



NOTE: VA is processing an application for credit related to this property. The following information is being furnished in compliance with federal law. This form does not constitute approval or acceptance of the proposed transaction. If a particular settlement agent has been designated by VA, the agent is identified on an attachment to this form.

1. PROPERTY IDENTIFIER

2. PROPERTY ADDRESS

3. APPLICANT NAME AND MAILING ADDRESS

4. CREDITOR NAME AND MAILING ADDRESS
Department of Veterans Affairs

5. DATE APPLICATION PROCESSED

6. DATE DISCLOSURE MAILED

7. REAL ESTATE SETTLEMENT PROCEDURES ACT - GOOD FAITH ESTIMATE OF SETTLEMENT COSTS
(Numbering corresponds with line numbers on HUD Form 1 - Settlement Statement)

	FUNDING FEE PERCENTAGE	%		TAX AND INSURANCE RESERVE DEPOSIT	%
	REQUESTED LOAN (Excluding Rehab. Amount)	\$		OTHER (Specify)	\$
801	LOAN ORIGATION FEE (Funding Fee)	\$	1102	ABSTRACT OR TITLE SEARCH	\$
804	CREDIT REPORT	\$	1103	TITLE EXAMINATION	\$
901	INTEREST - 30 DAYS @ \$ /DAY	\$	1201	RECORDING FEES	\$
	OTHER (Specify)	\$		OTHER (Specify)	\$

NOTE: The Settlement Costs pamphlet is enclosed with this estimate, if the proposed transaction is a new loan which will be secured by a first lien on legal title to the property. This estimate does not cover all items you will be required to pay in cash at settlement. You may be required to pay other additional amounts, and you may wish to inquire as to the amounts of such other items. This estimate shows the maximum prepaid interest which could be charged at settlement. Should your loan be approved, actual costs will be determined, based on the settlement date. Upon request, you may inspect HUD Form 1, Settlement Statement, one (1) business day prior to settlement at the following address:

8. FEDERAL TRUTH-IN-LENDING ACT - ESTIMATE OF CREDIT COSTS

ANNUAL PERCENTAGE RATE COST OF YOUR CREDIT AS A YEARLY RATE	FINANCE CHARGE DOLLAR AMOUNT THE CREDIT WILL COST YOU	AMOUNT FINANCED AMOUNT OF CREDIT PROVIDED TO YOU OR ON YOUR BEHALF	TOTAL OF PAYMENTS AMOUNT YOU WILL PAY IF YOU MAKE ALL SCHEDULED PAYMENTS	TOTAL SALE PRICE TOTAL COST OF YOUR PURCHASE ON CREDIT INCLUDING YOUR DOWNPAYMENT OF
%	\$	\$	\$	\$
				\$

9. PAYMENT SCHEDULE

IMPORTANT: Payments are due on the first day of the month, beginning with the second month after settlement. Monthly loan installments also will include 1/12 of the estimated annual property taxes and insurance.

A. NUMBER OF PAYMENTS	B. AMOUNT OF PAYMENT (PRINCIPAL AND INTEREST)
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DEFINITIONS: The annual percentage rate is an expression of the cost of credit and shows the effect of the prepaid finance charge on the simple interest rate which is stated in the contract documents. The total of payments is equal to the number of payments multiplied by the amount of the payment for principal and interest. The loan amount is equal to the purchase price (contract sale price) including the rehabilitation amount to be escrowed for repairs after sale, minus the downpayment. The amount financed is equal to the loan amount, minus the prepaid finance charge (funding fee and the estimated maximum prepaid interest). The finance charge begins on the settlement date and is equal to the total of payments, minus the amount financed. The total sale price is equal to the downpayment, plus the loan amount and the finance charge.

IMPORTANT INFORMATION: Property insurance may be obtained from any insurer chosen by the borrower, but the creditor reserves the right to reject an insurer for reasonable cause. A security interest in the property will be given by the borrower to the creditor, including security interest to cover any future advances to protect the security. Prepayment of the loan in whole or in part may be made without penalty, but will not result in refund of a paid portion of the finance charge. Partial prepayment may not be less than one installment, or \$100, whichever is less. A late charge of 4 percent of the loan installment will be charged for each loan installment which is received by the creditor more than 15 days after the due date. Assumption of the loan may not be completed without prior written approval by the creditor, its authorized agents, successors or assigns. Please see the contract documents for information concerning nonpayment, default, repayment, and debt acceleration.