

Loan Estimate

DATE ISSUED 2/3/2012
APPLICANTS James White and Jane Johnson
 123 Anywhere Street, Apt 678
 Anytown, MD 12345
PROPERTY 456 Avenue A, Anytown, MD 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 # 1330172608
RATE LOCK NO YES, until 3/29/2012 at 3:00 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 2/18/2012 at 3:00 p.m. EDT.

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 interest only 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>interest only</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	\$32,120 Includes \$9,120 in Closing Costs (\$4,527 in Loan Costs + \$4,593 in Other Costs). 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
Desk Review Fee	\$150
Loan Origination Fee	\$1,000
Processing Fee	\$300
Rate Lock Fee	\$525
Underwriting Fee	\$675
Verification Fee	\$200
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 – Courier Fee	\$32
Title – Lender's Title Policy	\$100
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
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. Prepaids	\$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	\$1,600
Flood Insurance	\$0 per month for 0 mo. \$0
HOA/Condo/Co-op	\$0 per month for 0 mo. \$0
Homeowner's Insurance	\$83.33 per month for 3 mo. \$250
Mortgage Insurance	\$0 per month for 0 mo. \$0
Property Taxes	\$450.00 per month for 3 mo. \$1,350
H. Other	\$1,636
Real Estate Broker Administration Fee	\$200
Title – Owner's Title Policy (optional)	\$1,436
I. TOTAL OTHER COSTS (E + F + G + H)	\$4,593
J. TOTAL CLOSING COSTS	\$9,120
D + I	\$9,120
Lender Credits	– \$0
Calculating Cash to Close	
Total Closing Costs (J)	\$9,120
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
Other Adjustments and Credits	\$0
Estimated Cash to Close	\$32,120

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 ID 111111
LOAN OFFICER Joe Smith
NMLS ID 487493
EMAIL jsmith@ficusbank.com
PHONE 111-222-3333

MORTGAGE BROKER Friendly Mortgage Broker Inc.
NMLS ID 222222
LOAN OFFICER Jim Taylor
NMLS ID 394784
EMAIL jtaylor@frndlymtgbrkr.com
PHONE 333-444-5555

Comparisons	Use these measures to compare this loan with other loans.	
In 5 Years	\$58,539	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$0	Principal you will have paid off.
Annual Percentage Rate (APR)	5.30%	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	99.01%	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 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
 to service your loan. If so, you will make your payments to us.
 to transfer servicing of your loan.