

Loan Estimate

DATE ISSUED 1/21/2013
APPLICANTS James White and Jane Johnson
 123 Anywhere Street, Apt 678
 Anytown, ST 12345
PROPERTY 456 Somewhere Avenue
 Anytown, ST 12345
SALE PRICE \$240,000

LOAN TERM 30 years
PURPOSE Purchase
PRODUCT 5 Year Interest Only, 5/3 Adjustable Rate
LOAN TYPE Conventional FHA VA _____
LOAN ID # 123456789
RATE LOCK NO YES, until 3/22/2013 at 5:00 p.m. EST
Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 2/4/2013 at 5:00 p.m. EST

| Loan Terms | | Can this amount increase after closing? | |
|---|-----------|---|--|
| Loan Amount | \$211,000 | NO | |
| Interest Rate | 4.375% | YES | <ul style="list-style-type: none"> • Adjusts every three years starting in year 6 • Can go as high as 8% in year 9 • See AIR table on page 2 for details |
| Monthly Principal & Interest <i>See Projected Payments Below for Your Total Monthly Payment</i> | \$769.27 | YES | <ul style="list-style-type: none"> • Adjusts every three years starting in year 6 • Can go as high as \$1,622 in year 9 • Includes only interest and no principal until year 6 • See AP table on page 2 for details |
| Does the loan have these features? | | | |
| Prepayment Penalty | | NO | |
| Balloon Payment | | NO | |

| Projected Payments | | | | |
|---|----------------------------------|--|----------------------------|---|
| Payment Calculation | Years 1-5 | Years 6-8 | Years 9-11 | Years 12-30 |
| Principal & Interest | \$769.27 <i>only interest</i> | \$1,233 min \$1,542 max | \$1,233 min \$1,622 max | \$1,233 min \$1,622 max |
| Mortgage Insurance | + 107 | + 107 | + 107 | + — |
| Estimated Escrow <i>Amount Can Increase Over Time</i> | + 533 | + 533 | + 533 | + 533 |
| Estimated Total Monthly Payment | \$1,409 | \$1,873 – \$2,182 | \$1,873 – \$2,262 | \$1,766 – \$2,155 |
| Estimated Taxes, Insurance & Assessments <i>Amount Can Increase Over Time</i> | \$533 a month | This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</i> | | In escrow? YES YES |

| Cash to Close | |
|--------------------------------|---|
| Estimated Cash to Close | \$31,587 Includes \$8,587 in Closing Costs (\$4,527 in Loan Costs + \$4,060 in Other Costs – \$0 in Lender Credits). See details on page 2. |

Visit www.consumerfinance.gov/learnmore for general information and tools.

Closing Cost Details

| Loan Costs | |
|--|----------------|
| A. Origination Charges | \$2,850 |
| % of Loan Amount (Points) | \$0 |
| Application Fee | \$400 |
| Loan Origination Fee | \$2,450 |
| B. Services You Cannot Shop For | \$820 |
| Appraisal Fee | \$305 |
| Credit Report Fee | \$30 |
| Flood Determination Fee | \$35 |
| Lender's Attorney | \$400 |
| Tax Status Research Fee | \$50 |
| C. Services You Can Shop For | \$857 |
| Pest Inspection Fee | \$125 |
| Survey Fee | \$150 |
| Title – Lender's Title Policy | \$132 |
| Title – Settlement Agent Fee | \$300 |
| Title – Title Search | \$150 |
| D. TOTAL LOAN COSTS (A + B + C) | \$4,527 |

| Adjustable Payment (AP) Table | |
|--|-----------------------------------|
| Interest Only Payments? | YES for your first 60 payments |
| Optional Payments? | NO |
| Step Payments? | NO |
| Seasonal Payments? | NO |
| Monthly Principal and Interest Payments | |
| First Change/Amount | \$1,233 – \$1,542 at 61st payment |
| Subsequent Changes | Every three years |
| Maximum Payment | \$1,622 starting at 108th payment |

| Other Costs | |
|--|-----------------|
| E. Taxes and Other Government Fees | \$152 |
| Recording Fees and Other Taxes | \$152 |
| Transfer Taxes | \$0 |
| F. Prepays | \$1,205 |
| Homeowner's Insurance Premium (<u>12</u> months) | \$1,000 |
| Mortgage Insurance Premium (<u>0</u> months) | \$0 |
| Prepaid Interest (\$25.64 per day for 8 days @ 4.375%) | \$205 |
| Property Taxes (<u>0</u> months) | \$0 |
| G. Initial Escrow Payment at Closing | \$1,067 |
| Homeowner's Insurance \$83.33 per month for 2 mo. | \$167 |
| Mortgage Insurance \$0 per month for 0 mo. | \$0 |
| Property Taxes \$450.00 per month for 2 mo. | \$900 |
| H. Other | \$1,636 |
| Title – Owner's Title Policy (optional) | \$1,636 |
| I. TOTAL OTHER COSTS (E + F + G + H) | \$4,060 |
| J. TOTAL CLOSING COSTS | \$8,587 |
| D + I | \$8,587 |
| Lender Credits | – \$0 |
| Calculating Cash to Close | |
| Total Closing Costs (J) | \$8,587 |
| Closing Costs Financed (Included in Loan Amount) | \$0 |
| Down Payment/Funds from Borrower | \$29,000 |
| Deposit | – \$5,000 |
| Funds for Borrower | \$0 |
| Seller Credits | – \$1,000 |
| Adjustments and Other Credits | \$0 |
| Estimated Cash to Close | \$31,587 |

| Adjustable Interest Rate (AIR) Table | |
|--|-------------------------------------|
| Index + Margin | LIBOR + 4% |
| Initial Interest Rate | 4.375% |
| Minimum/Maximum Interest Rate | 5%/8% |
| Change Frequency | |
| First Change | Beginning of 61st month |
| Subsequent Changes | Every 36th month after first change |
| Limits on Interest Rate Changes | |
| First Change | 3% |
| Subsequent Changes | 3% |

Additional Information About This Loan

LENDER Ficus Bank
NMLS/LICENSE ID
LOAN OFFICER Joe Smith
NMLS ID 12345
EMAIL jsmith@ficusbank.com
PHONE 111-222-3333

MORTGAGE BROKER Pecan Mortgage Broker Inc.
NMLS/LICENSE ID 222222
LOAN OFFICER Jane Jones
NMLS ID 67890
EMAIL jjones@pecanmortgagebroker.com
PHONE 333-444-5555

| Comparisons | Use these measures to compare this loan with other loans. |
|--|--|
| In 5 Years | \$57,324 Total you will have paid in principal, interest, mortgage insurance, and loan costs. \$0 Principal you will have paid off. |
| Annual Percentage Rate (APR) | 5.231% Your costs over the loan term expressed as a rate. This is not your interest rate. |
| Total Interest Percentage (TIP) | 99.104% 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 <input type="checkbox"/> will allow, under certain conditions, this person to assume this loan on the original terms. <input checked="" type="checkbox"/> will not allow this person to assume 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. |
| Loan Acceptance | You do not have to accept this loan because you have received this form or signed a loan application. |
| 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 <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input checked="" type="checkbox"/> to transfer servicing of your loan. |