment at Closing	\$413
Homeowner's Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo.	
Property Taxes \$103.30 per month for 2 mo.	\$211
<hr/>	
H. Other	\$1,017
Title – Owner's Title Policy (optional)	\$1,017

- Initial Escrows
- Other – Owners Title
 - Must show as optional
 - Must show at full cost – no discounts



LE – Page 2 – Section I, J and Cash to Close

Closing Cost Details

Loan Costs		Other Costs	
A. Origination Charges \$1,802		E. Taxes and Other Government Fees \$85	
.25 % of Loan Amount (Points)	\$403	Recording Fees and Other Taxes	\$85
Application Fee	\$300	Transfer Taxes	
Underwriting Fee	\$1,097		
		F. Prepays \$807	
		Homeowner's Insurance Premium (6 months)	\$603
		Mortgage Insurance Premium (months)	\$202
		Prepaid Interest (\$17.44 per day for 15 days @ 3.875%)	\$262
		Property Taxes (months)	
		G. Initial Escrow Payment at Closing \$413	
		Homeowner's Insurance \$100.83 per month for 2 mo.	\$202
		Mortgage Insurance per month for mo.	\$211
		Property Taxes \$103.30 per month for 2 mo.	\$211
		H. Other \$1,017	
		Title - Owner's Title Policy (optional)	\$1,017
B. Services You Cannot Shop For \$872		I. TOTAL OTHER COSTS (E + F + G + H) \$2,382	
Appraisal Fee	\$403	J. TOTAL CLOSING COSTS \$8,054	
Credit Report Fee	\$30	D + I	\$8,054
Flood Determination Fee	\$20	Lender Credits	
Flood Monitoring Fee	\$32		
Tax Monitoring Fee	\$73		
Tax Status Research Fee	\$110		
C. Services You Can Shop For \$3,198		Calculating Cash to Close	
Pest Inspection Fee	\$135	Total Closing Costs (J)	\$8,054
Survey Fee	\$65	Closing Costs Financed (Paid from your Loan Amount)	\$0
Title - Insurance Binder	\$700	Down Payment/Funds from Borrower	\$18,000
Title - Lender's Title Policy	\$335	Deposit	-\$10,000
Title - Settlement Agent Fee	\$302	Funds for Borrower	\$0
Title - Title Search	\$1,201	Seller Credits	\$0
		Adjustments and Other Credits	\$0
		Estimated Cash to Close	\$16,054
D. TOTAL LOAN COSTS (A + B + C) \$5,872			

I. TOTAL OTHER COSTS (E + F + G + H) **\$2,382**

J. TOTAL CLOSING COSTS **\$8,054**

D + I **\$8,054**
Lender Credits

Calculating Cash to Close

Total Closing Costs (J)	\$8,054
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$18,000
Deposit	-\$10,000
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
Estimated Cash to Close	\$16,054



LE – Page 3

Additional Information About This Loan

LENDER
Ficus Bank
NMLS/____LICENSE ID
LOAN OFFICER
Joe Smith
NMLS/____LICENSE ID
12345
EMAIL
joesmith@ficusbank.com
PHONE
123-456-7890

MORTGAGE BROKER
NMLS/____LICENSE ID
LOAN OFFICER
NMLS/____LICENSE ID
EMAIL
PHONE

Comparisons	Use these measures to compare this loan with other loans.	
In 5 Years	\$56,582 \$15,773	Total you will have paid in principal, interest, mortgage insurance, and loan costs. Principal you will have paid off.
Annual Percentage Rate (APR)	4.274%	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	69.45%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Other Considerations

Appraisal
We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.

Assumption
If you sell or transfer this property to another person, we
 will allow, under certain conditions, this person to assume this loan on the original terms.
 will not allow assumption of this loan on the original terms.

Homeowner's Insurance
This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.

Late Payment
If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.

Refinance
Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Servicing
We intend
 to service your loan. If so, you will make your payments to us.
 to transfer servicing of your loan.

Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____ Co-Applicant Signature _____ Date _____

- Contact information
- Comparison data
 - Principal & interest in 5 years
 - APR
 - TIP (Total Interest Paid)
- Other considerations
 - Appraisal
 - Assumption
 - HO Insurance
 - Late Payment
 - Refinance
 - Servicing
- Confirm Receipt



LE – Page 3 – Additional Information

Additional Information About This Loan

LENDER Ficus Bank
 NMLS/ __ LICENSE ID
 LOAN OFFICER Joe Smith
 NMLS/ __ LICENSE ID 12345
 EMAIL joesmith@ficusbank.com
 PHONE 123-456-7890

MORTGAGE BROKER
 NMLS/ __ LICENSE ID
 LOAN OFFICER
 NMLS/ __ LICENSE ID
 EMAIL
 PHONE

Comparisons Use these measures to compare this loan with other loans.

In 5 Years	\$56,582 Total you will have paid in principal, interest, mortgage insurance, and loan costs. \$15,773 Principal you will have paid off.
Annual Percentage Rate (APR)	4.274% Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	69.45% The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Other Considerations

Appraisal We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.

Assumption If you sell or transfer this property to another person, we will allow, under certain conditions, this person to assume this loan on the original terms. will not allow assumption of this loan on the original terms.

Homeowner's Insurance This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.

Late Payment If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.

Refinance Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Servicing We intend to service your loan. If so, you will make your payments to us. to transfer servicing of your loan.

Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____ Co-Applicant Signature _____ Date _____

Additional Information About This Loan

LENDER Ficus Bank
 NMLS/ __ LICENSE ID
 LOAN OFFICER Joe Smith
 NMLS/ __ LICENSE ID 12345
 EMAIL joesmith@ficusbank.com
 PHONE 123-456-7890

MORTGAGE BROKER
 NMLS/ __ LICENSE ID
 LOAN OFFICER
 NMLS/ __ LICENSE ID
 EMAIL
 PHONE

- Lender
 - Lender name can be blank if issued by the broker
- Broker
- Loan Officer
- NMLS ID's
- Email and phone numbers



LE – Page 3 - Comparisons

Additional Information About This Loan

LENDER
 NMLS/_LICENSE ID Ficus Bank
 LOAN OFFICER Joe Smith
 NMLS/_LICENSE ID 12345
 EMAIL joesmith@ficusbank.com
 PHONE 123-456-7890

MORTGAGE BROKER
 NMLS/_LICENSE ID
 LOAN OFFICER
 NMLS/_LICENSE ID
 EMAIL
 PHONE

Comparisons Use these measures to compare this loan with other loans.

In 5 Years	\$56,582 Total you will have paid in principal, interest, mortgage insurance, and loan costs. \$15,773 Principal you will have paid off.
Annual Percentage Rate (APR)	4.274% Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	69.45% The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Other Considerations

- Appraisal** We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
- Assumption** If you sell or transfer this property to another person, we will allow, under certain conditions, this person to assume this loan on the original terms. will not allow assumption of this loan on the original terms.
- Homeowner's Insurance** This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
- Late Payment** If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
- Refinance** Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.
- Servicing** We intend to service your loan. If so, you will make your payments to us. to transfer servicing of your loan.

Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____ Co-Applicant Signature _____ Date _____

Comparisons

Use these measures to compare this loan with other loans.

In 5 Years	\$56,582 Total you will have paid in principal, interest, mortgage insurance, and loan costs. \$15,773 Principal you will have paid off.
Annual Percentage Rate (APR)	4.274% Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	69.45% The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

- Total Principal, Interest, MI and Loan Costs paid in five years
- Principal Paid
- APR
- TIP – Total amount of interest you will pay over the life of the loan as a percentage of your loan amount =
$$\frac{\text{Total Interest}}{\text{Total Loan Amount}}$$



LE – Page 3 – Other Considerations

Additional Information About This Loan

LENDER
 NMLS/_LICENSE ID Ficus Bank
 LOAN OFFICER Joe Smith
 NMLS/_LICENSE ID 12345
 EMAIL joesmith@ficusbank.com
 PHONE 123-456-7890

MORTGAGE BROKER
 NMLS/_LICENSE ID
 LOAN OFFICER
 NMLS/_LICENSE ID
 EMAIL
 PHONE

Comparisons Use these measures to compare this loan with other loans.

In 5 Years	\$56,582 Total you will have paid in principal, interest, mortgage insurance, and loan costs. \$15,773 Principal you will have paid off.
Annual Percentage Rate (APR)	4.274% Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	69.45% The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Other Considerations

Appraisal We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.

Assumption If you sell or transfer this property to another person, we will allow, under certain conditions, this person to assume this loan on the original terms. will not allow assumption of this loan on the original terms.

Homeowner's Insurance This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.

Late Payment If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.

Refinance Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Servicing We intend to service your loan. If so, you will make your payments to us. to transfer servicing of your loan.

Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____ Co-Applicant Signature _____ Date _____

Other Considerations

Appraisal We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.

Assumption If you sell or transfer this property to another person, we will allow, under certain conditions, this person to assume this loan on the original terms. will not allow assumption of this loan on the original terms.

Homeowner's Insurance This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.

Late Payment If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.

Refinance Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Servicing We intend to service your loan. If so, you will make your payments to us. to transfer servicing of your loan.

Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____ Co-Applicant Signature _____ Date _____



Service Provider List – Services You Can Shop For

Additional Details for Services You Can Shop For

To get you started with shopping, this list identifies some providers for the services you can shop for (see Section C on page 2 of your Loan Estimate).

Service Provider List		You can select these providers or shop for your own providers.	
Service	Estimate	Provider We Identified	Contact Information
Pest Inspection Fee	\$135	Pest Co.	Jane Polk 123 Avenue A Anytown, ST 12345 janep@pestco.com 111-222-3333
Survey Fee	\$65	Surveyor LLC	Bill Barnes 456 Avenue B Anytown, ST 12341 billb@surveyorllc.com 111-333-4444
Title – Insurance Binder	\$700	Gamma Title Co.	Joanna Campbell 789 Avenue C Anytown, ST 12333 joannac@gammatitle.com 222-444-5555
Title – Lender’s Title Policy	\$535		
Title – Settlement Agent Fee	\$502		
Title – Title Search	\$1,261		
Title – Lender’s Title Insurance	\$1,100	Delta Title Inc.	Frank Fields 321 Avenue D Anytown, ST 12321 frankf@deltatitle.com 222-444-6666
Title – Other Title Services	\$1,000		
Title – Settlement Agent Fee	\$350		

- Must state that the consumer may choose a provider not included on the list
- Identify at least one provider for each service the consumer is permitted to shop
- The provider must provide services where the property is located
- Provide sufficient information to allow the consumer to contact the provider
- Alphabetical
- Estimate of the cost



Tolerances are now Variations

- Fees that cannot change between the LE and the CD – except due to a changed circumstance (i.e. a change in the sales price, loan amount, or both)
 - Creditor and Mortgage Broker Fees
 - Transfer Taxes
 - Fees paid to an affiliate of the creditor or mortgage broker
 - Fees you cannot shop for
- Fees that can increase by 10% in the aggregate
 - Recording costs
 - Third party fees for which the consumer may shop – Not paid to an affiliate
- Fees that can change – without limit – Estimated in Good Faith
 - Prepaid interest, property insurance premiums, impound deposits, reserves and similar accounts
 - Third party service providers selected by the consumer not on the creditor's service provider list
 - Services not required by the creditor



Challenges in Providing the LE

- Must be produced with “Best Information Reasonably Available” standard
 - The standard requires that when issuing the LE that you act in good faith and exercise due diligence in obtaining the information required, i.e. don’t just pad costs or “guesstimate”
 - Must generally disclose the actual terms of the credit transaction and the actual costs associated with the settlement of that transaction
- Systems must be able to capture all of the required information and produce a dynamic document which format can change based upon the terms of the transaction



Challenges in Providing an LE

- LOS systems must be able to handle the rounding requirements of the LE
 - Some fields are whole numbers
 - Some fields are rounded to two decimal points
 - Some fields display three decimal points
 - Escrow deposits rounded to the nearest whole dollar
 - Estimated closing costs and cash to close rounded to the nearest dollar
- Any affiliate company arrangements will have a zero variance allowed



Challenges in Providing the LE

- A broker may produce an LE without a creditor's name
 - Risking acceptance by the creditor as the creditor may decline acceptance
 - Challenges with the name used on fees; names must be consistent from the LE to the CD
 - Challenges with maintaining the same Loan ID#
- A broker may produce an LE with a creditor's name
 - Lenders will likely provide systems that allow the creditor to issue the LE on behalf of the broker with the broker's assistance, data input, and creditor's review
- In either case timing will be critical because the LE must be issued within three general business days of the application
- Websites should be modified so as not to originate an "application" as defined under the new regulation



Challenges in Providing the LE

- LE does not disclose creditor (Lender) paid compensation to the broker
 - Broker compensation is disclosed on the Closing Disclosure (CD)
- LE does disclose borrower paid compensation on the LE
- Rate locks in advance of an application may be more difficult
 - Locking the rate will require issuance of an LE
- LE must be provided within three general business days of a “changed circumstance”



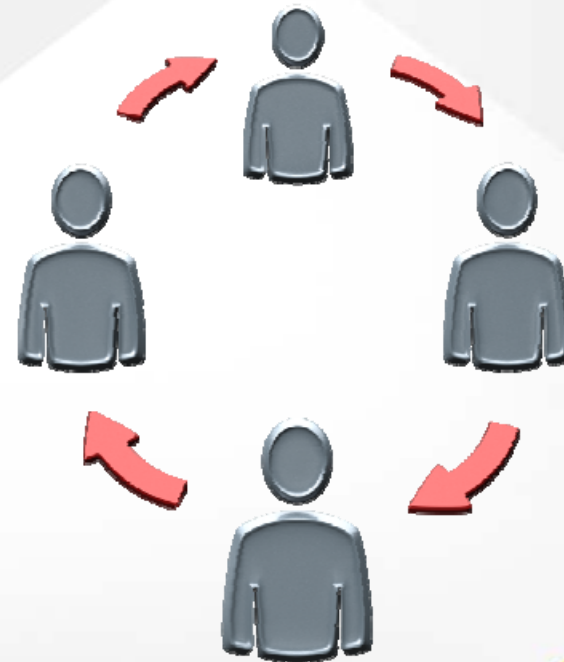
Changed Circumstance

- LE issued within three general business days of an acceptable changed circumstance
- Examples of an acceptable changed circumstance
 - Initial LE expires (10 days) with no intent to proceed
 - Rate lock
 - Loan amount change due to underwriting or borrower request
 - Updated information which changes the terms of the transaction, i.e. addendum to the purchase agreement, loan program change, etc.
 - A new LE is not always required; just when the 10% aggregate variation is reached
- Errors in costs or calculations are not a changed circumstance



Successful LE

- Collaboration will be critical
- Timing is more important
 - LE must be issued within three days of an application
- Data availability and accuracy is necessary
- Updates to all parties will be required
- Closing agents will become involved earlier in the process
- Real estate agents must be vested into the process



Closing Disclosure - CD

- Combines the final TIL and HUD-1 into a single five page document
- Consumer must receive the CD three days prior to consummation¹
 - Timing and collaboration is critical
 - Specific business day rule – counts Saturday just like we do today
- You cannot issue an LE after the CD has been issued
- Changes to the CD can be done without a new waiting period except:
 - When the APR changes by more than .125% on fixed & .25% on ARM's
 - A prepayment penalty is added
 - Loan program changes

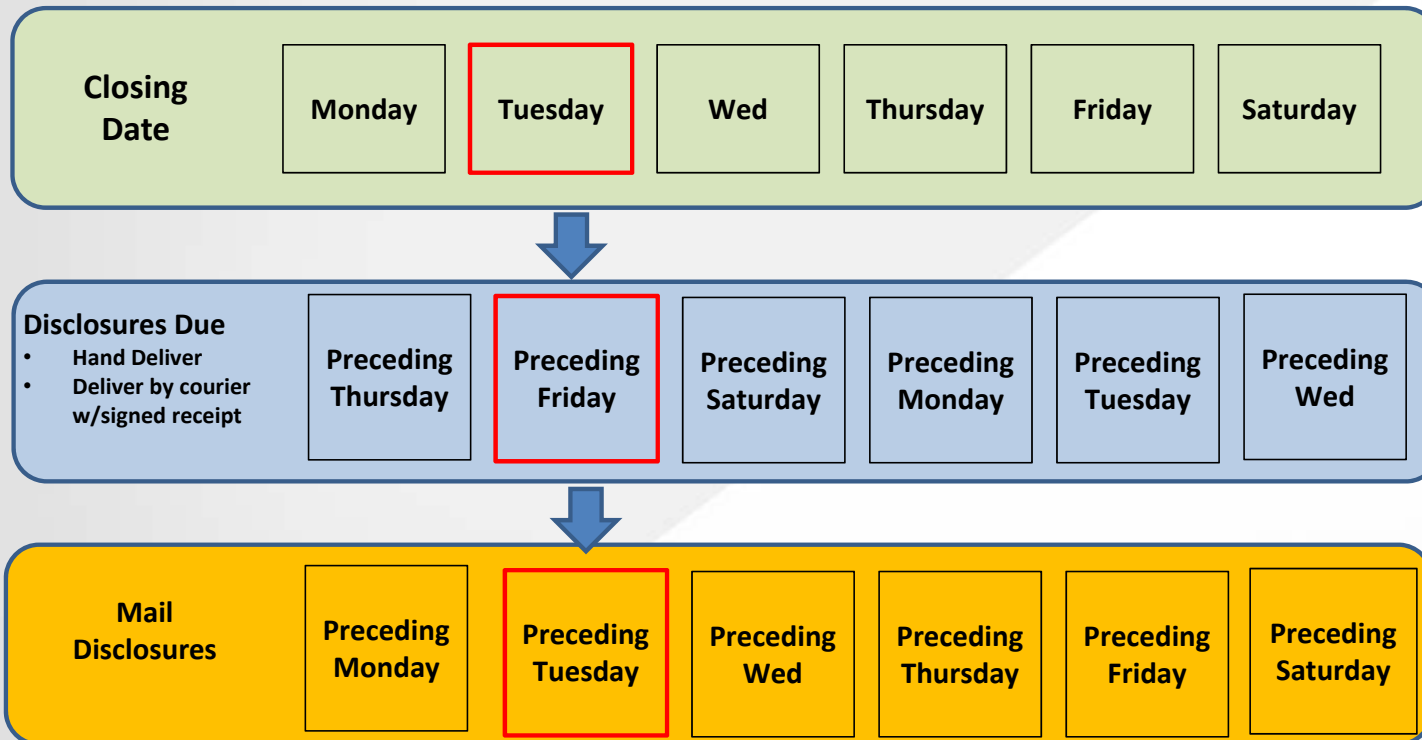


Closing Disclosure - CD

- Lender is responsible for the data and accuracy of the CD
 - Lender will likely prepare the CD – closing agent will prepare the seller's portion of the CD
- CD must be provided to all borrower's who have a right to rescind the loan (refinance) – Purchase is one of the primary borrowers
- CD shows greater detail of the closing costs and who is paying
 - Broker's compensation is detailed and is shown as either Lender or Borrower paid
- Creditor must re-disclose if terms or costs on the CD change or become inaccurate



CD – Timing is everything



- Note – If a federal holiday falls in the three day period, add a day for disclosure delivery
- The three day period is measured by day, not by hours. Thus, disclosures must be delivered three days before closing and not 72 hours prior to closing
- Disclosures may also be delivered electronically on the disclosure due date in compliance with e-Sign requirements



Timing is Everything

- Prepared and send on Tuesday (13th)
- Received on Friday, the 16th
- Sign other documents on the 20th
- Close on the 20th or later

~ October 2015 ~						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6	7	8	9	10
11	12	13 CD to be Mailed	14	15	16 CD Must be Rec'vd	17
18	19	20 Documents Signed	21	22 Closing - Dry State	23	24
25	26	27	28	29	30	31



CD – Page 1

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information	Transaction Information	Loan Information
Date Issued 4/15/2013	Borrower Michael Jones and Mary Stone	Loan Term 30 years
Closing Date 4/15/2013	123 Anywhere Street	Purpose Purchase
Disbursement Date 4/15/2013	Anytown, ST 12345	Product Fixed Rate
Settlement Agent Epsilon Title Co.	Seller Steve Cole and Amy Doe	Loan Type <input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA
File # 12-3456	321 Somewhere Drive	<input type="checkbox"/> VA <input type="checkbox"/>
Property 456 Somewhere Ave	Anytown, ST 12345	Loan ID # 123456789
Sale Price \$180,000	Lender Ficus Bank	MIC # 000654321

Closing Information

Date Issued 4/15/2013
Closing Date 4/15/2013
Disbursement Date 4/15/2013
Settlement Agent Epsilon Title Co.
File # 12-3456
Property 456 Somewhere Ave
 Anytown, ST 12345
Sale Price \$180,000

Transaction Information

Borrower Michael Jones and Mary Stone
 123 Anywhere Street
 Anytown, ST 12345
Seller Steve Cole and Amy Doe
 321 Somewhere Drive
 Anytown, ST 12345
Lender Ficus Bank

Loan Information

Loan Term 30 years
Purpose Purchase
Product Fixed Rate
Loan Type Conventional FHA
 VA
Loan ID # 123456789
MIC # 000654321

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$761.78	NO
Prepayment Penalty	YES • As high as \$3,240 if you pay off the loan during the first 2 years	
Balloon Payment	NO	

Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206.13	+ 206.13
Estimated Total Monthly Payment	\$1,050.26	\$967.91
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time. See page 4 for details.</i>	\$356.13 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other Homeowner's Association Dues <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>

Costs at Closing	
Closing Costs	\$9,712.10 Includes \$4,694.05 in Loan Costs + \$5,018.05 in Other Costs – 90 in Lender Credits. See page 2 for details.
Cash to Close	\$14,147.26 Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

- Mirrors Page 1 of the LE
 - Adds Borrower, Seller Closing Agent and Lender Information
- No rate expiration date is shown
 - Saves time and does not require re-issuance if rate expiration is extended at no cost
- Other sections mirror the LE



CD – Page 2 – Section A – Origination Charges

Closing Cost Details			
Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
A. Origination Charges	\$1,802.00		
01 0.25 % of Loan Amount (Points)	\$405.00		
02 Application Fee	\$300.00		
03 Underwriting Fee	\$1,097.00		
04			
05			
06			
07			
08			
B. Services Borrower Did Not Shop For	\$2,965.55		\$405.00
01 Appraisal Fee to John Smith Appraisals, Inc.			
02 Credit Report Fee to Information Inc.	\$20.00	\$29.80	
03 Flood Determination Fee to InfoGo	\$13.75		
04 Flood Monitoring Fee to InfoGo	\$75.00		
05 Tax Service Research Fee to InfoGo	\$80.00		
06			
07			
08			
09			
10			
C. Services Borrower Did Shop For	\$2,655.50		
01 Pest Inspection Fee to Best Co	\$120.00		
02 Survey Fee to Survey Co	\$85.00		
03 Title - Insurance Binder to Episkai Title Co	\$650.00		
04 Title - Lender's Title Insurance to Episkai Title Co	\$500.00		
05 Title - Settlement Agent Fee to Episkai Title Co	\$500.00		
06 Title - Title Search to Episkai Title Co	\$800.00		
07			
08			
D. TOTAL LOAN COSTS (Borrower-Paid)	\$4,694.05		
Loan Costs Subtotal (B + C)	\$4,664.25	\$29.80	
Other Costs			
E. Taxes and Other Governmental Fees	\$85.00		
01 Recording Fees Direct \$40.00 Mortgage \$45.00	\$85.00		
02 Transfer Tax to Any State		\$95.00	
F. Prepaids	\$2,120.80		
01 Homeowner's Insurance Premium (12 mos) to Insurance Co	\$1,209.96		
02 Mortgage Insurance Premium (mos)	\$279.04		
03 Prepaid Interest (\$1.744 per day from 4/15/13 to 5/1/13)	\$631.80		
04 Property Taxes (6 mos) to Any County USA			
05			
G. Initial Escrow Payment at Closing	\$412.25		
01 Homeowner's Insurance \$100.83 per month for 2 mos	\$201.66		
02 Mortgage Insurance per month for mos	\$210.00		
03 Property Taxes \$105.30 per month for 2 mos			
04			
05			
06			
07			
08			
09			
10			
H. Other	\$2,400.00		
01 HCA Capital Contribution to HCA Acce Inc.	\$500.00		
02 HCA Processing Fee to HCA Acce Inc.	\$150.00		
03 Home Inspection Fee to Engineers Inc.	\$750.00	\$750.00	
04 Home Warranty Fee to XYZ Warranty Inc.	\$450.00	\$450.00	
05 Real Estate Commission to Alpha Real Estate Broker	\$5,700.00	\$5,700.00	
06 Real Estate Commission to Omega Real Estate Broker	\$5,700.00	\$5,700.00	
07 Title - Owner's Title Insurance (optional) to Episkai Title Co	\$1,000.00		
08			
I. TOTAL OTHER COSTS (Borrower-Paid)	\$5,086.05		
Other Costs Subtotal (E + F + G + H)	\$5,086.05		
J. TOTAL CLOSING COSTS (Borrower-Paid)	\$9,712.10		
Closing Costs Subtotal (D + I)	\$9,682.30	\$29.80	\$405.00
Lender Credits			

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges	\$1,802.00				
01 0.25 % of Loan Amount (Points)	\$405.00				
02 Application Fee	\$300.00				
03 Underwriting Fee	\$1,097.00				
04					
05					
06					
07					
08					

- Detail origination costs, paid by and paid when (at Closing or Before Closing)
 - Borrower Paid – Seller Paid – Paid by Others
- Same data as shown on LE Section A



CD Page 2 – Section B – Services you Cannot Shop

Closing Cost Details			
Loan Costs	Borrower Paid	Seller Paid	Paid by Others
	At Closing	Before Closing	
A. Original Charges			
	\$1,900.00		
01 0.25 % of Loan Amount (Points)	\$45.00		
02 Application Fee	\$300.00		
03 Underwriting Fee	\$1,497.00		
04			
05			
06			
07			
B. Services Borrower Did Not Shop For			
	\$236.55		\$405.00
01 Appraisal Fee to John Smith Appraisers Inc.			
02 Credit Report Fee to Information Inc.		\$29.80	
03 Flood Determination Fee to InfoCo	\$20.00		
04 Flood Monitoring Fee to InfoCo	\$31.75		
05 Tax Monitoring Fee to InfoCo	\$75.00		
06 Tax Status Research Fee to InfoCo	\$80.00		
07			
08			
09			
10			
C. Services Borrower Did Shop For			
	\$2,655.50		
01 Post Inspection Fee to Brts Co	\$120.50		
02 Survey Fee to Sonapa Co	\$85.00		
03 Title - Insurance Binder to Epika Title Co	\$650.00		
04 Title - Lender's Title Insurance to Epika Title Co	\$500.00		
05 Title - Settlement Agent Fee to Epika Title Co	\$500.00		
06 Title - Title Search to Epika Title Co	\$800.00		
07			
08			
D. TOTAL LOAN COSTS (Borrower Paid)			
	\$4,694.05		
Loan Costs Subtotal (B + C)	\$4,664.25	\$29.80	
Other Costs			
E. Taxes and Other Governmental Fees			
	\$85.00		
01 Recording Fees Direct \$40.00 Mortgage \$45.00	\$85.00		
02 Transfer Tax to Any State		\$950.00	
F. Prepaids			
	\$2,120.80		
01 Homeowner's Insurance Premium (12 mos) to Insurance Co	\$1,209.96		
02 Mortgage Insurance Premium (mos)	\$299.04		
03 Prepaid Interest (\$1.744 per day from 4/15/13 to 5/1/13)	\$631.80		
04 Property Taxes (6 mos) to Any County USA			
05			
G. Initial Escrow Payment at Closing			
	\$412.25		
01 Homeowner's Insurance \$100.83 per month for 2 mos	\$201.66		
02 Mortgage Insurance per month for mos	\$210.00		
03 Property Taxes \$105.30 per month for 2 mos			
04			
05			
06			
07			
08			
H. Other			
	\$2,400.00		
01 HOA Capital Contribution to HOA Acce Inc.	\$500.00		
02 HOA Processing Fee to HOA Acce Inc.	\$150.00		
03 Home Inspection Fee to Engineers Inc.	\$750.00		\$750.00
04 Home Warranty Fee to XYZ Warranty Inc.		\$450.00	
05 Real Estate Commission to Alpha Real Estate Broker		\$5,700.00	
06 Real Estate Commission to Omega Real Estate Broker		\$5,700.00	
07 Title - Owner's Title Insurance (optional) to Epika Title Co	\$1,000.00		
08			
I. TOTAL OTHER COSTS (Borrower Paid)			
	\$5,086.05		
Other Costs Subtotal (E + F + G + H)	\$5,086.05		
J. TOTAL CLOSING COSTS (Borrower Paid)			
	\$9,772.10		
Closing Costs Subtotal (D + I)	\$9,682.30	\$29.80	\$12,800.00
Lender Credits			\$750.00
			\$405.00

B. Services Borrower Did Not Shop For		\$236.55					
01	Appraisal Fee	to John Smith Appraisers Inc.					\$405.00
02	Credit Report Fee	to Information Inc.			\$29.80		
03	Flood Determination Fee	to InfoCo	\$20.00				
04	Flood Monitoring Fee	to InfoCo	\$31.75				
05	Tax Monitoring Fee	to InfoCo	\$75.00				
06	Tax Status Research Fee	to InfoCo	\$80.00				
07							
08							
09							
10							

- Same as LE – Services you cannot shop for
- Includes who was paid
- Include all costs even if paid by others (see appraisal)
- Must list alphabetically



CD – Page 2 – Section C Services You can Shop

Closing Cost Details			
Loan Costs	Borrower-Paid	Seller-Paid	Paid by Others
	At Closing	Before Closing	At Closing
A. Original Charges			
	\$1,900.00		
01 0.25 % of Loan Amount (Points)	\$45.00		
02 Application Fee	\$300.00		
03 Branching Fee	\$1,977.00		
04			
05			
06			
07			
08			
B. Services Borrower Did Not Shop For			
	\$236.55		\$405.00
01 Appraisal Fee to John Smith Appraisals Inc.		\$29.80	
02 Credit Report Fee to Information Inc.	\$200.00		
03 Flood Determination Fee to InfoCo	\$13.75		
04 Flood Monitoring Fee to InfoCo	\$7.50		
05 Tax Status Research Fee to InfoCo	\$80.00		
06			
07			
08			
C. Services Borrower Did Shop For			
	\$2,655.50		
01 Pest Inspection Fee to Pests Co	\$120.50		
02 Survey Fee to Surveys Co	\$85.00		
03 Title - Insurance Binder to Epsilon Title Co.	\$650.00		
04 Title - Lender's Title Insurance to Epsilon Title Co.	\$500.00		
05 Title - Settlement Agent Fee to Epsilon Title Co.	\$500.00		
06 Title - Title Search to Epsilon Title Co.	\$800.00		
07			
08			
D. TOTAL LOAN COSTS (Borrower-Paid)			
	\$4,694.05		
Loan Costs Subtotal (A + B + C)	\$4,664.25	\$29.80	
Other Costs			
E. Taxes and Other Governmental Fees			
	\$85.00		
01 Recording Fees Direct \$40.00 Mortgage \$45.00	\$85.00		
02 Transfer Tax to Any State		\$950.00	
F. Prepaids			
	\$2,120.80		
01 Homeowner's Insurance Premium (12 mos) to Insurance Co.	\$1,209.96		
02 Mortgage Insurance Premium (mos)	\$299.04		
03 Prepaid Interest (\$1.744 per day from 4/15/13 to 5/1/13)	\$631.80		
04 Property Taxes (6 mos) to Any County USA			
05			
G. Initial Escrow Payment at Closing			
	\$412.25		
01 Homeowner's Insurance \$100.83 per month for 2 mos.	\$201.66		
02 Mortgage Insurance per month for mos			
03 Property Taxes \$105.30 per month for 2 mos.	\$210.60		
04			
05			
06			
07			
08 Aggregate Adjustment	-.01		
H. Other			
	\$2,400.00		
01 HCA Capital Contribution to HCA Acce Inc.	\$500.00		
02 HCA Processing Fee to HCA Acce Inc.	\$150.00		
03 Home Inspection Fee to Engineers Inc.	\$750.00	\$750.00	
04 Home Warranty Fee to XYZ Warranty Inc.		\$450.00	
05 Real Estate Commission to Alpha Real Estate Broker		\$5,700.00	
06 Real Estate Commission to Omega Real Estate Broker		\$5,700.00	
07 Title - Owner's Title Insurance (optional) to Epsilon Title Co.	\$1,000.00		
08			
I. TOTAL OTHER COSTS (Borrower-Paid)			
	\$5,086.05		
Other Costs Subtotal (E + F + G + H)	\$5,086.05		
J. TOTAL CLOSING COSTS (Borrower-Paid)			
	\$9,712.10		
Closing Costs Subtotal (D + I)	\$9,682.30	\$29.80	\$12,800.00
Lender Credits			\$750.00
			\$405.00

C. Services Borrower Did Shop For		\$2,655.50		
01	Pest Inspection Fee to Pests Co	\$120.50		
02	Survey Fee to Surveys Co	\$85.00		
03	Title - Insurance Binder to Epsilon Title Co.	\$650.00		
04	Title - Lender's Title Insurance to Epsilon Title Co.	\$500.00		
05	Title - Settlement Agent Fee to Epsilon Title Co.	\$500.00		
06	Title - Title Search to Epsilon Title Co.	\$800.00		
07				
08				
D. TOTAL LOAN COSTS (Borrower-Paid)		\$4,694.05		
Loan Costs Subtotal (A + B + C)		\$4,664.25	\$29.80	

- Services Borrower Did Shop For
- To whom paid
- Paid by
- All costs paid to the closing agent start with "Title _"
- Owner's title is listed under Other
- List alphabetically
- Total Loan Costs



CD – Page 2 – Section E & F

Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charge	\$1,900.00				
01 0.25 % of Loan Amount (Points)	\$45.00				
02 Application Fee	\$300.00				
03 Underwriting Fee	\$1,497.00				
04					
05					
06					
07					
08					
B. Services Borrower Did Not Shop For	\$2,363.55				
01 Appraisal Fee to John Smith Appraisals Inc.					\$400.00
02 Credit Report Fee to Information Inc.	\$20.00	\$20.80			
03 Flood Determination Fee to InfoCo	\$33.75				
04 Flood Monitoring Fee to InfoCo	\$75.00				
05 Tax Service Research Fee to InfoCo	\$80.00				
06					
07					
08					
09					
10					
C. Services Borrower Did Shop For	\$2,655.50				
01 Pest Inspection Fee to Best Co	\$120.50				
02 Survey Fee to Survey Co	\$85.00				
03 Title - Insurance Binder to Episkia Title Co	\$650.00				
04 Title - Lender's Title Insurance to Episkia Title Co	\$500.00				
05 Title - Settlement Agent Fee to Episkia Title Co	\$500.00				
06 Title - Title Search to Episkia Title Co	\$400.00				
07					
08					
D. TOTAL LOAN COSTS (Borrower-Paid)	\$4,694.05				
Loan Costs Subtotal (A + B + C)	\$4,664.25	\$29.80			
Other Costs	\$5,018.05				
E. Taxes and Other Government Fees	\$85.00				
01 Recording Fees Deed \$40.00 Mortgage \$45.00	\$85.00				
02 Transfer Tax to Any State			\$950.00		
F. Prepaids	\$2,120.80				
01 Homeowner's Insurance Premium (12 mo.) to Insurance Co.	\$1,209.96				
02 Mortgage Insurance Premium (mo.)	\$279.04				
03 Prepaid Interest (\$17.44 per day from 4/15/13 to 5/1/13)	\$631.80				
04 Property Taxes (6 mo.) to Any County USA					
05					
G. Initial Escrow Payment at Closing	\$412.25				
01 Homeowner's Insurance \$100.83 per month for 2 mo.	\$201.66				
02 Mortgage Insurance per month for mo	\$210.00				
03 Property Taxes \$105.30 per month for 2 mo.					
04					
05					
06					
07					
08					
09					
10					
H. Other	\$2,400.00				
01 HCA Capital Contribution to HCA Acce Inc.	\$500.00				
02 HCA Processing Fee to HCA Acce Inc.	\$150.00				
03 Home Inspection Fee to Engineers Inc.	\$750.00		\$750.00		
04 Home Warranty Fee to XYZ Warranty Inc.	\$450.00		\$450.00		
05 Real Estate Commission to Alpha Real Estate Broker	\$5,700.00		\$5,700.00		
06 Real Estate Commission to Omega Real Estate Broker	\$5,700.00		\$5,700.00		
07 Title - Owner's Title Insurance (optional) to Episkia Title Co.	\$1,000.00				
08					
I. TOTAL OTHER COSTS (Borrower-Paid)	\$5,018.05				
Other Costs Subtotal (E + F + G + H)	\$5,018.05				
J. TOTAL CLOSING COSTS (Borrower-Paid)	\$9,712.10				
Closing Costs Subtotal (D + I)	\$9,682.30	\$29.80	\$12,000.00	\$750.00	\$405.00
Lender's Credit					

Other Costs

E. Taxes and Other Government Fees		\$85.00		
01 Recording Fees	Deed \$40.00 Mortgage \$45.00	\$85.00		
02 Transfer Tax	to Any State		\$950.00	
F. Prepaids		\$2,120.80		
01 Homeowner's Insurance Premium (12 mo.) to Insurance Co.		\$1,209.96		
02 Mortgage Insurance Premium (mo.)		\$279.04		
03 Prepaid Interest (\$17.44 per day from 4/15/13 to 5/1/13)		\$631.80		
04 Property Taxes (6 mo.) to Any County USA				
05				

- Other Costs
 - Recording fees – must show detail
 - Transfer Taxes
- Prepaids
 - HO insurance
 - Mortgage Insurance
 - Prepaid Interest
 - Property Taxes



CD – Page 2 – Section G, H, I & J

Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charge	\$1,900.00				
01 0.25 % of Loan Amount (Points)	\$45.00				
02 Application Fee	\$300.00				
03 Underwriting Fee	\$1,497.00				
04					
05					
06					
07					
08					
B. Services Borrower Did Not Shop For	\$2,965.55				
01 Appraisal Fee to John Smith Appraisals Inc.					\$400.00
02 Credit Report Fee to Information Inc.	\$20.00	\$20.80			
03 Flood Determination Fee to InfoCo	\$13.75				
04 Flood Monitoring Fee to InfoCo	\$7.50				
05 Tax Service Research Fee to InfoCo	\$80.00				
06					
07					
08					
09					
10					
C. Services Borrower Did Shop For	\$2,655.50				
01 Pest Inspection Fee to Best Co	\$120.50				
02 Survey Fee to Survey Co	\$85.00				
03 Title - Insurance Binder to Epsilon Title Co.	\$650.00				
04 Title - Lender's Title Insurance to Epsilon Title Co.	\$500.00				
05 Title - Settlement Agent Fee to Epsilon Title Co.	\$500.00				
06 Title - Title Search to Epsilon Title Co.	\$800.00				
07					
08					
D. TOTAL LOAN COSTS (Borrower-Paid)	\$4,694.05				
Loan Costs Subtotal (B + C)	\$4,664.25	\$29.80			
Other Costs	\$85.00				
01 Recording Fees Direct \$40.00 Mortgage \$45.00	\$85.00				
02 Transfer Tax to Any State			\$950.00		
E. Prepaids	\$2,120.80				
01 Homeowner's Insurance Premium (12 mos) to Insurance Co.	\$1,209.96				
02 Mortgage Insurance Premium (mos)	\$2,994				
03 Prepaid Interest (\$1.744 per day from 4/15/13 to 5/1/13)	\$631.80				
04 Property Taxes (6 mos) to Any County USA					
G. Initial Escrow Payment at Closing	\$412.25				
01 Homeowner's Insurance \$100.83 per month for 2 mos.	\$201.66				
02 Mortgage Insurance per month for mos					
03 Property Taxes \$105.30 per month for 2 mos.	\$210.60				
04					
05					
06					
07					
08 Aggregate Adjustment	- 0.01				
H. Other	\$2,400.00				
01 HOA Capital Contribution to HOA Acre Inc.	\$500.00				
02 HOA Processing Fee to HOA Acre Inc.	\$150.00				
03 Home Inspection Fee to Engineers Inc.	\$750.00				
04 Home Warranty Fee to XYZ Warranty Inc.			\$450.00	\$750.00	
05 Real Estate Commission to Alpha Real Estate Broker			\$5,700.00		
06 Real Estate Commission to Omega Real Estate Broker			\$5,700.00		
07 Title - Owner's Title Insurance (optional) to Epsilon Title Co.	\$1,000.00				
08					
I. TOTAL OTHER COSTS (Borrower-Paid)	\$5,018.05				
Other Costs Subtotal (E + F + G + H)	\$5,018.05				
J. TOTAL CLOSING COSTS (Borrower-Paid)	\$9,712.10				
Closing Costs Subtotal (D + I)	\$9,682.30	\$29.80	\$12,800.00	\$750.00	\$405.00
Lender Credits					

G. Initial Escrow Payment at Closing		\$412.25			
01 Homeowner's Insurance \$100.83 per month for 2 mos.		\$201.66			
02 Mortgage Insurance per month for mos					
03 Property Taxes \$105.30 per month for 2 mos.		\$210.60			
04					
05					
06					
07					
08 Aggregate Adjustment		- 0.01			
H. Other	\$2,400.00				
01 HOA Capital Contribution to HOA Acre Inc.		\$500.00			
02 HOA Processing Fee to HOA Acre Inc.		\$150.00			
03 Home Inspection Fee to Engineers Inc.		\$750.00			
04 Home Warranty Fee to XYZ Warranty Inc.			\$450.00	\$750.00	
05 Real Estate Commission to Alpha Real Estate Broker			\$5,700.00		
06 Real Estate Commission to Omega Real Estate Broker			\$5,700.00		
07 Title - Owner's Title Insurance (optional) to Epsilon Title Co.		\$1,000.00			
08					
I. TOTAL OTHER COSTS (Borrower-Paid)	\$5,018.05				
Other Costs Subtotal (E + F + G + H)		\$5,018.05			
J. TOTAL CLOSING COSTS (Borrower-Paid)	\$9,712.10				
Closing Costs Subtotal (D + I)		\$9,682.30	\$29.80	\$12,800.00	\$750.00
Lender Credits					\$405.00

- Initial escrow payments
- Other costs – alphabetized
 - Owner's Title listed here
- Subtotal and Total Closing Cost
- Lender credits



CD – Page 3

- Calculating the cash to close
- Summaries of the Transaction
 - Resembles page 1 of the HUD-1

Calculating Cash to Close Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (E)	\$8,054.00	\$9,712.10	YES • See Total Loan Costs (E) and Total Other Costs (F)
Closing Costs Paid Before Closing	\$0	– \$29.80	YES • You paid these Closing Costs before closing
Closing Costs Financed (B) (From your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	– \$18,000.00	– \$18,000.00	NO
Deposit	– \$10,000.00	– \$10,000.00	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	– \$2,500.00	YES • See Seller Credits in Section L
Adjustments and Other Credits	\$0	– \$1,035.04	YES • See details in Section K and L
Cash to Close	\$16,054.00	\$14,147.26	

Summary of Transactions Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION		SELLER'S TRANSACTION	
K. Due from Borrower at Closing	\$189,762.30	M. Due to Seller at Closing	\$180,000.00
01 Sale Price of Property	\$180,000.00	01 Sale Price of Property	\$180,000.00
02 Sale Price of Any Personal Property Included in Sale		02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (E)	\$9,642.30	03	
04		04	
05		05	
06		06	
07		07	
08		08	
Adjustments for Items Paid by Seller in Advance		Adjustments for Items Paid by Seller in Advance	
09 City/Town Taxes to		09 City/Town Taxes to	
10 County Taxes to		10 County Taxes to	
11 Assessments to		11 Assessments to	
12 HOA Dues 4/15/13 to 4/30/13	\$80.00	12 HOA Dues 4/15/13 to 4/30/13	\$80.00
13		13	
14		14	
15		15	
16		16	
L. Paid Already by or on Behalf of Borrower at Closing	\$125,615.04	N. Due from Seller at Closing	\$115,665.04
01 Deposit	\$10,000.00	01 Excess Deposit	
02 Loan Amount	\$160,000.00	02 Closing Costs Paid at Closing (E)	\$12,800.00
03 Existing Loan(s) Assumed or Taken Subject to		03 Existing Loan(s) Assumed or Taken Subject to	
04		04 Payoff of First Mortgage Loan	\$100,000.00
05 Seller Credit	\$2,500.00	05 Payoff of Second Mortgage Loan	
06		06	
07		07	
08		08 Seller Credit	\$2,500.00
09		09	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
Other Credits		Adjustments for Items Unpaid by Seller	
09 Rebate from Equalized Title Co.	\$750.00	14 City/Town Taxes 1/1/13 to 4/14/13	\$365.04
10		15 County Taxes to	
11		16 Assessments to	
12		17	
13		18	
14		19	
15			
16			
17			
18			
19			
Adjustments for Items Unpaid by Seller			
12 City/Town Taxes 1/1/13 to 4/14/13	\$365.04		
13 County Taxes to			
14 Assessments to			
15			
16			
17			
18			
19			
CALCULATION		CALCULATION	
Total Due From Borrower at Closing (K)	\$189,762.30	Total Due to Seller at Closing (M)	\$180,000.00
Total Paid Already by or on Behalf of Borrower at Closing (L)	– \$125,615.04	Total Due from Seller at Closing (N)	– \$115,665.04
Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$14,147.26	Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	\$64,414.96



CD – Page 3 Cash to Close

Calculating Cash to Close Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (L)	\$8,054.00	\$9,712.10	YES • See Total Loan Costs (L) and Total Other Costs (O)
Closing Costs Paid Before Closing	\$0	– \$29.80	YES • You paid these Closing Costs before closing
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	\$18,000.00	\$18,000.00	NO
Deposit	– \$10,000.00	– \$10,000.00	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	– \$2,500.00	YES • See Seller Credits in Section L
Adjustments and Other Credits	\$0	– \$1,035.04	YES • See details in Sections K and L
Cash to Close	\$16,054.00	\$14,147.26	

Summary of Transactions Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION		SELLER'S TRANSACTION	
K. Due from Borrower at Closing	\$189,762.30	M. Due to Seller at Closing	\$180,000.00
01 Sale Price of Property	\$180,000.00	01 Sale Price of Property	\$180,000.00
02 Sale Price of Any Personal Property Included in Sale		02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (L)	\$9,662.30	03	
04		04	
05		05	
06		06	
07		07	
08		08	
Adjustments for Items Paid by Seller in Advance		Adjustments for Items Paid by Seller in Advance	
09 City/Town Taxes to		09 City/Town Taxes to	
10 County Taxes to		10 County Taxes to	
11 Assessments to		11 Assessments to	
12 HOA Dues 4/15/13 to 4/30/13	\$80.00	12 HOA Dues 4/15/13 to 4/30/13	\$80.00
13		13	
14		14	
15		15	
16		16	
L. Paid Already by or on Behalf of Borrower at Closing	\$125,615.04	N. Due from Seller at Closing	\$115,665.04
01 Deposit	\$10,000.00	01 Excess Deposit	\$12,800.00
02 Loan Amount	\$162,000.00	02 Closing Costs Paid at Closing (L)	\$12,800.00
03 Existing Loan(s) Assumed or Taken Subject to		03 Existing Loan(s) Assumed or Taken Subject to	\$100,000.00
04 Payoff of First Mortgage Loan		04 Payoff of First Mortgage Loan	
05 Payoff of Second Mortgage Loan		05 Payoff of Second Mortgage Loan	
06		06	
07		07	
08		08	
09		09	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
Other Credits		Other Credits	
09 Seller Credit	\$2,500.00	09 Seller Credit	\$2,500.00
10 Rebate from Escrow Title Co.	\$750.00	10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
Adjustments for Items Unpaid by Seller		Adjustments for Items Unpaid by Seller	
12 City/Town Taxes 1/1/13 to 4/14/13	\$365.04	14 City/Town Taxes 1/1/13 to 4/14/13	\$365.04
13 County Taxes to		15 County Taxes to	
14 Assessments to		16 Assessments to	
15		17	
16		18	
17		19	
18			
19			
CALCULATION		CALCULATION	
Total Due from Borrower at Closing (K)	\$189,762.30	Total Due to Seller at Closing (M)	\$180,000.00
Total Paid Already by or on Behalf of Borrower at Closing (L)	– \$125,615.04	Total Due from Seller at Closing (N)	– \$115,665.04
Cash to Close From <input checked="" type="checkbox"/> To Borrower	\$14,147.26	Cash From <input checked="" type="checkbox"/> To Seller	\$64,414.96

Calculating Cash to Close Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (L)	\$8,054.00	\$9,712.10	YES • See Total Loan Costs (L) and Total Other Costs (O)
Closing Costs Paid Before Closing	\$0	– \$29.80	YES • You paid these Closing Costs before closing
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	\$18,000.00	\$18,000.00	NO
Deposit	– \$10,000.00	– \$10,000.00	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	– \$2,500.00	YES • See Seller Credits in Section L
Adjustments and Other Credits	\$0	– \$1,035.04	YES • See details in Sections K and L
Cash to Close	\$16,054.00	\$14,147.26	

- Compares LE to CD Final
- Closing costs, down payment, deposits, seller credits and other credits
- Total to cash to close
 - LE vs. CD



CD – Page 3

Calculating Cash to Close Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (E)	\$8,054.00	\$9,712.10	YES - See Total Loan Costs (K) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	-\$298.00	YES - You paid these Closing Costs before closing
Closing Costs Financed (B) From your Loan Amount	\$0	\$0	NO
Down Payment/Funds from Borrower	\$18,000.00	\$18,000.00	NO
Deposit	-\$10,000.00	-\$10,000.00	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	-\$2,900.00	YES - See Seller Credits in Section L
Adjustments and Other Credits	\$0	-\$1,035.04	YES - See details in Section K and L
Cash to Close	\$16,054.00	\$14,147.26	

Summary of Transactions Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION		SELLER'S TRANSACTION	
K. Due from Borrower at Closing	\$189,762.30	M. Due to Seller at Closing	\$180,080.00
01 Sale Price of Property	\$180,000.00	01 Sale Price of Property	\$180,000.00
02 Sale Price of Any Personal Property Included in Sale		02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (J)	\$9,682.30	03	
04		04	
Adjustments		Adjustments	
05		05	
06		06	
07		07	
08		08	
Adjustments for Items Paid by Seller in Advance		Adjustments for Items Paid by Seller in Advance	
09 City/Town Taxes to		09 City/Town Taxes to	
10 County Taxes to		10 County Taxes to	
11 Assessments to		11 Assessments to	
12 HOA Dues 4/15/13 to 4/30/13	\$80.00	12 HOA Dues 4/15/13 to 4/30/13	\$80.00
13		13	
14		14	
15		15	
16		16	
L. Paid Already by or on Behalf of Borrower at Closing	\$125,615.04	N. Due from Seller at Closing	\$115,665.04
01 Deposit	\$10,000.00	01 Excess Deposit	
02 Loan Amount	\$160,000.00	02 Closing Costs Paid at Closing (E)	\$12,800.00
03 Existing Loan(s) Assumed or Taken Subject to		03 Existing Loan(s) Assumed or Taken Subject to	
04 Payoff of First Mortgage Loan	\$100,000.00	04 Payoff of First Mortgage Loan	\$100,000.00
05 Seller Credit	\$2,500.00	05 Payoff of Second Mortgage Loan	
06 Rebate from Escrow Title Co.	\$7,500.00	06	
07		07	
08		08 Seller Credit	\$2,500.00
09		09	
10		10	
11		11	
12		12	
13		13	
Adjustments for Items Unpaid by Seller		Adjustments for Items Unpaid by Seller	
14 City/Town Taxes 1/1/13 to 4/14/13	\$365.04	14 City/Town Taxes 1/1/13 to 4/14/13	\$365.04
15 County Taxes to		15 County Taxes to	
16 Assessments to		16 Assessments to	
17		17	
18		18	
19		19	
CALCULATION		CALCULATION	
Total Due From Borrower at Closing (K)	\$189,762.30	Total Due to Seller at Closing (M)	\$180,080.00
Total Paid Already by or on Behalf of Borrower at Closing (L) -	-\$125,615.04	Total Due from Seller at Closing (N)	-\$115,665.04
Cash to Close From <input checked="" type="checkbox"/> To Borrower	\$14,147.26	Cash From <input checked="" type="checkbox"/> To Seller	\$64,414.96

Summary of Transactions Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION		SELLER'S TRANSACTION	
K. Due from Borrower at Closing	\$189,762.30	M. Due to Seller at Closing	\$180,080.00
01 Sale Price of Property	\$180,000.00	01 Sale Price of Property	\$180,000.00
02 Sale Price of Any Personal Property Included in Sale		02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (J)	\$9,682.30	03	
04		04	
Adjustments		Adjustments	
05		05	
06		06	
07		07	
08		08	
Adjustments for Items Paid by Seller in Advance		Adjustments for Items Paid by Seller in Advance	
09 City/Town Taxes to		09 City/Town Taxes to	
10 County Taxes to		10 County Taxes to	
11 Assessments to		11 Assessments to	
12 HOA Dues 4/15/13 to 4/30/13	\$80.00	12 HOA Dues 4/15/13 to 4/30/13	\$80.00
13		13	
14		14	
15		15	
16		16	

- Resembles HUD-1 Page 1
- Borrower & Seller Summaries



CD – Page 3

Calculating Cash to Close Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (E)	\$8,054.00	\$9,712.10	YES - See Total Loan Costs (B) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	-\$29.80	YES - You paid these Closing Costs before closing
Closing Costs Financed (F) From your Loan Amount	\$0	\$0	NO
Down Payment/Funds from Borrower	-\$18,000.00	-\$18,000.00	NO
Deposit	-\$10,000.00	-\$10,000.00	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	-\$2,900.00	YES - See Seller Credits in Section L
Adjustments and Other Credits	\$0	-\$1,035.04	YES - See details in Section K and L
Cash to Close	\$16,054.00	\$14,147.26	

Summary of Transactions Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION		SELLER'S TRANSACTION	
K. Due from Borrower at Closing	\$189,762.30	M. Due to Seller at Closing	\$180,080.00
01 Sale Price of Property	\$180,000.00	01 Sale Price of Property	\$180,000.00
02 Sale Price of Any Personal Property Included in Sale		02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (F)	\$9,642.30	03 Existing Loan(s) Assumed or Taken Subject to	
04		04 Payoff of First Mortgage Loan	\$100,000.00
05 Seller Credit		05 Payoff of Second Mortgage Loan	
06		06	
07		07	
08		08	
09		09	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	

L. Paid Already by or on Behalf of Borrower at Closing	\$175,615.04	N. Due from Seller at Closing	\$115,665.04
01 Deposit	\$10,000.00	01 Excess Deposit	
02 Loan Amount	\$162,000.00	02 Closing Costs Paid at Closing (F)	\$12,800.00
03 Existing Loan(s) Assumed or Taken Subject to		03 Existing Loan(s) Assumed or Taken Subject to	
04		04 Payoff of First Mortgage Loan	\$100,000.00
05 Seller Credit	\$2,500.00	05 Payoff of Second Mortgage Loan	
06		06	
07		07	
08		08	
09		09	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	

ADJUSTMENTS		ADJUSTMENTS	
12 City/Town Taxes 1/1/13 to 4/14/13	\$365.04	14 City/Town Taxes 1/1/13 to 4/14/13	\$365.04
13 County Taxes to		15 County Taxes to	
14 Assessments to		16 Assessments to	
15		17	
16		18	
17		19	

CALCULATION		CALCULATION	
Total Due from Borrower at Closing (K)	\$189,762.30	Total Due to Seller at Closing (M)	\$180,080.00
Total Paid Already by or on Behalf of Borrower at Closing (L) -	\$175,615.04	Total Due from Seller at Closing (N)	-\$115,665.04
Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$14,147.26	Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	\$64,414.96

L. Paid Already by or on Behalf of Borrower at Closing	\$175,615.04
01 Deposit	\$10,000.00
02 Loan Amount	\$162,000.00
03 Existing Loan(s) Assumed or Taken Subject to	
04	
05 Seller Credit	\$2,500.00
06 Rebate from Epsilon Title Co.	\$750.00
07	
08	
09	
10	
11	
Adjustments for Items Unpaid by Seller	
12 City/Town Taxes 1/1/13 to 4/14/13	\$365.04
13 County Taxes to	
14 Assessments to	
15	
16	
17	
CALCULATION	
Total Due from Borrower at Closing (K)	\$189,762.30
Total Paid Already by or on Behalf of Borrower at Closing (L) -	\$175,615.04
Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$14,147.26

N. Due from Seller at Closing	\$115,665.04
01 Excess Deposit	
02 Closing Costs Paid at Closing (F)	\$12,800.00
03 Existing Loan(s) Assumed or Taken Subject to	
04 Payoff of First Mortgage Loan	\$100,000.00
05 Payoff of Second Mortgage Loan	
06	
07	
08 Seller Credit	\$2,500.00
09	
10	
11	
12	
13	
Adjustments for Items Unpaid by Seller	
14 City/Town Taxes 1/1/13 to 4/14/13	\$365.04
15 County Taxes to	
16 Assessments to	
17	
18	
19	
CALCULATION	
Total Due to Seller at Closing (M)	\$180,080.00
Total Due from Seller at Closing (N)	-\$115,665.04
Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	\$64,414.96

- Summary continued
- Calculations for buyer and seller



CD – Page 4 – Additional Information About the Loan

Additional Information About This Loan

Loan Disclosures

Assumption
If you sell or transfer this property to another person, your lender will allow, under certain conditions, this person to assume this loan on the original terms.
 will not allow an assumption of this loan on the original terms.

Demand Feature
Your loan has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
 does not have a demand feature.

Late Payment
If your payment is more than 15 days late, your lender will charge a late fee of 5% of the monthly principal and interest payment.

Negative Amortization (Increase in Loan Amount)
Under your loan terms, you are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
 may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
 do not have a negative amortization feature.

Partial Payments
Your lender may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
 may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
 does not accept any partial payments.
If this loan is sold, your new lender may have a different policy.

Security Interest
You are granting a security interest in 456 Somewhere Ave., Anytown, ST 12345

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account
For now, your loan
 will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow		
Escrowed Property Costs over Year 1	\$2,473.56	Estimated total amount over year 1 for your escrowed property costs: Homeowner's Insurance Property Taxes
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: Homeowner's Association Dues You may have other property costs.
Initial Escrow Payment	\$412.25	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	\$206.13	The amount included in your total monthly payment.

will not have an escrow account because you declined it your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow		
Estimated Property Costs over Year 1		Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee		

In the future,
Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

- Assumption
- Demand Feature
- Late Payment
- Negative Amortization
- Treatment of Partial Payment
- Escrow Account Information
 - Escrow property tax information
 - Non-escrowed information – HOA Dues
 - Initial escrow deposit
 - Monthly escrow payment
 - Escrow waiver fee



CD – Page 5

Loan Calculations	
Total of Payments. Total you will have paid after you make all payment of principal, interest, mortgage insurance and loan costs, as scheduled.	\$285,803.36
Finance Charge. The dollar amount the loan will cost you.	\$118,830.27
Amount Financed. The loan amount available after paying your upfront finance charge.	\$162,000.00
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.46%

Other Disclosures

Appraisal
If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.

Contract Details
See your note and security instrument for information about:
• what happens if you fail to make your payments,
• what is a default on the loan,
• situations in which your lender can require early repayment of the loan, and
• the rules for making payments before they are due.

Liability after Foreclosure
If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan:
 state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
 state law does not protect you from liability for the unpaid balance.

Refinance
Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Tax Deductions
If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.

Questions? If you have questions about the loan terms or conditions, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-discing

Contact Information					
	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
Address	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Some town, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
NMLS ID					
ST License ID			Z765416	Z61456	Z61616
Contact	Joe Smith		Samuel Green	Joseph Cain	Sarah Arnold
Contact NMLS ID	12345				
Contact ST License ID			P16415	P51461	PT1234
Email	joesmith@ficusbank.com		sam@omega.biz	joe@alpha.biz	sarah@epsilontitle.com
Phone	123-456-7890		123-555-1717	321-555-7171	987-555-4321

Confirm Receipt
By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____ Co-Applicant Signature _____ Date _____



- Loan calculations
 - Total payments
 - Finance Charge
 - Amount Financed
 - APR
 - TIP – Total Interest Paid
- Other Disclosures
 - Appraisal
 - Contract details
 - Liability after foreclosure
 - Refinance
 - Tax deductions
- Contact Information
 - Lender
 - Broker
 - Real Estate Broker(s)
 - Settlement Agent



CD – Page 5 – Loan Calculations

Loan Calculations	
Total of Payments. Total you will have paid after you make all payment of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$285,803.36
Finance Charge. The dollar amount the loan will cost you.	\$118,830.27
Amount Financed. The loan amount available after paying your upfront finance charge.	\$162,000.00
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.46%

Other Disclosures	
Appraisal If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.	
Contract Details See your note and security instrument for information about: - what happens if you fail to make your payments, - what is a default on the loan, - situations in which your lender can require early repayment of the loan and - the rules for making payments before they are due.	
Liability after Foreclosure If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan, <input type="checkbox"/> state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information. <input type="checkbox"/> state law does not protect you from liability for the unpaid balance.	
Refinance Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.	
Tax Deductions If you borrow more than this property's worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.	

Loan Calculations	
Total of Payments. Total you will have paid after you make all payment of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$285,803.36
Finance Charge. The dollar amount the loan will cost you.	\$118,830.27
Amount Financed. The loan amount available after paying your upfront finance charge.	\$162,000.00
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.46%

Contact Information					
	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
Address	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Somecity, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
NMLS ID					
ST License ID			2765416	Z61456	Z61616
Contact	Joe Smith		Samuel Green	Joseph Cain	Sarah Arnold
Contact NMLS ID	12345				
Contact ST License ID			P16415	P51461	PT1234
Email	joesmith@ficusbank.com		sa@omega.biz	joe@alpha.biz	sarah@epsilontitle.com
Phone	123-456-7890		123-555-7171	321-555-7171	987-555-4321

Confirm Receipt	
By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.	
Applicant Signature	Date
Co-Applicant Signature	Date

- Total Payments
- Finance Charge
- Amount Financed
- APR
- Total Interest Percentage (TIP)



CD – Page 5 – Other Disclosures

Loan Calculations	
Total of Payments. Total you will have paid after you make all payment of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$285,803.36
Finance Charge. The dollar amount the loan will cost you.	\$118,830.27
Amount Financed. The loan amount available after paying your upfront finance charge.	\$162,000.00
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.46%

Other Disclosures	
<p>Appraisal If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.</p> <p>Contract Details See your note and security instrument for information about • what happens if you fail to make your payments, • what is a default on the loan, • situations in which your lender can require early repayment of the loan and • the rules for making payments before they are due.</p> <p>Liability after Foreclosure If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan, <input checked="" type="checkbox"/> state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information. <input type="checkbox"/> state law does not protect you from liability for the unpaid balance.</p> <p>Refinance Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.</p> <p>Tax Deductions If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.</p>	

Contact Information	
Name	Ficus Bank
Address	4321 Random Blvd. Somecity, ST 12340
NMLS ID	
ST License ID	
Contact	Joe Smith
Contact NMLS ID	12345
Contact ST License ID	
Email	joesmith@ficusbank.com
Phone	123-456-7890

Other Disclosures	
<p>Appraisal If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.</p> <p>Contract Details See your note and security instrument for information about • what happens if you fail to make your payments, • what is a default on the loan, • situations in which your lender can require early repayment of the loan and • the rules for making payments before they are due.</p> <p>Liability after Foreclosure If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan, <input checked="" type="checkbox"/> state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information. <input type="checkbox"/> state law does not protect you from liability for the unpaid balance.</p> <p>Refinance Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.</p> <p>Tax Deductions If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.</p>	

Confirm Receipt	
By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.	
Applicant Signature	Date
Co-Applicant Signature	Date

- Appraisal
- Contract Details
- Liability after Foreclosures
- Refinance
- Tax Deductions



CD – Page 5 – Questions?

Loan Calculations		Other Disclosures	
Total of Payments. Total you will have paid after you make all payment of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$285,803.36	Appraisal If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.	
Finance Charge. The dollar amount the loan will cost you.	\$118,830.27	Contract Details See your note and security instrument for information about: - what happens if you fail to make your payments, - what is a default on the loan, - situations in which your lender can require early repayment of the loan and - the rules for making payments before they are due.	
Amount Financed. The loan amount available after paying your upfront finance charge.	\$162,000.00	Liability after Foreclosure If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan: <input type="checkbox"/> state law may protect you from liability for the unpaid balance. If you refinance this loan on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information. <input type="checkbox"/> state law does not protect you from liability for the unpaid balance.	
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%	Refinance Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.	
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.46%	Tax Deduction If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.	

Questions? If you have questions about the loan terms or cost on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Contact Information					
	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
Address	4321 Random Blvd. Somerset, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Sometown, ST 12340	123 Commerce Pl. Somerset, ST 12344
NMLS ID			2765416	Z61456	Z61616
ST License ID			Samuel Green	Joseph Cain	Sarah Arnold
Contact	Joe Smith				
Contact NMLS ID	12345		P16415	P51461	PT1234
Contact ST License ID					
Email	joesmith@ficusbank.com		sam@omega.biz	joe@alpha.biz	sarah@epsilontitle.com
Phone	123-456-7890		123-555-1717	321-555-7171	987-555-4321

Confirm Receipt
By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____ Co-Applicant Signature _____ Date _____

Questions? If you have questions about the loan terms or cost on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

- Questions
 - Highlights the CFPB
 - Be sure that you maintain contact and a good relationship with your customer



CD – Page 5 – Contact Information

Loan Calculations		Other Disclosures	
Total of Payments. Total you will have paid after you make all payment of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$285,803.36	Appraisal If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.	
Finance Charge. The dollar amount the loan will cost you.	\$118,830.27	Contract Details See your note and security instrument for information about: - what happens if you fail to make your payments, - what is a default on the loan, - situations in which your lender can require early repayment of the loan and - the rules for making payments before they are due.	
Amount Financed. The loan amount available after paying your upfront finance charge.	\$162,000.00	Liability after Foreclosure If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan: <input checked="" type="checkbox"/> state law may protect you from liability for the unpaid balance, if you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information. <input type="checkbox"/> state law does not protect you from liability for the unpaid balance.	
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%	Refinance Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.	
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.46%	Tax Deductions If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.	

Questions? If you have questions about the loan terms or conditions on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Contact Information					
Name	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
Address	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somer city, ST 12344
NMLS ID					
ST License ID			Z765416	Z61456	Z61616
Contact	Joe Smith		Samuel Green	Joseph Cain	Sarah Arnold
Contact NMLS ID	12345				
Contact ST License ID			P16415	P51461	PT1234
Email	joesmith@ficusbank.com		sam@omegabiz	joe@alphabiz	sarah@epsilontitle.com
Phone	123-456-7890		123-555-1717	321-555-7171	987-555-4321

Confirm Receipt
By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____ Co-Applicant Signature _____ Date _____

Contact Information					
Name	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
Address	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somer city, ST 12344
NMLS ID					
ST License ID			Z765416	Z61456	Z61616
Contact	Joe Smith		Samuel Green	Joseph Cain	Sarah Arnold
Contact NMLS ID	12345				
Contact ST License ID			P16415	P51461	PT1234
Email	joesmith@ficusbank.com		sam@omegabiz	joe@alphabiz	sarah@epsilontitle.com
Phone	123-456-7890		123-555-1717	321-555-7171	987-555-4321

Confirm Receipt
By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____ Co-Applicant Signature _____ Date _____

- Contact information
 - Systems must be able to capture
- Confirmation Receipt



Challenges with the CD

- Timing will be critical
 - Set the closing date early
 - Work backwards to establish your key milestones
 - Allow enough time for all parties to complete their roles
 - Review purchase contracts early – anticipate delays due to structural work or repairs
 - Obtain contact information of all parties early
 - Ensure communication is frequent with all parties
 - Avoid last minute contract changes
 - Schedule property walk thru's early



Additional Information

- <http://www.consumerfinance.gov/regulatory-implementation/tila-respa/>
 - Compliance Guide
 - Guide to Forms
 - Disclosure Timeline
 - Disclosure Forms and Samples
 - Readiness Guide



Questions

