

**Note:** *We are providing a version of our Notice of Proposed Rulemaking for Integrated Mortgage Disclosures under the Real Estate Settlement Procedures Act and the Truth in Lending Act (as submitted to the Federal Register) in separate parts. These partial documents will download and open more quickly than the full Notice. If you do not need the full notice, you may find these partial versions easier to use.*

*Beginning on page 3, this document contains the proposed amendments to regulations.*

*The preamble and the guidance regarding compliance with the amended regulations, as well as the full submitted notice, are available for download at:*

<http://www.consumerfinance.gov/knowbeforeyouowe/#rule>

**BILLING CODE: 4810-AM-P**

**BUREAU OF CONSUMER FINANCIAL PROTECTION**

**12 CFR Parts 1024 and 1026**

**[Docket No. CFPB-2012-0028]**

**RIN 3170-AA19**

**Integrated Mortgage Disclosures under the Real Estate Settlement Procedures Act  
(Regulation X) and the Truth In Lending Act (Regulation Z)**

**AGENCY:** Bureau of Consumer Financial Protection.

**ACTION:** Proposed rule with request for public comment.

**SUMMARY:** Sections 1032(f), 1098, and 1100A of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) direct the Bureau to issue proposed rules and forms that combine certain disclosures that consumers receive in connection with applying for and closing on a mortgage loan under the Truth in Lending Act and the Real Estate Settlement Procedures Act. Consistent with this requirement, the Bureau is proposing to amend Regulation X (Real Estate Settlement Procedures Act) and Regulation Z (Truth in Lending) to establish new disclosure requirements and forms in Regulation Z for most closed-end consumer credit transactions secured by real property. In addition to combining the existing disclosure

requirements and implementing new requirements in the Dodd-Frank Act, the proposed rule provides extensive guidance regarding compliance with those requirements.

**DATES:** Comments regarding the proposed amendments to 12 CFR §§ 1026.1(c) and 1026.4 must be received on or before September 7, 2012. For all other sections including proposed amendments, comments must be received on or before November 6, 2012.

**ADDRESSES:** You may submit comments, identified by Docket No. CFPB-2012-0028 or RIN 3170-AA19, by any of the following methods:

- *Electronic:* <http://www.regulations.gov>. Follow the instructions for submitting comments.
- *Mail/Hand Delivery/Courier:* Monica Jackson, Office of the Executive Secretary, Consumer Financial Protection Bureau, 1700 G Street, NW, Washington, DC 20552.

*Instructions:* All submissions should include the agency name and docket number or Regulatory Information Number (RIN) for this rulemaking. Because paper mail in the Washington, DC area and at the Bureau is subject to delay, commenters are encouraged to submit comments electronically. In general, all comments received will be posted without change to <http://www.regulations.gov>. In addition, comments will be available for public inspection and copying at 1700 G Street, NW, Washington, DC 20552, on official business days between the hours of 10 a.m. and 5 p.m. Eastern Time. You can make an appointment to inspect the documents by telephoning (202) 435-7275.

All comments, including attachments and other supporting materials, will become part of the public record and subject to public disclosure. Sensitive personal information, such as account numbers or social security numbers, should not be included. Comments will not be edited to remove any identifying or contact information.

**FOR FURTHER INFORMATION CONTACT:** David Friend, Michael G. Silver and Priscilla Walton-Fein, Counsels; Andrea Pruitt Edmonds, Richard B. Horn, Joan Kayagil, and Thomas J. Kearney, Senior Counsels; Paul Mondor, Senior Counsel & Special Advisor; and Benjamin K. Olson, Managing Counsel, Office of Regulations, at (202) 435-7700.

**List of Subjects in 12 CFR Part 1024**

Condominiums, Consumer protection, Housing, Mortgage servicing, Mortgages, Recordkeeping requirements, Reporting.

**List of Subjects in 12 CFR Part 1026**

Advertising, Consumer protection, Credit, Credit unions, Mortgages, National banks, Recordkeeping requirements, Reporting, Savings associations, Truth in lending.

**Text of Proposed Revisions**

Certain conventions have been used to highlight the proposed revisions. New language is shown inside bold arrows, and language that would be deleted is shown inside bold brackets.

**Authority and Issuance**

For the reasons set forth in the preamble, the Bureau proposes to amend Regulation X, 12 CFR part 1024, and Regulation Z, 12 CFR part 1026, as set forth below:

**PART 1024—REAL ESTATE SETTLEMENT PROCEDURES (REGULATION X)**

1. The authority citation for part 1024 continues to read as follows:

**Authority:** 12 U.S.C. 2603-2605, 2607, 2609, 2617, 5512, 5581.

2. Section 1024.5 is amended by revising paragraph (a), removing and reserving paragraph (b)(1), and adding paragraph (c), to read as follows:

**§ 1024.5 Coverage of RESPA.**

(a) *Applicability.* RESPA and this part apply to [all] federally related mortgage loans, except ▶ as ◀ [for the exemptions] provided in paragraph▶ s◀ (b) ▶ and (c)◀ of this section.

(b) *Exemptions.* (1) ▶ [Reserved]◀ [A loan on property of 25 acres or more.]

\* \* \* \* \*

▶(c) *Partial exemptions for certain mortgage loans.* Sections 1024.6, 1024.7, 1024.8, 1024.10, and 1024.21(b) and (c) do not apply to a federally related mortgage loan:

(1) That is subject to the special disclosure requirements for certain consumer credit transactions secured by real property set forth in Regulation Z, 12 CFR 1026.19(e) and (f); or

(2) That satisfies the criteria in Regulation Z, 12 CFR 1026.3(h). ◀

3. Appendix A to part 1024 is amended to read as follows:

**APPENDIX A TO PART 1024—INSTRUCTIONS FOR COMPLETING HUD-1 AND HUD-1A SETTLEMENT STATEMENTS; SAMPLE HUD-1 AND HUD-1A STATEMENTS**

The following are instructions for completing the HUD-1 settlement statement, required under section 4 of RESPA and 12 CFR Part 1024 (Regulation X) of the Bureau of Consumer Financial Protection (Bureau) regulations. This form is to be used as a statement of actual charges and adjustments paid by the borrower and the seller, to be given to the parties in connection with the settlement. The instructions for completion of the HUD-1 are primarily for the benefit of the settlement agents who prepare the statements and need not be transmitted to the parties as an integral part of the HUD-1. There is no objection to the use of the HUD-1 in transactions in which its use is not legally required. Refer to the definitions section of the regulations (12 CFR 1024.2) for specific definitions of many of the terms that are used in these instructions.

*General Instructions*

Information and amounts may be filled in by typewriter, hand printing, computer printing, or any other method producing clear and legible results. Refer to the Bureau's regulations (Regulation X) regarding rules applicable to reproduction of the HUD-1 for the purpose of including customary recitals and information used locally in settlements; for example, a breakdown of payoff figures, a breakdown of the Borrower's total monthly mortgage payments, check disbursements, a statement indicating receipt of funds, applicable special stipulations between Borrower and Seller, and the date funds are transferred.

The settlement agent shall complete the HUD-1 to itemize all charges imposed upon the Borrower and the Seller by the loan originator and all sales commissions, whether to be paid at settlement or outside of settlement, and any other charges which either the Borrower or the Seller will pay at settlement. Charges for loan origination and title services should not be itemized except as provided in these instructions. For each separately identified settlement service in connection with the transaction, the name of the person ultimately receiving the payment must be shown together with the total amount paid to such person. Items paid to and retained by a loan originator are disclosed as required in the instructions for lines in the 800-series of the HUD-1 (and for per diem interest, in the 900-series of the HUD-1).

As a general rule, charges that are paid for by the seller must be shown in the seller's column on page 2 of the HUD-1 (unless paid outside closing), and charges that are paid for by the borrower must be shown in the borrower's column (unless paid outside closing). However, in order to promote comparability between the charges on the GFE and the charges on the HUD-1, if a seller pays for a charge that was included on the GFE, the charge should be listed in the borrower's column on page 2 of the HUD-1. That charge should also be offset by listing a credit in that amount to the borrower on lines 204-209 on page 1 of the HUD-1, and by a charge to the

seller in lines 506-509 on page 1 of the HUD-1. If a loan originator (other than for no-cost loans), real estate agent, other settlement service provider, or other person pays for a charge that was included on the GFE, the charge should be listed in the borrower's column on page 2 of the HUD-1, with an offsetting credit reported on page 1 of the HUD-1, identifying the party paying the charge.

Charges paid outside of settlement by the borrower, seller, loan originator, real estate agent, or any other person, must be included on the HUD-1 but marked "P.O.C." for "Paid Outside of Closing" (settlement) and must not be included in computing totals. However, indirect payments from a lender to a mortgage broker may not be disclosed as P.O.C., and must be included as a credit on Line 802. P.O.C. items must not be placed in the Borrower or Seller columns, but rather on the appropriate line outside the columns. The settlement agent must indicate whether P.O.C. items are paid for by the Borrower, Seller, or some other party by marking the items paid for by whoever made the payment as "P.O.C." with the party making the payment identified in parentheses, such as "P.O.C. (borrower)" or "P.O.C. (seller)".

In the case of "no cost" loans where "no cost" encompasses third party fees as well as the upfront payment to the loan originator, the third party services covered by the "no cost" provisions must be itemized and listed in the borrower's column on the HUD-1/1A with the charge for the third party service. These itemized charges must be offset with a negative adjusted origination charge on Line 803 and recorded in the columns.

Blank lines are provided in section L for any additional settlement charges. Blank lines are also provided for additional insertions in sections J and K. The names of the recipients of the settlement charges in section L and the names of the recipients of adjustments described in section J or K should be included on the blank lines.

Lines and columns in section J which relate to the Borrower's transaction may be left blank on the copy of the HUD-1 which will be furnished to the Seller. Lines and columns in section K which relate to the Seller's transaction may be left blank on the copy of the HUD-1 which will be furnished to the Borrower.

*Line Item Instructions*

Instructions for completing the individual items on the HUD-1 follow.

*Section A.* This section requires no entry of information.

*Section B.* Check appropriate loan type and complete the remaining items as applicable.

*Section C.* This section provides a notice regarding settlement costs and requires no additional entry of information.

*Sections D and E.* Fill in the names and current mailing addresses and zip codes of the Borrower and the Seller. Where there is more than one Borrower or Seller, the name and address of each one is required. Use a supplementary page if needed to list multiple Borrowers or Sellers.

*Section F.* Fill in the name, current mailing address and zip code of the Lender.

*Section G.* The street address of the property being sold should be listed. If there is no street address, a brief legal description or other location of the property should be inserted. In all cases give the zip code of the property.

*Section H.* Fill in name, address, zip code and telephone number of settlement agent, and address and zip code of "place of settlement."

*Section I.* Fill in date of settlement.

*Section J. Summary of Borrower's Transaction.* Line 101 is for the contract sales price of the property being sold, excluding the price of any items of tangible personal property if Borrower and Seller have agreed to a separate price for such items.

Line 102 is for the sales price of any items of tangible personal property excluded from Line 101. Personal property could include such items as carpets, drapes, stoves, refrigerators, etc. What constitutes personal property varies from State to State. Manufactured homes are not considered personal property for this purpose.

Line 103 is used to record the total charges to Borrower detailed in section L and totaled on Line 1400.

Lines 104 and 105 are for additional amounts owed by the Borrower, such as charges that were not listed on the GFE or items paid by the Seller prior to settlement but reimbursed by the Borrower at settlement. For example, the balance in the Seller's reserve account held in connection with an existing loan, if assigned to the Borrower in a loan assumption case, will be entered here. These lines will also be used when a tenant in the property being sold has not yet paid the rent, which the Borrower will collect, for a period of time prior to the settlement. The lines will also be used to indicate the treatment for any tenant security deposit. The Seller will be credited on Lines 404-405.

Lines 106 through 112 are for items which the Seller had paid in advance, and for which the Borrower must therefore reimburse the Seller. Examples of items for which adjustments will be made may include taxes and assessments paid in advance for an entire year or other period, when settlement occurs prior to the expiration of the year or other period for which they were paid. Additional examples include flood and hazard insurance premiums, if the Borrower is being substituted as an insured under the same policy; mortgage insurance in loan assumption



cases; planned unit development or condominium association assessments paid in advance; fuel or other supplies on hand, purchased by the Seller, which the Borrower will use when Borrower takes possession of the property; and ground rent paid in advance.

Line 120 is for the total of Lines 101 through 112.

Line 201 is for any amount paid against the sales price prior to settlement.

Line 202 is for the amount of the new loan made by the Lender when a loan to finance construction of a new structure constructed for sale is used as or converted to a loan to finance purchase. Line 202 should also be used for the amount of the first user loan, when a loan to purchase a manufactured home for resale is converted to a loan to finance purchase by the first user. For other loans covered by 12 CFR Part 1024 (Regulation X) which finance construction of a new structure or purchase of a manufactured home, list the sales price of the land on Line 104, the construction cost or purchase price of manufactured home on Line 105 (Line 101 would be left blank in this instance) and amount of the loan on Line 202. The remainder of the form should be completed taking into account adjustments and charges related to the temporary financing and permanent financing and which are known at the date of settlement. ► For reverse mortgage transactions, the amount disclosed on Line 202 is the initial principal limit. ◀

Line 203 is used for cases in which the Borrower is assuming or taking title subject to an existing loan or lien on the property.

Lines 204-209 are used for other items paid by or on behalf of the Borrower. Lines 204-209 should be used to indicate any financing arrangements or other new loan not listed in Line 202. For example, if the Borrower is using a second mortgage or note to finance part of the purchase price, whether from the same lender, another lender or the Seller, insert the principal amount of the loan with a brief explanation on Lines 204-209. Lines 204-209 should also be

used where the Borrower receives a credit from the Seller for closing costs, including seller-paid GFE charges. They may also be used in cases in which a Seller (typically a builder) is making an “allowance” to the Borrower for items that the Borrower is to purchase separately. ► For reverse mortgages, the amount of any initial draw at settlement is disclosed on Line 204. ◀

Lines 210 through 219 are for items which have not yet been paid, and which the Borrower is expected to pay, but which are attributable in part to a period of time prior to the settlement. In jurisdictions in which taxes are paid late in the tax year, most cases will show the proration of taxes in these lines. Other examples include utilities used but not paid for by the Seller, rent collected in advance by the Seller from a tenant for a period extending beyond the settlement date, and interest on loan assumptions.

Line 220 is for the total of Lines 201 through 219.

Lines 301 and 302 are summary lines for the Borrower. Enter total in Line 120 on Line 301. Enter total in Line 220 on Line 302.

Line 303 must indicate either the cash required from the Borrower at settlement (the usual case in a purchase transaction), or cash payable to the Borrower at settlement (if, for example, the Borrower’s earnest money exceeds the Borrower’s cash obligations in the transaction or there is a cash-out refinance). Subtract Line 302 from Line 301 and enter the amount of cash due to or from the Borrower at settlement on Line 303. The appropriate box should be checked. If the Borrower’s earnest money is applied toward the charge for a settlement service, the amount so applied should not be included on Line 303 but instead should be shown on the appropriate line for the settlement service, marked “P.O.C. (Borrower)”, and must not be included in computing totals.

*Section K. Summary of Seller's Transaction.* Instructions for the use of Lines 101 and 102 and 104-112 above, apply also to Lines 401-412. Line 420 is for the total of Lines 401 through 412.

Line 501 is used if the Seller's real estate broker or other party who is not the settlement agent has received and holds a deposit against the sales price (earnest money) which exceeds the fee or commission owed to that party. If that party will render the excess deposit directly to the Seller, rather than through the settlement agent, the amount of excess deposit should be entered on Line 501 and the amount of the total deposit (including commissions) should be entered on Line 201.

Line 502 is used to record the total charges to the Seller detailed in section L and totaled on Line 1400.

Line 503 is used if the Borrower is assuming or taking title subject to existing liens which are to be deducted from sales price.

Lines 504 and 505 are used for the amounts (including any accrued interest) of any first and/or second loans which will be paid as part of the settlement.

Line 506 is used for deposits paid by the Borrower to the Seller or other party who is not the settlement agent. Enter the amount of the deposit in Line 201 on Line 506 unless Line 501 is used or the party who is not the settlement agent transfers all or part of the deposit to the settlement agent, in which case the settlement agent will note in parentheses on Line 507 the amount of the deposit that is being disbursed as proceeds and enter in the column for Line 506 the amount retained by the above-described party for settlement services. If the settlement agent holds the deposit, insert a note in Line 507 which indicates that the deposit is being disbursed as proceeds.

Lines 506 through 509 may be used to list additional liens which must be paid off through the settlement to clear title to the property. Other Seller obligations should be shown on Lines 506-509, including charges that were disclosed on the GFE but that are actually being paid for by the Seller. These Lines may also be used to indicate funds to be held by the settlement agent for the payment of either repairs, or water, fuel, or other utility bills that cannot be prorated between the parties at settlement because the amounts used by the Seller prior to settlement are not yet known. Subsequent disclosure of the actual amount of these post-settlement items to be paid from settlement funds is optional. Any amounts entered on Lines 204-209 including Seller financing arrangements should also be entered on Lines 506-509.

Instructions for the use of Lines 510 through 519 are the same as those for Lines 210 to 219 above.

Line 520 is for the total of Lines 501 through 519.

Lines 601 and 602 are summary lines for the Seller. Enter the total in Line 420 on Line 601. Enter the total in Line 520 on Line 602.

Line 603 must indicate either the cash required to be paid to the Seller at settlement (the usual case in a purchase transaction), or the cash payable by the Seller at settlement. Subtract Line 602 from Line 601 and enter the amount of cash due to or from the Seller at settlement on Line 603. The appropriate box should be checked.

*Section L. Settlement Charges.*

Line 700 is used to enter the sales commission charged by the sales agent or real estate broker.

Lines 701-702 are to be used to state the split of the commission where the settlement agent disburses portions of the commission to two or more sales agents or real estate brokers.

Line 703 is used to enter the amount of sales commission disbursed at settlement. If the sales agent or real estate broker is retaining a part of the deposit against the sales price (earnest money) to apply towards the sales agent's or real estate broker's commission, include in Line 703 only that part of the commission being disbursed at settlement and insert a note on Line 704 indicating the amount the sales agent or real estate broker is retaining as a "P.O.C." item.

Line 704 may be used for additional charges made by the sales agent or real estate broker, or for a sales commission charged to the Borrower, which will be disbursed by the settlement agent.

Line 801 is used to record "Our origination charge," which includes all charges received by the loan originator, except any charge for the specific interest rate chosen (points). This number must not be listed in either the buyer's or seller's column. The amount shown in Line 801 must include any amounts received for origination services, including administrative and processing services, performed by or on behalf of the loan originator.

Line 802 is used to record "Your credit or charge (points) for the specific interest rate chosen," which states the charge or credit adjustment as applied to "Our origination charge," if applicable. This number must not be listed in either column or shown on page one of the HUD-1.

For a mortgage broker originating a loan in its own name, the amount shown on Line 802 will be the difference between the initial loan amount and the total payment to the mortgage broker from the lender. The total payment to the mortgage broker will be the sum of the price paid for the loan by the lender and any other payments to the mortgage broker from the lender, including any payments based on the loan amount or loan terms, and any flat rate payments. For a mortgage broker originating a loan in another entity's name, the amount shown on Line 802

will be the sum of all payments to the mortgage broker from the lender, including any payments based on the loan amount or loan terms, and any flat rate payments.

In either case, when the amount paid to the mortgage broker exceeds the initial loan amount, there is a credit to the borrower and it is entered as a negative amount. When the initial loan amount exceeds the amount paid to the mortgage broker, there is a charge to the borrower and it is entered as a positive amount. For a lender, the amount shown on Line 802 may include any credit or charge (points) to the Borrower.

Line 803 is used to record “Your adjusted origination charges,” which states the net amount of the loan origination charges, the sum of the amounts shown in Lines 801 and 802. This amount must be listed in the columns as either a positive number (for example, where the origination charge shown in Line 801 exceeds any credit for the interest rate shown in Line 802 or where there is an origination charge in Line 801 and a charge for the interest rate (points) is shown on Line 802) or as a negative number (for example, where the credit for the interest rate shown in Line 802 exceeds the origination charges shown in Line 801).

In the case of “no cost” loans, where “no cost” refers only to the loan originator’s fees, the amounts shown in Lines 801 and 802 should offset, so that the charge shown on Line 803 is zero. Where “no cost” includes third party settlement services, the credit shown in Line 802 will more than offset the amount shown in Line 801. The amount shown in Line 803 will be a negative number to offset the settlement charges paid indirectly through the loan originator.

Lines 804-808 may be used to record each of the “Required services that we select.” Each settlement service provider must be identified by name and the amount paid recorded either inside the columns or as paid to the provider outside closing (“P.O.C.”), as described in the General Instructions.

Line 804 is used to record the appraisal fee.

Line 805 is used to record the fee for all credit reports.

Line 806 is used to record the fee for any tax service.

Line 807 is used to record any flood certification fee.

Lines 808 and additional sequentially numbered lines, as needed, are used to record other third party services required by the loan originator. These Lines may also be used to record other required disclosures from the loan originator. Any such disclosures must be listed outside the columns.

Lines 901-904. This series is used to record the items which the Lender requires to be paid at the time of settlement, but which are not necessarily paid to the lender (e.g., FHA mortgage insurance premium), other than reserves collected by the Lender and recorded in the 1000-series.

Line 901 is used if interest is collected at settlement for a part of a month or other period between settlement and the date from which interest will be collected with the first regular monthly payment. Enter that amount here and include the per diem charges. If such interest is not collected until the first regular monthly payment, no entry should be made on Line 901.

Line 902 is used for mortgage insurance premiums due and payable at settlement, including any monthly amounts due at settlement and any upfront mortgage insurance premium, but not including any reserves collected by the Lender and recorded in the 1000-series. If a lump sum mortgage insurance premium paid at settlement is included on Line 902, a note should indicate that the premium is for the life of the loan.

Line 903 is used for homeowner's insurance premiums that the Lender requires to be paid at the time of settlement, except reserves collected by the Lender and recorded in the 1000-series.

Lines 904 and additional sequentially numbered lines are used to list additional items required by the Lender (except for reserves collected by the Lender and recorded in the 1000-series), including premiums for flood or other insurance. These lines are also used to list amounts paid at settlement for insurance not required by the Lender.

Lines 1000-1007. This series is used for amounts collected by the Lender from the Borrower and held in an account for the future payment of the obligations listed as they fall due. Include the time period (number of months) and the monthly assessment. In many jurisdictions this is referred to as an "escrow," "impound," or "trust" account. In addition to the property taxes and insurance listed, some Lenders may require reserves for flood insurance, condominium owners' association assessments, etc. The amount in line 1001 must be listed in the columns, and the itemizations in lines 1002 through 1007 must be listed outside the columns.

After itemizing individual deposits in the 1000 series, the servicer shall make an adjustment based on aggregate accounting. This adjustment equals the difference between the deposit required under aggregate accounting and the sum of the itemized deposits. The computation steps for aggregate accounting are set out in 12 CFR 1024.17(d). The adjustment will always be a negative number or zero (-0-), except for amounts due to rounding. The settlement agent shall enter the aggregate adjustment amount outside the columns on a final line of the 1000 series of the HUD-1 or HUD-1A statement. Appendix E to this part sets out an example of aggregate analysis.



Lines 1100-1108. This series covers title charges and charges by attorneys and closing or settlement agents. The title charges include a variety of services performed by title companies or others, and include fees directly related to the transfer of title (title examination, title search, document preparation), fees for title insurance, and fees for conducting the closing. The legal charges include fees for attorneys representing the lender, seller, or borrower, and any attorney preparing title work. The series also includes any settlement, notary, and delivery fees related to the services covered in this series. Disbursements to third parties must be broken out in the appropriate lines or in blank lines in the series, and amounts paid to these third parties must be shown outside of the columns if included in Line 1101. Charges not included in Line 1101 must be listed in the columns.

Line 1101 is used to record the total for the category of "Title services and lender's title insurance." This amount must be listed in the columns.

Line 1102 is used to record the settlement or closing fee.

Line 1103 is used to record the charges for the owner's title insurance and related endorsements. This amount must be listed in the columns.

Line 1104 is used to record the lender's title insurance premium and related endorsements.

Line 1105 is used to record the amount of the lender's title policy limit. This amount is recorded outside of the columns.

Line 1106 is used to record the amount of the owner's title policy limit. This amount is recorded outside of the columns.

Line 1107 is used to record the amount of the total title insurance premium, including endorsements, that is retained by the title agent. This amount is recorded outside of the columns.

Line 1108 used to record the amount of the total title insurance premium, including endorsements, that is retained by the title underwriter. This amount is recorded outside of the columns.

Additional sequentially numbered lines in the 1100-series may be used to itemize title charges paid to other third parties, as identified by name and type of service provided.

Lines 1200-1206. This series covers government recording and transfer charges. Charges paid by the borrower must be listed in the columns as described for lines 1201 and 1203, with itemizations shown outside the columns. Any amounts that are charged to the seller and that were not included on the Good Faith Estimate must be listed in the columns.

Line 1201 is used to record the total “Government recording charges,” and the amount must be listed in the columns.

Line 1202 is used to record, outside of the columns, the itemized recording charges.

Line 1203 is used to record the transfer taxes, and the amount must be listed in the columns.

Line 1204 is used to record, outside of the columns, the amounts for local transfer taxes and stamps.

Line 1205 is used to record, outside of the columns, the amounts for State transfer taxes and stamps.

Line 1206 and additional sequentially numbered lines may be used to record specific itemized third party charges for government recording and transfer services, but the amounts must be listed outside the columns.

Line 1301 and additional sequentially numbered lines must be used to record required services that the borrower can shop for, such as fees for survey, pest inspection, or other similar

inspections. These lines may also be used to record additional itemized settlement charges that are not included in a specific category, such as fees for structural and environmental inspections; pre-sale inspections of heating, plumbing or electrical equipment; or insurance or warranty coverage. The amounts must be listed in either the borrower's or seller's column.

Line 1400 must state the total settlement charges as calculated by adding the amounts within each column.

*Page 3*

*Comparison of Good Faith Estimate (GFE) and HUD-1/1A Charges*

The HUD-1/1-A is a statement of actual charges and adjustments. The comparison chart on page 3 of the HUD-1 must be prepared using the exact information and amounts for the services that were purchased or provided as part of the transaction, as that information and those amounts are shown on the GFE and in the HUD-1. If a service that was listed on the GFE was not obtained in connection with the transaction, pages 1 and 2 of the HUD-1 should not include any amount for that service, and the estimate on the GFE of the charge for the service should not be included in any amounts shown on the comparison chart on Page 3 of the HUD-1. The comparison chart is comprised of three sections: "Charges That Cannot Increase", "Charges That Cannot Increase More Than 10%", and "Charges That Can Change".

"Charges That Cannot Increase". The amounts shown in Blocks 1 and 2, in Line A, and in Block 8 on the borrower's GFE must be entered in the appropriate line in the Good Faith Estimate column. The amounts shown on Lines 801, 802, 803 and 1203 of the HUD-1/1A must be entered in the corresponding line in the HUD-1/1A column. The HUD-1/1A column must include any amounts shown on page 2 of the HUD-1 in the column as paid for by the borrower, plus any amounts that are shown as P.O.C. by or on behalf of the borrower. If there is a credit in

Block 2 of the GFE or Line 802 of the HUD-1/1A, the credit should be entered as a negative number.

“Charges That Cannot Increase More Than 10%”. A description of each charge included in Blocks 3 and 7 on the borrower’s GFE must be entered on separate lines in this section, with the amount shown on the borrower’s GFE for each charge entered in the corresponding line in the Good Faith Estimate column. For each charge included in Blocks 4, 5 and 6 on the borrower’s GFE for which the loan originator selected the provider or for which the borrower selected a provider identified by the loan originator, a description must be entered on a separate line in this section, with the amount shown on the borrower’s GFE for each charge entered in the corresponding line in the Good Faith Estimate column. The loan originator must identify any third party settlement services for which the borrower selected a provider other than one identified by the loan originator so that the settlement agent can include those charges in the appropriate category. Additional lines may be added if necessary. The amounts shown on the HUD-1/1A for each line must be entered in the HUD-1/1A column next to the corresponding charge from the GFE, along with the appropriate HUD-1/1A line number. The HUD-1/1A column must include any amounts shown on page 2 of the HUD-1 in the column as paid for by the borrower, plus any amounts that are shown as P.O.C. by or on behalf of the borrower.

The amounts shown in the Good Faith Estimate and HUD-1/1A columns for this section must be separately totaled and entered in the designated line. If the total for the HUD-1/1A column is greater than the total for the Good Faith Estimate column, then the amount of the increase must be entered both as a dollar amount and as a percentage increase in the appropriate line.

“Charges That Can Change”. The amounts shown in Blocks 9, 10 and 11 on the borrower’s GFE must be entered in the appropriate lines in the Good Faith Estimate column. Any third party settlement services for which the borrower selected a provider other than one identified by the loan originator must also be included in this section. The amounts shown on the HUD-1/1A for each charge in this section must be entered in the corresponding line in the HUD-1/1A column, along with the appropriate HUD-1/1A line number. The HUD-1/1A column must include any amounts shown on page 2 of the HUD-1 in the column as paid for by the borrower, plus any amounts that are shown as P.O.C. by or on behalf of the borrower. Additional lines may be added if necessary.

#### *Loan Terms*

This section must be completed in accordance with the information and instructions provided by the lender. The lender must provide this information in a format that permits the settlement agent to simply enter the necessary information in the appropriate spaces, without the settlement agent having to refer to the loan documents themselves. ► For reverse mortgages, the initial monthly amount owed for principal, interest, and any mortgage insurance must read “N/A” and the loan term is disclosed as “N/A” when the loan term is conditioned upon the occurrence of a specified event, such as the death of the borrower or the borrower no longer occupying the property for a certain period of time. Additionally, for reverse mortgages the question “Even if you make payments on time, can your loan balance rise?” must be answered as “Yes” and the maximum amount disclosed as “Unknown.”

For reverse mortgages that establish an arrangement for the payment of property taxes, homeowner’s insurance, or other recurring charges through draws from the principal limit, the second box in the “Total monthly amount owed including escrow payments” section must be

checked. The blank following the first \$ must be completed with “0” and an asterisk, and all items that will be paid using draws from the principal limit, such as for property taxes, must also be indicated. An asterisk must also be placed in this section with the following statement: “Paid by or through draws from the principal limit.” Reverse mortgage transactions are not considered to be balloon transactions for the purposes of the loan terms disclosed on page 3 of the HUD-1. ◀

#### *Instructions for Completing HUD-1A*

Note: The HUD-1A is an optional form that may be used for refinancing and subordinate-lien federally related mortgage loans, as well as for any other one-party transaction that does not involve the transfer of title to residential real property. The HUD-1 form may also be used for such transactions, by utilizing the borrower’s side of the HUD-1 and following the relevant parts of the instructions as set forth above. The use of either the HUD-1 or HUD-1A is not mandatory for open-end lines of credit (home-equity plans), as long as the provisions of Regulation Z are followed.

#### *Background*

The HUD-1A settlement statement is to be used as a statement of actual charges and adjustments to be given to the borrower at settlement, as defined in this part. The instructions for completion of the HUD-1A are for the benefit of the settlement agent who prepares the statement; the instructions are not a part of the statement and need not be transmitted to the borrower. There is no objection to using the HUD-1A in transactions in which it is not required, and its use in open-end lines of credit transactions (home-equity plans) is encouraged. It may not be used as a substitute for a HUD-1 in any transaction that has a seller.

Refer to the “definitions” section (§ 1024.2) of 12 CFR Part 1024 (Regulation X) for specific definitions of terms used in these instructions.

### *General Instructions*

Information and amounts may be filled in by typewriter, hand printing, computer printing, or any other method producing clear and legible results. Refer to 12 CFR 1024.9 regarding rules for reproduction of the HUD-1A. Additional pages may be attached to the HUD-1A for the inclusion of customary recitals and information used locally for settlements or if there are insufficient lines on the HUD-1A. The settlement agent shall complete the HUD-1A in accordance with the instructions for the HUD-1 to the extent possible, including the instructions for disclosing items paid outside closing and for no cost loans.

Blank lines are provided in section L for any additional settlement charges. Blank lines are also provided in section M for recipients of all or portions of the loan proceeds. The names of the recipients of the settlement charges in section L and the names of the recipients of the loan proceeds in section M should be set forth on the blank lines.

### *Line-Item Instructions*

#### *Page 1*

The identification information at the top of the HUD-1A should be completed as follows: The borrower’s name and address is entered in the space provided. If the property securing the loan is different from the borrower’s address, the address or other location information on the property should be entered in the space provided. The loan number is the lender’s identification number for the loan. The settlement date is the date of settlement in accordance with 12 CFR 1024.2, not the end of any applicable rescission period. The name and address of the lender should be entered in the space provided.

*Section L. Settlement Charges.* This section of the HUD-1A is similar to section L of the HUD-1, with minor changes or omissions, including deletion of lines 700 through 704, relating to real estate broker commissions. The instructions for section L in the HUD-1 should be followed insofar as possible. Inapplicable charges should be ignored, as should any instructions regarding seller items.

Line 1400 in the HUD-1A is for the total settlement charges charged to the borrower. Enter this total on line 1601. This total should include section L amounts from additional pages, if any are attached to this HUD-1A.

*Section M. Disbursement to Others.* This section is used to list payees, other than the borrower, of all or portions of the loan proceeds (including the lender, if the loan is paying off a prior loan made by the same lender), when the payee will be paid directly out of the settlement proceeds. It is not used to list payees of settlement charges, nor to list funds disbursed directly to the borrower, even if the lender knows the borrower's intended use of the funds.

For example, in a refinancing transaction, the loan proceeds are used to pay off an existing loan. The name of the lender for the loan being paid off and the pay-off balance would be entered in section M. In a home improvement transaction when the proceeds are to be paid to the home improvement contractor, the name of the contractor and the amount paid to the contractor would be entered in section M. In a consolidation loan, or when part of the loan proceeds is used to pay off other creditors, the name of each creditor and the amount paid to that creditor would be entered in section M. If the proceeds are to be given directly to the borrower and the borrower will use the proceeds to pay off existing obligations, this would not be reflected in section M.



*Section N. Net Settlement.* Line 1600 normally sets forth the principal amount of the loan as it appears on the related note for this loan. In the event this form is used for an open-ended home equity line whose approved amount is greater than the initial amount advanced at settlement, the amount shown on Line 1600 will be the loan amount advanced at settlement. Line 1601 is used for all settlement charges that both are included in the totals for lines 1400 and 1602, and are not financed as part of the principal amount of the loan. This is the amount normally received by the lender from the borrower at settlement, which would occur when some or all of the settlement charges were paid in cash by the borrower at settlement, instead of being financed as part of the principal amount of the loan. Failure to include any such amount in line 1601 will result in an error in the amount calculated on line 1604. Items paid outside of closing (P.O.C.) should not be included in Line 1601.

Line 1602 is the total amount from line 1400.

Line 1603 is the total amount from line 1520.

Line 1604 is the amount disbursed to the borrower. This is determined by adding together the amounts for lines 1600 and 1601, and then subtracting any amounts listed on lines 1602 and 1603.

*Page 2*

This section of the HUD-1A is similar to page 3 of the HUD-1. The instructions for page 3 of the HUD-1 should be followed insofar as possible. The HUD-1/1A Column should include any amounts shown on page 1 of the HUD-1A in the column as paid for by the borrower, plus any amounts that are shown as P.O.C. by the borrower. Inapplicable charges should be ignored.

4. Appendix B to part 1024 is amended by revising paragraph 12 to read as follows:

**APPENDIX B TO PART 1024—ILLUSTRATIONS OF REQUIREMENTS OF RESPA**

\* \* \* \* \*

12. *Facts.* A is a mortgage broker who provides origination services to submit a loan to a lender for approval. The mortgage broker charges the borrower a uniform fee for the total origination services, as well as a direct up-front charge for reimbursement of credit reporting, appraisal services, or similar charges.

*Comment.* The mortgage broker's fee must be ► reflected ◀ [itemized] in the Good Faith Estimate and on the HUD-1 Settlement Statement. Other charges which are paid for by the borrower and paid in advance are listed as P.O.C. on the HUD-1 Settlement Statement, and reflect the actual provider charge for such services. [Also, any other fee or payment received by the mortgage broker from either the lender or the borrower arising from the initial funding transaction, including a servicing release premium or yield spread premium, is to be noted on the Good Faith Estimate and listed in the 800 series of the HUD-1 Settlement Statement.]

5. Appendix C to part 1024 is amended to read as follows:

**APPENDIX C TO PART 1024— INSTRUCTIONS FOR COMPLETING GOOD FAITH ESTIMATE (GFE) FORM**

The following are instructions for completing the GFE required under section 5 of RESPA and 12 CFR 1024.7 of the Bureau regulations. The standardized form set forth in this Appendix is the required GFE form and must be provided exactly as specified; provided, however, preparers may replace HUD's OMB approval number listed on the form with the Bureau's OMB approval number when they reproduce the GFE form. The instructions for completion of the GFE are primarily for the benefit of the loan originator who prepares the form and need not be transmitted to the borrower(s) as an integral part of the GFE. The required

standardized GFE form must be prepared completely and accurately. A separate GFE must be provided for each loan where a transaction will involve more than one mortgage loan.

### *General Instructions*

The loan originator preparing the GFE may fill in information and amounts on the form by typewriter, hand printing, computer printing, or any other method producing clear and legible results. Under these instructions, the “form” refers to the required standardized GFE form. Although the standardized GFE is a prescribed form, Blocks 3, 6, and 11 on page 2 may be adapted for use in particular loan situations, so that additional lines may be inserted there, and unused lines may be deleted.

All fees for categories of charges shall be disclosed in U.S. dollar and cent amounts.

### *Specific Instructions*

#### *Page 1*

*Top of the Form*—The loan originator must enter its name, business address, telephone number, and email address, if any, on the top of the form, along with the applicant’s name, the address or location of the property for which financing is sought, and the date of the GFE.

*“Purpose.”*—This section describes the general purpose of the GFE as well as additional information available to the applicant.

*“Shopping for your loan.”*—This section requires no loan originator action.

*“Important dates.”*—This section briefly states important deadlines after which the loan terms that are the subject of the GFE may not be available to the applicant. In Line 1, the loan originator must state the date and, if necessary, time until which the interest rate for the GFE will be available. In Line 2, the loan originator must state the date until which the estimate of all other settlement charges for the GFE will be available. This date must be at least 10 business

days from the date of the GFE. In Line 3, the loan originator must state how many calendar days within which the applicant must go to settlement once the interest rate is locked. In Line 4, the loan originator must state how many calendar days prior to settlement the interest rate would have to be locked, if applicable.

“*Summary of your loan.*”—In this section, for all loans the loan originator must fill in, where indicated:

- (i) The initial loan amount;
- (ii) The loan term; and
- (iii) The initial interest rate.

► For reverse mortgage transactions:

(i) The initial loan amount disclosed on the GFE is the amount of the initial principal limit of the loan ;

(ii) The loan term is disclosed as “N/A” when the loan term is conditioned upon the occurrence of a specified event, such as the death of the borrower or the borrower no longer occupying the property for a certain period of time; and

(iii) The initial interest rate is the interest rate indicated on the legal obligation. ◀

The loan originator must fill in the initial monthly amount owed for principal, interest, and any mortgage insurance. The amount shown must be the greater of: (1) The required monthly payment for principal and interest for the first regularly scheduled payment, plus any monthly mortgage insurance payment; or (2) the accrued interest for the first regularly scheduled payment, plus any monthly mortgage insurance payment. ► For reverse mortgage transactions where there are no regular payment periods, the loan originator must disclose “Not Applicable”

or “N/A” for the initial monthly amount owed for principal, interest, and any mortgage insurance. ◀

The loan originator must indicate whether the interest rate can rise, and, if it can, must insert the maximum rate to which it can rise over the life of the loan. The loan originator must also indicate the period of time after which the interest rate can first change.

The loan originator must indicate whether the loan balance can rise even if the borrower makes payments on time, for example in the case of a loan with negative amortization. If it can, the loan originator must insert the maximum amount to which the loan balance can rise over the life of the loan. For Federal, State, local, or tribal housing programs that provide payment assistance, any repayment of such program assistance should be excluded from consideration in completing this item. If the loan balance will increase only because escrow items are being paid through the loan balance, the loan originator is not required to check the box indicating that the loan balance can rise. ▶ For reverse mortgage transactions, the loan originator must indicate that the loan balance can rise even if the borrower makes payments on time and the maximum amount to which the loan balance can rise must be disclosed as “Unknown.” ◀

The loan originator must indicate whether the monthly amount owed for principal, interest, and any mortgage insurance can rise even if the borrower makes payments on time. If the monthly amount owed can rise even if the borrower makes payments on time, the loan originator must indicate the period of time after which the monthly amount owed can first change, the maximum amount to which the monthly amount owed can rise at the time of the first change, and the maximum amount to which the monthly amount owed can rise over the life of the loan. The amount used for the monthly amount owed must be the greater of: (1) The required monthly payment for principal and interest for that month, plus any monthly mortgage

insurance payment; or (2) the accrued interest for that month, plus any monthly mortgage insurance payment. ► For reverse mortgage transactions, the loan originator must disclose that the monthly amount owed for principal, interest, and any mortgage insurance cannot rise. ◀

The loan originator must indicate whether the loan includes a prepayment penalty, and, if so, the maximum amount that it could be.

The loan originator must indicate whether the loan requires a balloon payment and, if so, the amount of the payment and in how many years it will be due. ► Reverse mortgage transactions are not considered to be balloon transactions for the purposes of this disclosure on the GFE. ◀

*“Escrow account information.”*—The loan originator must indicate whether the loan includes an escrow account for property taxes and other financial obligations. The amount shown in the “Summary of your loan” section for “Your initial monthly amount owed for principal, interest, and any mortgage insurance” must be entered in the space for the monthly amount owed in this section. ► For reverse mortgage transactions where the lender will establish an arrangement to pay for such items as property taxes and homeowner’s insurance through draws from the principal limit, the loan originator must indicate that an escrow account is included and the amount shown in this section must be disclosed as “N/A.” ◀

*“Summary of your settlement charges.”*—On this line, the loan originator must state the Adjusted Origination Charges from subtotal A of page 2, the Charges for All Other Settlement Services from subtotal B of page 2, and the Total Estimated Settlement Charges from the bottom of page 2.

*“Understanding your estimated settlement charges.”*—This section details 11 settlement cost categories and amounts associated with the mortgage loan. For purposes of determining whether a tolerance has been met, the amount on the GFE should be compared with the total of any amounts shown on the HUD-1 in the borrower’s column and any amounts paid outside closing by or on behalf of the borrower.

*“Your Adjusted Origination Charges.”*

Block 1, *“Our origination charge.”*—The loan originator must state here all charges that all loan originators involved in this transaction will receive, except for any charge for the specific interest rate chosen (points). A loan originator may not separately charge any additional fees for getting this loan, including for application, processing, or underwriting. The amount stated in Block 1 is subject to zero tolerance, i.e., the amount may not increase at settlement.

Block 2, *“Your credit or charge (points) for the specific interest rate chosen.”*—For transactions involving mortgage brokers, the mortgage broker must indicate through check boxes whether there is a credit to the borrower for the interest rate chosen on the loan, the interest rate, and the amount of the credit, or whether there is an additional charge (points) to the borrower for the interest rate chosen on the loan, the interest rate, and the amount of that charge. Only one of the boxes may be checked; a credit and charge cannot occur together in the same transaction.

For transactions without a mortgage broker, the lender may choose not to separately disclose in this block any credit or charge for the interest rate chosen on the loan; however, if this block does not include any positive or negative figure, the lender must check the first box to indicate that “The credit or charge for the interest rate you have chosen” is included in “Our origination charge” above (see Block 1 instructions above), must insert the interest rate, and must

also insert “0” in Block 2. Only one of the boxes may be checked; a credit and charge cannot occur together in the same transaction.

For a mortgage broker, the credit or charge for the specific interest rate chosen is the net payment to the mortgage broker from the lender (i.e., the sum of all payments to the mortgage broker from the lender, including payments based on the loan amount, a flat rate, or any other computation, and in a table funded transaction, the loan amount less the price paid for the loan by the lender). When the net payment to the mortgage broker from the lender is positive, there is a credit to the borrower and it is entered as a negative amount in Block 2 of the GFE. When the net payment to the mortgage broker from the lender is negative, there is a charge to the borrower and it is entered as a positive amount in Block 2 of the GFE. If there is no net payment (i.e., the credit or charge for the specific interest rate chosen is zero), the mortgage broker must insert “0” in Block 2 and may check either the box indicating there is a credit of “0” or the box indicating there is a charge of “0”.

The amount stated in Block 2 is subject to zero tolerance while the interest rate is locked, i.e., any credit for the interest rate chosen cannot decrease in absolute value terms and any charge for the interest rate chosen cannot increase. (Note: An increase in the credit is allowed since this increase is a reduction in cost to the borrower. A decrease in the credit is not allowed since it is an increase in cost to the borrower.)

Line A, “*Your Adjusted Origination Charges.*”—The loan originator must add the numbers in Blocks 1 and 2 and enter this subtotal at highlighted Line A. The subtotal at Line A will be a negative number if there is a credit in Block 2 that exceeds the charge in Block 1. The amount stated in Line A is subject to zero tolerance while the interest rate is locked.



In the case of “no cost” loans, where “no cost” refers only to the loan originator’s fees, Line A must show a zero charge as the adjusted origination charge. In the case of “no cost” loans where “no cost” encompasses third party fees as well as the upfront payment to the loan originator, all of the third party fees listed in Block 3 through Block 11 to be paid for by the loan originator (or borrower, if any) must be itemized and listed on the GFE. The credit for the interest rate chosen must be large enough that the total for Line A will result in a negative number to cover the third party fees.

*“Your Charges for All Other Settlement Services.”*

There is a 10 percent tolerance applied to the sum of the prices of each service listed in Block 3, Block 4, Block 5, Block 6, and Block 7, where the loan originator requires the use of a particular provider or the borrower uses a provider selected or identified by the loan originator. Any services in Block 4, Block 5, or Block 6 for which the borrower selects a provider other than one identified by the loan originator are not subject to any tolerance and, at settlement, would not be included in the sum of the charges on which the 10 percent tolerance is based. Where a loan originator permits a borrower to shop for third party settlement services, the loan originator must provide the borrower with a written list of settlement services providers at the time of the GFE, on a separate sheet of paper.

Block 3, *“Required services that we select.”*—In this block, the loan originator must identify each third party settlement service required and selected by the loan originator (excluding title services), along with the estimated price to be paid to the provider of each service. Examples of such third party settlement services might include provision of credit reports, appraisals, flood checks, tax services, and any upfront mortgage insurance premium. The loan originator must identify the specific required services and provide an estimate of the

price of each service. Loan originators are also required to add the individual charges disclosed in this block and place that total in the column of this block. The charge shown in this block is subject to an overall 10 percent tolerance as described above.

Block 4, “*Title services and lender’s title insurance.*”—In this block, the loan originator must state the estimated total charge for third party settlement service providers for all closing services, regardless of whether the providers are selected or paid for by the borrower, seller, or loan originator. The loan originator must also include any lender’s title insurance premiums, when required, regardless of whether the provider is selected or paid for by the borrower, seller, or loan originator. All fees for title searches, examinations, and endorsements, for example, would be included in this total. The charge shown in this block is subject to an overall 10 percent tolerance as described above.

Block 5, “*Owner’s title insurance.*”—In this block, for all purchase transactions the loan originator must provide an estimate of the charge for the owner’s title insurance and related endorsements, regardless of whether the providers are selected or paid for by the borrower, seller, or loan originator. For non-purchase transactions, the loan originator may enter “NA” or “Not Applicable” in this Block. The charge shown in this block is subject to an overall 10 percent tolerance as described above.

Block 6, “*Required services that you can shop for.*”—In this block, the loan originator must identify each third party settlement service required by the loan originator where the borrower is permitted to shop for and select the settlement service provider (excluding title services), along with the estimated charge to be paid to the provider of each service. The loan originator must identify the specific required services (e.g., survey, pest inspection) and provide an estimate of the charge of each service. The loan originator must also add the individual

charges disclosed in this block and place the total in the column of this block. The charge shown in this block is subject to an overall 10 percent tolerance as described above.

Block 7, “*Government recording charge* .”—In this block, the loan originator must estimate the State and local government fees for recording the loan and title documents that can be expected to be charged at settlement. The charge shown in this block is subject to an overall 10 percent tolerance as described above.

Block 8, “*Transfer taxes*.”—In this block, the loan originator must estimate the sum of all State and local government fees on mortgages and home sales that can be expected to be charged at settlement, based upon the proposed loan amount or sales price and on the property address. A zero tolerance applies to the sum of these estimated fees.

Block 9, “*Initial deposit for your escrow account*.”—In this block, the loan originator must estimate the amount that it will require the borrower to place into a reserve or escrow account at settlement to be applied to recurring charges for property taxes, homeowner’s and other similar insurance, mortgage insurance, and other periodic charges. The loan originator must indicate through check boxes if the reserve or escrow account will cover future payments for all tax, all hazard insurance, and other obligations that the loan originator requires to be paid as they fall due. If the reserve or escrow account includes some, but not all, property taxes or hazard insurance, or if it includes mortgage insurance, the loan originator should check “other” and then list the items included.

Block 10, “*Daily interest charges*.”—In this block, the loan originator must estimate the total amount that will be due at settlement for the daily interest on the loan from the date of settlement until the first day of the first period covered by scheduled mortgage payments. The loan originator must also indicate how this total amount is calculated by providing the amount of

the interest charges per day and the number of days used in the calculation, based on a stated projected closing date.

Block 11, *“Homeowner's insurance.”*—The loan originator must estimate in this block the total amount of the premiums for any hazard insurance policy and other similar insurance, such as fire or flood insurance that must be purchased at or before settlement to meet the loan originator’s requirements. The loan originator must also separately indicate the nature of each type of insurance required along with the charges. To the extent a loan originator requires that such insurance be part of an escrow account, the amount of the initial escrow deposit must be included in Block 9.

Line B, *“Your Charges for All Other Settlement Services.”*—The loan originator must add the numbers in Blocks 3 through 11 and enter this subtotal in the column at highlighted Line B.

Line A+B, *“Total Estimated Settlement Charges.”*—The loan originator must add the subtotals in the right-hand column at highlighted Lines A and B and enter this total in the column at highlighted Line A+B.

*Page 3*

*“Instructions.”*

*“Understanding which charges can change at settlement.”*—This section informs the applicant about which categories of settlement charges can increase at closing, and by how much, and which categories of settlement charges cannot increase at closing. This section requires no loan originator action.

*“Using the tradeoff table.”*—This section is designed to make borrowers aware of the relationship between their total estimated settlement charges on one hand, and the interest rate and resulting monthly payment on the other hand. The loan originator must complete the left

hand column using the loan amount, interest rate, monthly payment figure, and the total estimated settlement charges from page 1 of the GFE. The loan originator, at its option, may provide the borrower with the same information for two alternative loans, one with a higher interest rate, if available, and one with a lower interest rate, if available, from the loan originator. The loan originator should list in the tradeoff table only alternative loans for which it would presently issue a GFE based on the same information the loan originator considered in issuing this GFE. The alternative loans must use the same loan amount and be otherwise identical to the loan in the GFE. The alternative loans must have, for example, the identical number of payment periods; the same margin, index, and adjustment schedule if the loans are adjustable rate mortgages; and the same requirements for prepayment penalty and balloon payments. If the loan originator fills in the tradeoff table, the loan originator must show the borrower the loan amount, alternative interest rate, alternative monthly payment, the change in the monthly payment from the loan in this GFE to the alternative loan, the change in the total settlement charges from the loan in this GFE to the alternative loan, and the total settlement charges for the alternative loan. If these options are available, an applicant may request a new GFE, and a new GFE must be provided by the loan originator.

*“Using the shopping chart.”*—This chart is a shopping tool to be provided by the loan originator for the borrower to complete, in order to compare GFEs.

*“If your loan is sold in the future.”*—This section requires no loan originator action.

#### **PART 1026—TRUTH IN LENDING (REGULATION Z)**

6. The authority citation for part 1026 is revised to read as follows:

AUTHORITY: 12 U.S.C. ► 2601; 2603-2605, 2607, 2609, 2617, 5511, ◀ 5512, ► 5532, ◀ 5581; 15 U.S.C. 1601 *et seq.*

7. Section 1026.1 is amended by revising paragraphs (a), (b), (c)(5), (d)(5), and (e) to read as follows:

**§ 1026.1 Authority, purpose, coverage, organization, enforcement, and liability.**

(a) *Authority.* This part, known as Regulation Z, is issued by the Bureau of Consumer Financial Protection to implement the Federal Truth in Lending Act, which is contained in title I of the Consumer Credit Protection Act, as amended (15 U.S.C. 1601 *et seq.*). This part also implements title XII, section 1204 of the Competitive Equality Banking Act of 1987 (Pub. L. 100-86, 101 Stat. 552). ► Furthermore, this part implements certain provisions of the Real Estate Settlement Procedures Act of 1974, as amended (12 U.S.C. 2601 *et seq.*). ◀ Information-collection requirements contained in this part have been approved by the Office of Management and Budget under the provisions of 44 U.S.C. 3501 *et seq.* and have been assigned OMB No. 3170-0015 ► (Truth in Lending) ◀.

(b) *Purpose.* The purpose of this part is to promote the informed use of consumer credit by requiring disclosures about its terms and cost►, to ensure that consumers are provided with greater and more timely information on the nature and costs of the residential real estate settlement process, and to result in a more effective advance disclosure to home buyers and sellers of settlement costs◀. The regulation also includes substantive protections. It gives consumers the right to cancel certain credit transactions that involve a lien on a consumer's principal dwelling, regulates certain credit card practices, and provides a means for fair and timely resolution of credit billing disputes. The regulation does not generally govern charges for consumer credit, except that several provisions in subpart G set forth special rules addressing certain charges applicable to credit card accounts under an open-end (not home-secured) consumer credit plan. The regulation requires a maximum interest rate to be stated in variable-

rate contracts secured by the consumer's dwelling. It also imposes limitations on home-equity plans that are subject to the requirements of § 1026.40 and mortgages that are subject to the requirements of § 1026.32. The regulation prohibits certain acts or practices in connection with credit secured by a dwelling in § 1026.36, and credit secured by a consumer's principal dwelling in § 1026.35. The regulation also regulates certain practices of creditors who extend private education loans as defined in § 1026.46(b)(5). ► In addition, it imposes certain limitations on increases in costs for mortgage transactions subject to § 1026.19(e) and (f). ◀

(c) *Coverage.* \* \* \*

► (5) No person is required to provide the disclosures required by sections 128(a)(16) through (19), 128(b)(4), 129C(f)(1), 129C(g)(2) and (3), 129C(h), 129D(h), or 129D(j)(1)(A) of the Truth in Lending Act or section 4(c) of the Real Estate Settlement Procedures Act. ◀

(d) *Organization.* \* \* \*

(5) Subpart E contains special rules for mortgage transactions. Section 1026.32 requires certain disclosures and provides limitations for closed-end loans that have rates or fees above specified amounts. Section 1026.33 requires special disclosures, including the total annual loan cost rate, for reverse mortgage transactions. Section 1026.34 prohibits specific acts and practices in connection with closed-end mortgage transactions that are subject to § 1026.32. Section 1026.35 prohibits specific acts and practices in connection with closed-end higher-priced mortgage loans, as defined in § 1026.35(a). Section 1026.36 prohibits specific acts and practices in connection with an extension of credit secured by a dwelling. ► Sections 1026.37 and 1026.38 set forth the special disclosure requirements for certain closed-end transactions secured by real property, as required by § 1026.19(e),(f), and (g). ◀

\* \* \* \* \*

(e) *Enforcement and liability.* Section 108 of the ► Truth in Lending ◀ Act contains the administrative enforcement provisions ► for that Act ◀. Sections 112, 113, 130, 131, and 134 contain provisions relating to liability for failure to comply with the requirements of the ► Truth in Lending ◀ Act and the regulation. Section 1204(c) of title XII of the Competitive Equality Banking Act of 1987, Pub. L. 100-86, 101 Stat. 552, incorporates by reference administrative enforcement and civil liability provisions of sections 108 and 130 of the ► Truth in Lending ◀ Act. ► Section 19 of the Real Estate Settlement Procedures Act contains the administrative enforcement provisions for that Act. ◀

8. Section 1026.2 is amended by revising paragraphs (a)(3), (a)(6), and (a)(25) to read as follows:

**§ 1026.2 Definitions and rules of construction.**

(a) *Definitions.* For purposes of this regulation, the following definitions apply:

\* \* \* \* \*

► (3)(i) *Application* means the submission of a consumer’s financial information for the purposes of obtaining an extension of credit.

(ii) Except for purposes of subpart B, subpart F, and subpart G, an application consists of the submission of the consumer’s name, the consumer’s income, the consumer’s social security number to obtain a credit report, the property address, an estimate of the value of the property, and the mortgage loan amount sought. ◀

\* \* \* \* \*

(6) *Business day* means a day on which the creditor’s offices are open to the public for carrying on substantially all of its business functions. However, for purposes of rescission under §§ 1026.15 and 1026.23, and for purposes of §§ 1026.19(a)(1)(ii), 1026.19(a)(2),



► 1026.19(e)(1)(iii), 1026.19(e)(1)(iv), 1026.19(e)(2)(i)(A), 1026.19(f)(1)(ii), 1026.19(f)(1)(iii), ◀ 1026.31, and 1026.46(d)(4), the term means all calendar days except Sundays and the legal public holidays specified in 5 U.S.C. 6103(a), such as New Year's Day, the Birthday of Martin Luther King, Jr., Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day.

\* \* \* \* \*

(25) *Security interest* means an interest in property that secures performance of a consumer credit obligation and that is recognized by State or Federal law. It does not include incidental interests such as interests in proceeds, accessions, additions, fixtures, insurance proceeds (whether or not the creditor is a loss payee or beneficiary), premium rebates, or interests in after-acquired property. For purposes of disclosures under §§ 1026.6►, ◀ [and] 1026.18, ► 1026.19(e) and (f), and 1026.38(l)(6)◀ the term does not include an interest that arises solely by operation of law. However, for purposes of the right of rescission under §§ 1026.15 and 1026.23, the term does include interests that arise solely by operation of law.

9. Section 1026.3 is amended by revising the introductory language and adding new paragraph (h) to read as follows:

**§ 1026.3 Exempt transactions.**

► The following transactions are not subject to this part or, if the exemption is limited to specified provisions of this part, are not subject to those provisions ◀ [This part does not apply to the following]:

\* \* \* \* \*

►(h) *Partial exemption for certain mortgage loans.* The special disclosure requirements in § 1026.19(e), (f), and (g) do not apply to a transaction that satisfies all of the following criteria:

(1) The transaction is secured by a subordinate lien;

(2) The transaction is for the purpose of:

(i) Downpayment, closing costs, or other similar homebuyer assistance, such as principal or interest subsidies;

(ii) Property rehabilitation assistance;

(iii) Energy efficiency assistance; or

(iv) Foreclosure avoidance or prevention;

(3) The credit contract does not require the payment of interest;

(4) The credit contract provides that repayment of the amount of credit extended is:

(i) Forgiven either incrementally or in whole, at a date certain, and subject only to specified ownership and occupancy conditions, such as a requirement that the consumer maintain the property as the consumer's principal dwelling for five years;

(ii) Deferred for a minimum of 20 years;

(iii) Deferred until sale of the property securing the transaction; or

(iv) Deferred until the property securing the transaction is no longer the principal dwelling of the consumer;

(5) The total of closing costs payable by the consumer in connection with the transaction is less than one percent of the amount of credit extended and includes no charges other than:

(i) Fees for recordation of security instruments, deeds, and similar documents;

(ii) A bona fide and reasonable application fee; and

(iii) A bona fide and reasonable fee for housing counseling services; and

(6) The creditor complies with all other applicable requirements of this part in connection with the transaction, including without limitation the disclosures required by § 1026.18 even if the creditor would not otherwise be subject to the disclosure requirements of § 1026.18. ◀

10. Section 1026.4 is amended by revising paragraphs (a)(2), (c), (d)(1), (d)(2)(ii), (d)(3), and (e), and adding new paragraph (g), to read as follows:

**§ 1026.4 Finance charge.**

(a) \* \* \*

(2) *Special rule; closing agent charges.* ▶ Except as provided in § 1026.4(g), fees ◀ [Fees] charged by a third party that conducts the loan closing (such as a settlement agent, attorney, or escrow or title company) are finance charges only if the creditor:

(i) Requires the particular services for which the consumer is charged;

(ii) Requires the imposition of the charge; or

(iii) Retains a portion of the third-party charge, to the extent of the portion retained.

\* \* \* \* \*

(c) *Charges excluded from the finance charge.* ▶ Except as provided in § 1026.4(g), the ◀ [The] following charges are not finance charges:

\* \* \* \* \*

(d) *Insurance and debt cancellation and debt suspension coverage.* (1) *Voluntary credit insurance premiums.* ▶ Except as provided in § 1026.4(g), premiums ◀ [Premiums] for credit life, accident, health, or loss-of-income insurance may be excluded from the finance charge if the following conditions are met:

(i) The insurance coverage is not required by the creditor, and this fact is disclosed in writing.

(ii) The premium for the initial term of insurance coverage is disclosed in writing. If the term of insurance is less than the term of the transaction, the term of insurance also shall be disclosed. The premium may be disclosed on a unit-cost basis only in open-end credit transactions, closed-end credit transactions by mail or telephone under § 1026.17(g), and certain closed-end credit transactions involving an insurance plan that limits the total amount of indebtedness subject to coverage.

(iii) The consumer signs or initials an affirmative written request for the insurance after receiving the disclosures specified in this paragraph, except as provided in paragraph (d)(4) of this section. Any consumer in the transaction may sign or initial the request.

(2) *Property insurance premiums.* Premiums for insurance against loss of or damage to property, or against liability arising out of the ownership or use of property, including single interest insurance if the insurer waives all right of subrogation against the consumer, may be excluded from the finance charge if the following conditions are met:

(i) The insurance coverage may be obtained from a person of the consumer's choice, and this fact is disclosed. (A creditor may reserve the right to refuse to accept, for reasonable cause, an insurer offered by the consumer.)

(ii) If the coverage is obtained from or through the creditor ► or from an affiliate of the creditor, ◀ the premium for the initial term of insurance coverage shall be disclosed. If the term of insurance is less than the term of the transaction, the term of insurance shall also be disclosed. The premium may be disclosed on a unit-cost basis only in open-end credit transactions, closed-end credit transactions by mail or telephone under § 1026.17(g), and certain closed-end credit

transactions involving an insurance plan that limits the total amount of indebtedness subject to coverage.

(3) *Voluntary debt cancellation or debt suspension fees.* ► Except as provided in § 1026.4(g), charges ◀ [Charges] or premiums paid for debt cancellation coverage for amounts exceeding the value of the collateral securing the obligation or for debt cancellation or debt suspension coverage in the event of the loss of life, health, or income or in case of accident may be excluded from the finance charge, whether or not the coverage is insurance, if the following conditions are met:

(i) The debt cancellation or debt suspension agreement or coverage is not required by the creditor, and this fact is disclosed in writing;

(ii) The fee or premium for the initial term of coverage is disclosed in writing. If the term of coverage is less than the term of the credit transaction, the term of coverage also shall be disclosed. The fee or premium may be disclosed on a unit-cost basis only in open-end credit transactions, closed-end credit transactions by mail or telephone under § 1026.17(g), and certain closed-end credit transactions involving a debt cancellation agreement that limits the total amount of indebtedness subject to coverage;

(iii) The following are disclosed, as applicable, for debt suspension coverage: That the obligation to pay loan principal and interest is only suspended, and that interest will continue to accrue during the period of suspension.

(iv) The consumer signs or initials an affirmative written request for coverage after receiving the disclosures specified in this paragraph, except as provided in paragraph (d)(4) of this section. Any consumer in the transaction may sign or initial the request.

\* \* \* \* \*

(e) *Certain security interest charges.* ► Except as provided in § 1026.4(g), if ◀ [If itemized and disclosed, the following charges may be excluded from the finance charge:

\* \* \* \* \*

► (g) *Special rule for closed-end mortgage transactions.* Paragraphs (a)(2) and (c) through (e) of this section, other than paragraphs (c)(2), (c)(5), (c)(7)(v), and (d)(2), do not apply to closed-end transactions secured by real property or a dwelling. ◀

11. Section 1026.17 is amended by revising paragraphs (a), (b), (f), (g), and (h) to read as follows:

**§ 1026.17 General disclosure requirements.**

(a) *Form of disclosures.* ► Except for the disclosures required by § 1026.19(e), (f), and (g): ◀

\* \* \* \* \*

(b) *Time of disclosures.* The creditor shall make disclosures before consummation of the transaction. In certain residential mortgage transactions, special timing requirements are set forth in § 1026.19(a). In certain variable-rate transactions, special timing requirements for variable-rate disclosures are set forth in § 1026.19(b) and § 1026.20(c). For private education loan disclosures made in compliance with § 1026.47, special timing requirements are set forth in § 1026.46(d). In certain transactions involving mail or telephone orders or a series of sales, the timing of disclosures may be delayed in accordance with paragraphs (g) and (h) of this section.

► This paragraph (b) does not apply to the disclosures required by § 1026.19(e), (f), and (g). ◀

\* \* \* \* \*

(f) *Early disclosures.* Except for private education loan disclosures made in compliance with § 1026.47, if disclosures required by this subpart are given before the date of consummation

of a transaction and a subsequent event makes them inaccurate, the creditor shall disclose before consummation (subject to the provisions of § 1026.19(a)(2)▶, (e), and (f)): ◀ [and § 1026.19(a)(5)(iii):]

\* \* \* \* \*

(g) *Mail or telephone orders—delay in disclosures.* Except for private education loan disclosures made in compliance with § 1026.47 ▶ and mortgage disclosures made in compliance with § 1026.19(a), (e), and (f) ◀, if a creditor receives a purchase order or a request for an extension of credit by mail, telephone, or facsimile machine without face-to-face or direct telephone solicitation, the creditor may delay the disclosures until the due date of the first payment, if the following information for representative amounts or ranges of credit is made available in written form or in electronic form to the consumer or to the public before the actual purchase order or request:

\* \* \* \* \*

(h) *Series of sales—delay in disclosures.* ▶ Except for mortgage disclosures made in compliance with § 1026.19(a), (e), and (f), if ◀ [If] a credit sale is one of a series made under an agreement providing that subsequent sales may be added to an outstanding balance, the creditor may delay the required disclosures until the due date of the first payment for the current sale, if the following two conditions are met:

\* \* \* \* \*

12. Section 1026.18 is amended by revising the introductory language and paragraphs (k)(1), (k)(2), (s), (s)(3)(i)(C), and (t)(1) to read as follows:

**§ 1026.18 Content of disclosures.**

For each transaction ► other than a mortgage transaction subject to § 1026.19(e) and (f)◄, the creditor shall disclose the following information as applicable:

\* \* \* \* \*

(k) *Prepayment.* (1) When an obligation includes a finance charge computed from time to time by application of a rate to the unpaid principal balance, a statement indicating whether or not a ► charge◄ [penalty] may be imposed ► for paying all or part of a loan’s principal balance before the date on which the principal is due.◄ [if the obligation is prepaid in full.]

(2) When an obligation includes a finance charge other than the finance charge described in paragraph (k)(1) of this section, a statement indicating whether or not the consumer is entitled to a rebate of any finance charge if the obligation is prepaid in full ► or in part◄.

\* \* \* \* \*

(s) *Interest rate and payment summary for mortgage transactions.* For a closed-end transaction secured by real property or a dwelling, other than a transaction ► that is subject to § 1026.19(e) and (f)◄ [secured by a consumer’s interest in a timeshare plan described in 11 U.S.C. 101(53D)], the creditor shall disclose the following information about the interest rate and payments:

\* \* \* \* \*

(3) *Payments for amortizing loans.* (i) *Principal and interest payments.* \* \* \*

(C) If an escrow account will be established, an estimate of the amount of taxes and insurance, including any mortgage insurance ► or any functional equivalent◄, payable with each periodic payment; and

\* \* \* \* \*



(t) “*No-guarantee-to-refinance*” statement. (1) *Disclosure*. For a closed-end transaction secured by real property or a dwelling, other than a transaction ► that is subject to § 1026.19(e) and (f)◄ [secured by a consumer’s interest in a timeshare plan described in 11 U.S.C. 101(53D)], the creditor shall disclose a statement that there is no guarantee the consumer can refinance the transaction to lower the interest rate or periodic payments.

\* \* \* \* \*

13. Section 1026.19 is amended by revising paragraph (a)(1)(i) and (ii), removing paragraph (a)(5), and adding new paragraphs (e), (f), and (g), to read as follows:

**§ 1026.19 Certain mortgage and variable-rate transactions.**

(a) ► *Reverse mortgage*◄ [Mortgage] transactions subject to RESPA. (1)(i) *Time of disclosures*. In a ► reverse◄ mortgage transaction subject to ► both § 1026.33 and◄ the Real Estate Settlement Procedures Act (12 U.S.C. 2601 *et seq.*) that is secured by the consumer’s dwelling, [other than a home equity line of credit subject to § 1026.40 or mortgage transaction subject to paragraph (a)(5) of this section,] the creditor shall make good faith estimates of the disclosures required by § 1026.18 and shall deliver or place them in the mail not later than the third business day after the creditor receives the consumer’s written application.

(ii) *Imposition of fees*. Except as provided in paragraph (a)(1)(iii) of this section, neither a creditor nor any other person may impose a fee on a consumer in connection with the consumer’s application for a ► reverse◄ mortgage transaction subject to paragraph (a)(1)(i) of this section before the consumer has received the disclosures required by paragraph (a)(1)(i) of this section. If the disclosures are mailed to the consumer, the consumer is considered to have received them three business days after they are mailed.

(iii) *Exception to fee restriction.* A creditor or other person may impose a fee for obtaining the consumer's credit history before the consumer has received the disclosures required by paragraph (a)(1)(i) of this section, provided the fee is *bona fide* and reasonable in amount.

\* \* \* \* \*

[(5) *Timeshare plans.* In a mortgage transaction subject to the Real Estate Settlement Procedures Act (12 U.S.C. 2601 *et seq.*) that is secured by a consumer's interest in a timeshare plan described in 11 U.S.C. 101(53(D)):

(i) The requirements of paragraphs (a)(1) through (a)(4) of this section do not apply;

(ii) The creditor shall make good faith estimates of the disclosures required by § 1026.18 before consummation, or shall deliver or place them in the mail not later than three business days after the creditor receives the consumer's written application, whichever is earlier; and

(iii) If the annual percentage rate at the time of consummation varies from the annual percentage rate disclosed under paragraph (a)(5)(ii) of this section by more than 1/8 of 1 percentage point in a regular transaction or more than 1/4 of 1 percentage point in an irregular transaction, as defined in § 1026.22, the creditor shall disclose all the changed terms no later than consummation or settlement.]

\* \* \* \* \*

► (e) *Mortgage loans secured by real property—Early disclosures.* (1) *Provision.*

(i) *Creditor.* In a closed-end consumer credit transaction secured by real property, other than a reverse mortgage subject to § 1026.33, the creditor shall make good faith estimates of the disclosures in § 1026.37.

(ii) *Mortgage broker.* A mortgage broker may provide a consumer with the disclosures required under paragraph (e)(1)(i) of this section, provided the broker complies with all requirements of this paragraph (e) as if it were the creditor. The creditor shall ensure that disclosures are provided in accordance with the requirements of this paragraph (e). Disclosures provided by a broker in accordance with the requirements of this paragraph (e) satisfy the creditor's obligation under paragraph (e)(1)(i) of this section.

(iii) *Timing.* The creditor shall deliver the disclosures required under paragraph (e)(1)(i) of this section not later than the third business day after the creditor receives the consumer's application, as defined in § 1026.2(a)(3). The creditor shall deliver the disclosures required under paragraph (e)(1)(i) of this section not later than the seventh business day before consummation of the transaction.

(iv) *Delivery.* If any disclosures required under paragraph (e)(1)(i) of this section are not provided to the consumer in person, the consumer is presumed to have received the disclosures three business days after they are mailed or delivered to the address specified by the consumer.

(v) *Consumer's waiver of waiting period before consummation.* If the consumer determines that the extension of credit is needed to meet a bona fide personal financial emergency, the consumer may modify or waive the seven-business-day waiting period for early disclosures required under paragraph (e)(1)(iii) of this section, after receiving the disclosures required under paragraph (e)(1)(i) of this section. To modify or waive a waiting period, the consumer shall give the creditor a dated written statement that describes the emergency, specifically modifies or waives the waiting period, and bears the signature of all the consumers who are primarily liable on the legal obligation. Printed forms for this purpose are prohibited.

(vi) *Shopping for settlement service providers.* (A) *Shopping permitted.* A creditor permits a consumer to shop for a settlement service if the creditor permits the consumer to select the provider of that service, subject to reasonable requirements.

(B) *Disclosure of services.* The creditor shall identify the services for which the consumer is permitted to shop in the disclosures provided pursuant to paragraph 19(e)(1)(i) of this section.

(C) *Written list of providers.* If the consumer is permitted to shop for a settlement service, the creditor shall provide the consumer with a written list identifying available providers of that settlement service and stating that the consumer may choose a different provider for that service. The creditor shall provide this written list of settlement service providers separately from the disclosures required by paragraph (e)(1)(i) of this section but in accordance with the timing requirements in paragraph (e)(1)(iii) of this section.

(2) *Pre-disclosure activity.* (i) *Imposition of fees on consumer.* (A) *Fee restriction.* Except as provided in paragraph (e)(2)(i)(B) of this section, neither a creditor nor any other person may impose a fee on a consumer in connection with the consumer's application for a mortgage transaction subject to paragraph (e)(1)(i) of this section before the consumer has received the disclosures required under paragraph (e)(1)(i) of this section and indicated to the creditor an intent to proceed with the transaction described by those disclosures.

(B) *Exception to fee restriction.* A creditor or other person may impose a bona fide and reasonable fee for obtaining the consumer's credit report before the consumer has received the disclosures required under paragraph (e)(1)(i) of this section.

(ii) *Written information provided to consumer.* If a creditor provides a consumer with a written estimate of terms or costs specific to that consumer before the consumer receives the

disclosures required under paragraph (e)(1)(i) of this section and indicates intent to proceed with the transaction, the creditor shall clearly and conspicuously state at the top of the front of the first page of the estimate in a font size that is no smaller than 12-point font: “Your actual rate, payment, and costs could be higher. Get an official Loan Estimate before choosing a loan.”

(iii) *Verification of information.* The creditor shall not require a consumer to submit documents verifying information related to the consumer’s application before providing the disclosures required by paragraph (e)(1)(i) of this section.

(3) *Good faith determination for estimates of closing costs.* (i) *General rule.* An estimated closing cost is in good faith if the charge paid by or imposed on the consumer does not exceed the amount disclosed under paragraph (e)(1)(i) of this section, except as otherwise provided in paragraph (e)(3)(ii) through (iv) of this section.

(ii) *Limited increases permitted for certain charges.* An estimate of a charge for a third-party service or a recording fee is in good faith if:

(A) The aggregate amount of charges for third-party services and recording fees paid by or imposed on the consumer does not exceed the aggregate amount of such charges disclosed under paragraph (e)(1)(i) of this section by more than 10 percent;

(B) The charge is not paid to an affiliate of the creditor; and

(C) The creditor permits the consumer to shop for the service, consistent with paragraph (e)(1)(vi)(A) of this section.

(iii) *Variations permitted for certain charges.* An estimate of the following charges is in good faith if it is consistent with the best information reasonably available to the creditor at the time it is disclosed, regardless of whether the amount actually paid by the consumer exceeds the amount disclosed under paragraph (e)(1)(i) of this section:

(A) Prepaid interest;

(B) Property insurance premiums;

(C) Amounts placed into an escrow, impound, reserve, or similar account; and

(D) Charges paid to third-party service providers selected by the consumer consistent with paragraph (e)(1)(vi)(A) of this section that are not on the list provided pursuant to paragraph (e)(1)(vi)(C) of this section.

(iv) *Revised estimates.* For the purpose of determining good faith under paragraph (e)(3)(i) and (ii) of this section, a charge paid by or imposed on the consumer may exceed the originally estimated charge if the revision is due to one of the following reasons:

(A) *Changed circumstance affecting settlement charges.* Changed circumstances cause the estimated charges to increase or, in the case of estimated charges identified in paragraph (e)(3)(ii) of this section, cause the aggregate amount of such charges to increase by more than 10 percent. For purposes of this paragraph, “changed circumstance” means:

(1) An extraordinary event beyond the control of any interested party or other unexpected event specific to the consumer or transaction;

(2) Information specific to the consumer or transaction that the creditor relied upon when providing the disclosures required under paragraph (e)(1)(i) of this section and that was inaccurate or changed after the disclosures were provided; or

(3) New information specific to the consumer or transaction that the creditor did not rely on when providing the original disclosures.

(B) *Changed circumstance affecting eligibility.* The consumer is ineligible for an estimated charge previously disclosed because a changed circumstance, as defined under

paragraph (e)(3)(iv)(A) of this section, affected the consumer's creditworthiness or the value of the security for the loan.

(C) *Revisions requested by the consumer.* The consumer requests revisions to the credit terms or the settlement that cause an estimated charge to increase.

(D) *Interest rate dependent charges.* The points or lender credits change because the interest rate was not set when the disclosures required under paragraph (e)(1)(i) of this section were provided. On the date the interest rate is set, the creditor shall provide revised disclosures under paragraph (e)(1)(i) of this section to the consumer with the revised interest rate, bona fide discount points, and lender credits.

(E) *Expiration.* The consumer expresses an intent to proceed with the transaction more than ten business days after the disclosures required under paragraph (e)(1)(i) of this section are provided.

(F) *Delayed settlement date on a construction loan.* In transactions involving new construction, where the creditor reasonably expects that settlement will occur more than 60 days after the disclosures required under paragraph (e)(1)(i) of this section are originally provided, the creditor may provide revised disclosures to the consumer if the original disclosures state clearly and conspicuously that at any time prior to 60 days before consummation, the creditor may issue revised disclosures. If no such statement is provided, the creditor may not issue revised disclosures, except as otherwise provided in paragraph (f) of this section.

(4) *Provision of revised disclosures.* (i) Except as provided in paragraph (e)(4)(ii) of this section, if a creditor provides a revised disclosure pursuant to paragraph (e)(3)(iv) of this section, the creditor shall provide such revised disclosure within three business days of receiving

information sufficient to establish that one of the reasons for revision provided under paragraph (e)(3)(iv)(A) through (F) of this section applies.

(ii) The creditor shall not deliver a revised disclosure pursuant to paragraph (e)(3)(iv) of this section on or after the date on which the creditor delivers the disclosures required under paragraph (f)(1)(i) of this section. The consumer must receive a revised version of the disclosure required under paragraph (e)(1)(i) of this section no later than four days prior to consummation.

**ALTERNATIVE 1—PARAGRAPH (f)(1)**

(f) *Mortgage loans secured by real property—Final disclosures. (1) Provision. (i) Scope.* In a closed-end consumer credit transaction secured by real property, other than a reverse mortgage subject to § 1026.33, the creditor shall provide the consumer with the disclosures in § 1026.38 reflecting the actual terms of the transaction.

(ii) *Timing. (A) In general.* Except as provided in paragraph (f)(1)(ii)(B) or (f)(2) of this section, the creditor shall ensure that the consumer receives the disclosures required under paragraph (f)(1)(i) of this section no later than three business days before consummation.

(B) *Timeshares.* For transactions secured by a consumer's interest in a timeshare plan described in 11 U.S.C. 101(53D), the creditor shall ensure that the consumer receives the disclosures required under paragraph (f)(1)(i) of this section no later than consummation.

(iii) *Delivery.* If any disclosures required under paragraph (f)(1)(i) of this section are not provided to the consumer in person, the consumer is presumed to have received the disclosures three business days after they are mailed or delivered to the address specified by the consumer.

(iv) *Consumer's waiver of waiting period before consummation.* If the consumer determines that the extension of credit is needed to meet a bona fide personal financial emergency, the consumer may modify or waive the three-business-day waiting period for the



disclosures required under paragraph (f)(1)(ii) of this section, after receiving the disclosures required under paragraph (f)(1)(i) of this section. To modify or waive a waiting period, the consumer shall give the creditor a dated written statement that describes the emergency, specifically modifies or waives the waiting period, and bears the signature of all consumers who are primarily liable on the legal obligation. Printed forms for this purpose are prohibited.

**ALTERNATIVE 2—PARAGRAPH (f)(1)**

(f) *Mortgage loans secured by real property—Final disclosures.* (1) *Provision.* (i) *Scope.* In a closed-end consumer credit transaction secured by real property, other than a reverse mortgage subject to § 1026.33, the creditor shall provide the consumer with the disclosures in § 1026.38 reflecting the actual terms of the transaction.

(ii) *Timing.* (A) *In general.* Except as provided in paragraph (f)(1)(ii)(B) or (f)(2) of this section, the creditor shall ensure that the consumer receives the disclosures required under paragraph (f)(1)(i) of this section no later than three business days before consummation.

(B) *Timeshares.* For transactions secured by a consumer's interest in a timeshare plan described in 11 U.S.C. 101(53D), the creditor shall ensure that the consumer receives the disclosures required under paragraph (f)(1)(i) of this section no later than consummation.

(iii) *Delivery.* If any disclosures required under paragraph (f)(1)(i) of this section are not provided to the consumer in person, the consumer is presumed to have received the disclosures three business days after they are mailed or delivered to the address specified by the consumer.

(iv) *Consumer's waiver of waiting period before consummation.* If the consumer determines that the extension of credit is needed to meet a bona fide personal financial emergency, the consumer may modify or waive the three-business-day waiting period for the disclosures required under paragraph (f)(1)(ii) of this section, after receiving the disclosures

required under paragraph (f)(1)(i) of this section. To modify or waive a waiting period, the consumer shall give the creditor a dated written statement that describes the emergency, specifically modifies or waives the waiting period, and bears the signature of all consumers who are primarily liable on the legal obligation. Printed forms for this purpose are prohibited.

(v) *Settlement agent.* A settlement agent may provide a consumer with the disclosures required under paragraph (f)(1)(i) of this section, provided the settlement agent complies with all requirements of this paragraph (f) as if it were the creditor. The creditor shall ensure that disclosures are provided in accordance with the requirements of this paragraph (f). Disclosures provided by a settlement agent in accordance with the requirements of this paragraph (f) satisfy the creditor's obligation under paragraph (f)(1)(i) of this section.

(2) *Subsequent changes.* If the disclosure provided pursuant to paragraph (f)(1)(i) of this section is subsequently revised for any of the reasons described in this paragraph (f)(2), a creditor need not comply with the timing requirements in paragraph (f)(1)(ii) of this section when providing a revised disclosure:

(i) *Changes due to consumer and seller negotiations.* If, after the creditor provides the consumer with the disclosures required under paragraph (f)(1)(i) of this section, the consumer and the seller agree to make changes to the transaction that affect items disclosed pursuant to paragraph (f)(1)(i) of this section, the creditor shall deliver revised disclosures reflecting such changes at or before consummation.

(ii) *Changes to the amount actually paid by the consumer.* If the amount actually paid by the consumer does not exceed the amount disclosed pursuant to § 1026.38(d)(1) by more than one hundred dollars the creditor shall deliver revised disclosures at or before consummation.

(iii) *Changes due to events occurring after consummation.* If an event occurs after consummation that causes disclosures required under paragraph (f)(1)(i) of this section to become inaccurate, and such inaccuracy results solely from payments to a government entity in connection with the transaction, the creditor shall deliver revised disclosures to the consumer not later than the third business day after the event occurs, provided the consumer receives the revised disclosures no later than 30 days after consummation.

(iv) *Changes due to clerical errors.* A creditor does not violate section (f)(1)(i) if the disclosures provided under (f)(1)(i) contain non-numeric clerical errors, provided the creditor delivers revised disclosures as soon as reasonably practicable and no later than 30 days after consummation.

(v) *Refunds related to the good faith analysis.* If amounts paid by the consumer exceed the amounts specified under paragraph (e)(3)(i) or (ii) of this section, the creditor complies with paragraph (e)(1)(i) of this section if the creditor refunds the excess to the consumer as soon as reasonably practicable and no later than 30 days after consummation, and the creditor complies with paragraph (f)(1)(i) of this section if the creditor delivers revised disclosures that reflect such refund as soon as reasonably practicable and no later than 30 days after consummation.

(3) *Charges disclosed.* (i) *Actual charge.* The amount imposed upon the consumer for any settlement service shall not exceed the amount actually received by the service provider for that service, except as otherwise provided in paragraph (f)(3)(ii) of this section.

(ii) *Average charge.* A creditor or settlement service provider may charge a consumer or seller the average charge for a settlement service if the following conditions are satisfied:

(A) The average charge is no more than the average amount paid for that service by or on behalf of all consumers and sellers for a class of transactions;

(B) The creditor or settlement service provider defines the class of transactions based on an appropriate period of time, geographic area, and type of loan;

(C) The creditor or settlement service provider uses the same average charge for every transaction within the defined class; and

(D) The creditor or settlement service provider does not use an average charge:

(1) For any type of insurance;

(2) For any charge based on the loan amount or property value; or

(3) If doing so is otherwise prohibited by law.

(4) *Transactions involving a seller.* (i) *Provision to seller.* In a closed-end consumer credit transaction secured by real property that involves a seller, other than a reverse mortgage subject to § 1026.33, the person conducting the real estate closing shall provide the seller with the disclosures in § 1026.38 that relate to the seller's transaction.

(ii) *Timing.* The person conducting the real estate closing shall provide the disclosures required under paragraph (f)(4)(i) of this section no later than the day of consummation. If an event occurs after consummation that causes disclosures required under paragraph (f)(4)(i) of this section to become inaccurate, and such inaccuracy results solely from payments to a government entity, the person conducting the real estate closing shall deliver revised disclosures to the seller no later than 30 days after consummation.

(iii) *Charges disclosed.* The amount imposed on the seller for any settlement service shall not exceed the amount actually received by the service provider for that service, except as otherwise provided in paragraph (f)(3)(ii) of this section.

(5) *No fee.* No fee may be imposed on any person, as a part of settlement costs or otherwise, by a creditor or by a servicer (as that term is defined under 12 U.S.C. 2605(i)(2)) for

the preparation or delivery of the disclosures required under paragraph (f)(1)(i) of this section, escrow account statements required pursuant to section 10 of RESPA (12 U.S.C. 2609), or statements required by the Truth in Lending Act, 15 U.S.C. 1601 *et seq.*

(g) *Special information booklet at time of application.* (1) *Creditor to provide special information booklet.* Except as provided in paragraphs (g)(1)(ii) and (iii) of this section, the creditor shall provide a copy of the special information booklet to a consumer who applies for a consumer credit transaction secured by real property.

(i) The creditor shall deliver the special information booklet to the consumer not later than three business days after the application is received. However, if the creditor denies the consumer's application for credit before the end of the three-day period, the creditor need not provide the booklet. If a consumer uses a mortgage broker, the mortgage broker shall provide the special information booklet and the creditor need not do so.

(ii) In the case of a home equity line of credit subject to § 1026.40, a creditor or mortgage broker that provides the consumer with a copy of the brochure entitled "When Your Home is On the Line: What You Should Know About Home Equity Lines of Credit," or any successor brochure issued by the Bureau, is deemed to be in compliance with this section.

(iii) The creditor or mortgage broker need not provide the booklet to the consumer for the following types of transactions:

(A) Refinancing transactions;

(B) Closed-end loans when the lender takes a subordinate lien;

(C) Reverse mortgages; and

(D) Any other consumer credit transaction secured by real property whose purpose is not the purchase of a one-to-four family residential property.

(2) *Permissible changes.* No changes to, deletions from, or additions to the special information booklet shall be made other than the permissible changes specified in paragraphs (g)(2)(i) through (iv) of this section.

(i) In the Complaints section of the booklet, it is a permissible change to substitute “the Bureau of Consumer Financial Protection” for “HUD’s Office of RESPA” and “the RESPA office.”

(ii) In the Avoiding Foreclosure section of the booklet, it is a permissible change to inform homeowners that homeowners may find information on and assistance in avoiding foreclosures at <http://www.consumerfinance.gov>. The deletion of the reference to the HUD Web page, <http://www.hud.gov/foreclosure/>, in the Avoiding Foreclosure section of the booklet is not a permissible change.

(iii) In the No Discrimination Section of the Appendix to the booklet, it is a permissible change to substitute “the Bureau of Consumer Financial Protection” for the reference to the “Board of Governors of the Federal Reserve System.” In the Contact Information section of the Appendix to the booklet, it is a permissible change to add the following contact information for the Bureau: “Bureau of Consumer Financial Protection, 1700 G Street NW, Washington, DC 20552; [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).” It is also a permissible change to remove the contact information for HUD’s Office of RESPA and Interstate Land Sales from the Contact Information section of the Appendix to the booklet.

(iv) The cover of the booklet may be in any form and may contain any drawings, pictures or artwork, provided that the words “settlement costs” are used in the title. Names, addresses, and telephone numbers of the lender or others and similar information may appear on the cover,

but no discussion of the matters covered in the booklet shall appear on the cover. References to HUD on the cover of the booklet may be changed to references to the Bureau. ◀

14. Section 1026.22 is amended by revising paragraphs (a)(4)(ii)(A) and (a)(5) to read as follows:

**§ 1026.22 Determination of annual percentage rate.**

(a) *Accuracy of annual percentage rate.* \* \* \*

(4) *Mortgage loans.* If the annual percentage rate disclosed in a transaction secured by real property or a dwelling varies from the actual rate determined in accordance with paragraph (a)(1) of this section, in addition to the tolerances applicable under paragraphs (a)(2) and (3) of this section, the disclosed annual percentage rate shall also be considered accurate if:

(i) The rate results from the disclosed finance charge; and

(ii)(A) The disclosed finance charge would be considered accurate under § 1026.18(d)(1) ▶ or 1026.38(o)(2), as applicable ◀; or

(B) For purposes of rescission, if the disclosed finance charge would be considered accurate under § 1026.23(g) or (h), whichever applies.

(5) *Additional tolerance for mortgage loans.* In a transaction secured by real property or a dwelling, in addition to the tolerances applicable under paragraphs (a)(2) and (3) of this section, if the disclosed finance charge is calculated incorrectly but is considered accurate under § 1026.18(d)(1) ▶ or 1026.38(o)(2), as applicable, ◀ or § 1026.23(g) or (h), the disclosed annual percentage rate shall be considered accurate:

(i) If the disclosed finance charge is understated, and the disclosed annual percentage rate is also understated but it is closer to the actual annual percentage rate than the rate that would be considered accurate under paragraph (a)(4) of this section;

(ii) If the disclosed finance charge is overstated, and the disclosed annual percentage rate is also overstated but it is closer to the actual annual percentage rate than the rate that would be considered accurate under paragraph (a)(4) of this section.

\* \* \* \* \*

15. Section 1026.25 is amended by revising paragraph (a) and adding new paragraph (c) to read as follows:

**§ 1026.25 Record retention.**

(a) *General rule.* A creditor shall retain evidence of compliance with this part (other than advertising requirements under §§ 1026.16 and 1026.24►, and other than the requirements under § 1026.19(e) and (f)◀) for [2]► two◀ years after the date disclosures are required to be made or action is required to be taken. The administrative agencies responsible for enforcing the regulation may require creditors under their jurisdictions to retain records for a longer period if necessary to carry out their enforcement responsibilities under section 108 of the Act.

\* \* \* \* \*

►(c) *Records related to certain requirements for mortgage loans.* (1) *Records related to requirements for loans secured by real property.* (i) *General rule.* Except as provided under paragraph (c)(1)(ii) of this section, a creditor shall retain evidence of compliance with the requirements of § 1026.19(e) and (f) for three years after the later of the date of consummation, the date disclosures are required to be made, or the date the action is required to be taken.

(ii) *Closing Disclosures.* (A) A creditor shall retain each completed disclosure required under § 1026.19(f)(1)(i) or (f)(4)(i), and all documents related to such disclosures, for five years after consummation.



(B) If a creditor sells, transfers, or otherwise disposes of its interest in a mortgage and does not service the mortgage, the creditor shall provide a copy of the disclosures required under § 1026.19(f)(1)(i) or (f)(4)(i) to the owner or servicer of the mortgage as a part of the transfer of the loan file. Such owner or servicer shall retain such disclosures for the remainder of the five-year period described under paragraph (c)(1)(ii)(A) of this section.

(C) The Bureau shall have the right to require provision of copies of records related to the disclosures required under § 1026.19(f)(1)(i) and (f)(4)(i).

(iii) *Electronic records.* A creditor shall retain evidence of compliance in electronic, machine readable format.

(2) [Reserved] ◀

16. Section 1026.28 is amended by revising paragraph (a)(1) to read as follows:

**§ 1026.28 Effect on State laws.**

(a) *Inconsistent disclosure requirements.* (1) Except as provided in paragraph (d) of this section, State law requirements that are inconsistent with the requirements contained in chapter 1 (General Provisions), chapter 2 (Credit Transactions), or chapter 3 (Credit Advertising) of the Act and the implementing provisions of this part are preempted to the extent of the inconsistency. A State law is inconsistent if it requires a creditor to make disclosures or take actions that contradict the requirements of the Federal law. A State law is contradictory if it requires the use of the same term to represent a different amount or a different meaning than the Federal law, or if it requires the use of a term different from that required in the Federal law to describe the same item. A creditor, State, or other interested party may request the Bureau to determine whether a State law requirement is inconsistent. After the Bureau determines that a State law is inconsistent, a creditor may not make disclosures using the inconsistent term or

form. ► A determination as to whether a State law is inconsistent with the requirements of sections 4 and 5 of RESPA (other than the RESPA section 5(c) requirements regarding provision of a list of certified homeownership counselors) and §§ 1026.19(e) and (f), 1026.37, and 1026.38 shall be made in accordance with this section and not 12 CFR 1024.13. ◀

17. New § 1026.37 is added to read as follows:

► **§ 1026.37 Content of disclosures for certain mortgage transactions (Loan Estimate).**

For each transaction subject to § 1026.19(e), the creditor shall disclose the information in this section, as applicable:

(a) *General information.* (1) *Form title.* The title of the form, “Loan Estimate,” using that term.

(2) *Form purpose.* The statement, “Save this Loan Estimate to compare with your Closing Disclosure.”

(3) *Creditor.* The name and address of the creditor making the disclosure.

(4) *Date issued.* The date the disclosures are mailed or delivered to the consumer by the creditor, labeled “Date Issued.”

(5) *Applicants.* The consumer’s name and mailing address, labeled “Applicants.”

(6) *Property.* The street address or location of the property that secures the transaction, labeled “Property.”

(7) *Sale price.* (i) For credit transactions that involve a seller, the contract sale price of the property identified in paragraph (a)(6) of this section, labeled “Sale Price.”

(ii) For credit transactions that do not involve a seller, the estimated value of the property identified in paragraph (a)(6), labeled “Est. Prop. Value.”

(8) *Loan term.* The term to maturity of the credit transaction, stated in years, labeled “Loan Term.”

(9) *Purpose.* The consumer’s intended use for the credit, labeled “Purpose,” using one of the following terms:

(i) *Purchase.* If the credit is to finance the acquisition of the property identified in paragraph (a)(6) of this section, the creditor shall disclose that the loan is for a “Purchase.”

(ii) *Refinance.* The creditor shall disclose that the loan is for a “Refinance” if the credit is a refinance of an existing obligation, consistent with § 1026.20(a), by any creditor, that is secured by the property identified in paragraph (a)(6) of this section.

(iii) *Construction.* If the credit will be used to finance the construction of a dwelling on the property identified in paragraph (a)(6) of this section, the creditor shall disclose that the loan is for “Construction.”

(iv) *Home equity loan.* If the credit is not for one of the purposes described in paragraphs (a)(9)(i)-(iii) of this section, the creditor shall disclose that the loan is for a “Home Equity Loan.”

(10) *Product.* A description of the loan product, labeled “Product.” (i) The description of the loan product shall include one of the following terms, as applicable:

(A) *Adjustable rate.* If the interest rate may increase after consummation, but the rates that will apply or the periods for which they will apply are not known at consummation, the creditor shall disclose the loan product as an “Adjustable Rate.”

(B) *Step rate.* If the interest rate will change after consummation, and the rates that will apply and periods for which they will apply are known at consummation, the creditor shall disclose the loan product as a “Step Rate.”

(C) *Fixed rate.* If the loan product is not an Adjustable Rate or a Step Rate, as described in paragraphs (a)(10)(i)(A) and (B) of this section, respectively, the creditor shall disclose the loan product as a “Fixed Rate.”

(ii) The description of the loan product shall include the features that may change the periodic payment, using the following terms as required by paragraph (a)(10)(iii), as applicable:

(A) *Negative amortization.* If the principal balance may increase due to the addition of accrued interest to the principal balance, the creditor shall disclose that the loan product has a “Negative Amortization” feature.

(B) *Interest only.* If one or more regular periodic payments may be applied only to interest accrued and not to the loan principal, the creditor shall disclose that the loan product has an “Interest Only” feature.

(C) *Step payment.* If scheduled variations in regular periodic payment amounts occur that are not caused by changes to the interest rate during the loan term, the creditor shall disclose that the loan product has a “Step Payment” feature.

(D) *Balloon payment.* The creditor shall disclose that the loan has a “Balloon Payment” feature if the transaction includes a “balloon payment,” as that term is defined in § 1026.37(b)(5).

(E) *Seasonal payment.* If the terms of the legal obligation expressly provide that regular periodic payments are not scheduled in between specified unit-periods on a regular basis, the creditor shall disclose that the loan product has a “Seasonal Payment” feature.

(iii) The disclosure of a loan feature under paragraph (a)(10)(ii) of this section shall precede the disclosure of the loan product under paragraph (a)(10)(i) of this section. If a transaction has more than one of the loan features described in paragraph (a)(10)(ii) of this

section, the creditor shall disclose only the first applicable feature in the order the features are listed in paragraph (a)(10)(ii) of this section.

(iv) The disclosures required by paragraphs (a)(10)(i) and (ii) of this section must each be preceded by a description of any introductory rate period, adjustment period, or other time period, as applicable.

(11) *Loan type.* The type of loan, labeled “Loan Type,” offered to the consumer using one of the following terms, as applicable:

(i) *Conventional.* If the loan is not guaranteed or insured by a Federal or State government agency, the creditor shall disclose that the loan is a “Conventional.”

(ii) *FHA.* If the loan is insured by the Federal Housing Administration, the creditor shall disclose that the loan is an “FHA.”

(iii) *VA.* If the loan is guaranteed by the U.S. Department of Veterans Affairs, the creditor shall disclose that the loan is a “VA.”

(iv) *Other.* For federally-insured or guaranteed loans other than those described in paragraphs (a)(11)(ii) and (iii) of this section and loans insured or guaranteed by a State agency, the creditor shall disclose the loan type as “Other,” and provide a brief description of the loan type.

(12) *Loan identification number (Loan ID #).* A unique number that may be used by the creditor, consumer, and other parties to identify the transaction, labeled as “Loan ID #.”

(13) *Rate lock.* A statement of whether the interest rate disclosed pursuant to paragraph (b)(2) of this section is set for a specific period of time, labeled “Rate Lock.”

(i) For transactions in which the interest rate is set for a specific period of time, the creditor must provide the date and time (including the applicable time zone) when that period ends.

(ii) The “Rate Lock” statement required by this paragraph (a)(13) shall be accompanied by a statement that the interest rate, any points, and any lender credits may change unless the interest rate has been set, and the date and time (including the applicable time zone) at which estimated closing costs expire.

(b) *Loan terms.* A separate table labeled “Loan Terms” that includes the following information and satisfies the following requirements:

(1) *Loan amount.* The amount of credit to be extended under the terms of the legal obligation, labeled the “Loan Amount.”

(2) *Interest rate.* The initial interest rate that will be applicable to the transaction, labeled the “Interest Rate.” If the initial interest rate may adjust based on an index, the amount disclosed shall be the fully-indexed rate, which, for purposes of this paragraph, means the interest rate calculated using the index value and margin at the time of consummation.

(3) *Principal and interest payment.* The initial periodic payment amount that will be due under the terms of the legal obligation, labeled “Principal & Interest,” immediately preceded by the applicable unit-period, and a statement referring to the payment amount that includes any mortgage insurance and escrow payments that is required to be disclosed pursuant to paragraph (c) of this section. If the initial periodic payment amount may adjust based on an index, the amount disclosed shall be calculated using the fully-indexed rate disclosed under paragraph (b)(2) of this section.

(4) *Prepayment penalty.* A statement of whether the transaction includes a prepayment penalty, labeled “Prepayment Penalty.” For purposes of this paragraph (b)(4), “prepayment penalty” means a charge imposed for paying all or part of a transaction’s principal before the date on which the principal is due.

(5) *Balloon payment.* A statement of whether the transaction includes a balloon payment, labeled “Balloon Payment.” For purposes of this paragraph (b)(5), “balloon payment” means a payment that is more than two times a regular periodic payment and is not itself a regular periodic payment. “Balloon payment” includes the payment or payments under a transaction that requires only one or two payments during the loan term.

(6) *Adjustments after consummation.* For each amount required to be disclosed by paragraphs (b)(1) through (3) of this section, a statement of whether the amount may increase after consummation as an affirmative or negative answer to the question “Can this amount increase after closing?” and, if in the case of an affirmative answer, the following additional information, as applicable:

(i) *Adjustment in loan amount.* The maximum principal balance for the transaction and the due date of the last payment that may cause the principal balance to increase. The disclosure shall indicate whether the maximum principal balance is potential or is scheduled to occur under the terms of the legal obligation using the phrase “Can go as high as” or “Will go as high as,” respectively.

(ii) *Adjustment in interest rate.* The frequency of interest rate adjustments, the date when the interest rate may first adjust, the maximum interest rate, and the first date when the interest rate can reach the maximum interest rate, followed by a reference to the disclosure required by paragraph (j) of this section. If the loan term, as defined under paragraph (a)(8) of this section,

may increase based on an adjustment of the interest rate, the disclosure required by this paragraph (b)(6)(ii) shall also state that fact and the maximum possible loan term.

(iii) *Increase in periodic payment.* The scheduled frequency of adjustments to the periodic principal and interest payment, the due date of the first adjusted principal and interest payment, the maximum possible periodic principal and interest payment, and the date when the periodic principal and interest payment may first equal the maximum principal and interest payment. If any adjustments to the principal and interest payment are not the result of a change to the interest rate, a reference to the disclosure required by paragraph (i) of this section. If there is a period during which only interest is required to be paid, the disclosure required by this paragraph (b)(6)(iii) shall also state that such periodic payments will include “only interest” and “no principal” and the due date of the last periodic payment of such period.

(7) *Details about prepayment penalty and balloon payment.* The information required to be disclosed by paragraphs (b)(4) and (5) of this section shall be disclosed as an affirmative or negative answer to the question “Does the loan have these features?” If an affirmative answer for a prepayment penalty or balloon payment is required to be disclosed, the following information, as applicable:

(i) The maximum amount of the prepayment penalty that may be imposed and the date when the period under which the penalty may be imposed terminates; and

(ii) The maximum amount of the balloon payment(s) and the due date(s).

(8) *Timing.* The dates required to be disclosed by paragraphs (b)(6) and (7) of this section shall be disclosed as the year in which the date occurs, counting from the date that interest for the first scheduled periodic payment begins to accrue after consummation.



(c) *Projected payments.* In a separate table under the heading “Projected Payments,” an itemization of each separate periodic payment or range of payments, together with an estimate of taxes, insurance, and assessments and the payments to be made with escrow account funds.

(1) *Periodic payment or range of payments.* (i) The initial periodic payment or range of payments is a separate periodic payment or range of payments and, except as otherwise provided in paragraph (c)(1)(ii) of this section, the following events require the disclosure of additional separate periodic payments or ranges of payments:

- (A) The periodic principal and interest payment or range of such payments may change;
- (B) A scheduled balloon payment; and
- (C) The creditor must automatically terminate mortgage insurance coverage, or any functional equivalent, under applicable law.

(ii) The table required by this paragraph (c) shall not disclose more than four separate periodic payments or ranges of payments. For all events requiring disclosure of additional separate periodic payments or ranges of payments described in paragraph (c)(1)(i) of this section after the second to occur, the separate periodic payments or ranges of payments shall be disclosed as a single range of payments, subject to the following exceptions:

(A) A final balloon payment shall always be disclosed as a separate periodic payment or range of payments, in which case no more than three other separate periodic payments or ranges of payments are disclosed.

(B) The automatic termination of mortgage insurance coverage, or any functional equivalent, under applicable law shall require disclosure of a separate periodic payment or range of payments only if the total number of events that require disclosure of additional separate

periodic payments or ranges of payments described in paragraph (c)(1)(i) of this section, other than the termination of mortgage insurance, or any functional equivalent, does not exceed two.

(C) If changes to periodic principal and interest payments described in paragraph (c)(1)(i)(A) of this section would require more than one separate disclosure during a single year, such periodic payments shall be disclosed as a single range of payments.

(iii) A range of payments is required under this paragraph (c)(1) when the periodic principal and interest payment may adjust based on index rates at the time an interest rate adjustment may occur or multiple events are combined in a range of payments pursuant to paragraph (c)(1)(ii) of this section. When a range of payments is required, the creditor must disclose the minimum and maximum amount for both the principal and interest payment under paragraph (c)(2)(i) of this section and the total periodic payment under paragraph (c)(2)(iv) of this section. In the case of an interest rate adjustment, the maximum payment amounts are determined by assuming that the interest rate in effect throughout the loan term is the maximum possible interest rate, and the minimum payment amounts are determined by assuming that the interest rate in effect throughout the loan term is the minimum possible interest rate.

(2) *Itemization.* Each separate periodic payment or range of payments included in the table required by this paragraph (c) shall be itemized as follows:

(i) The amount payable for principal and interest, labeled “Principal & Interest,” including the term “only interest” if the payment or range of payments includes any interest-only payment;

(ii) The maximum amount payable for mortgage insurance premiums corresponding to the principal and interest payment disclosed pursuant to paragraph (c)(2)(i) of this section, labeled “Mortgage Insurance”;

(iii) The amount payable into an escrow account to pay some or all of the charges described in paragraphs (c)(4)(ii)(A) through (E) of this section, as applicable, labeled “Estimated Escrow,” together with a statement that the amount disclosed can increase over time; and

(iv) The total periodic payment, calculated as the sum of the amounts disclosed pursuant to paragraphs (c)(2)(i) through (iii) of this section, labeled “Total Monthly Payment.”

(3) *Subheadings.* (i) The labels required pursuant to paragraph (c)(2) of this section must be listed under the subheading “Payment Calculation.”

(ii) Each separate periodic payment or range of payments to be disclosed under this paragraph (c) must be disclosed under a subheading that states the number of years of the loan during which that payment or range of payments will apply. The subheadings must be stated in a sequence of whole years from the date that the first such payment is due.

(4) *Taxes, insurance, and assessments.* Under the information required by paragraphs (c)(1) through (3) of this section:

(i) The label “Estimated Taxes, Insurance & Assessments”;

(ii) The sum of the following charges, if applicable, expressed as a monthly amount, even if no escrow account for the payment of some or any of such charges will be established:

(A) Property taxes;

(B) Mortgage-related insurance premiums required by the creditor, other than amounts payable for mortgage insurance premiums;

(C) Homeowner’s association, condominium, or cooperative fees;

(D) Ground rent or leasehold payments; and

(E) Special assessments;

(iii) A statement that the amount disclosed pursuant to paragraph (c)(4)(ii) of this section can increase over time;

(iv) A statement of whether the amount disclosed pursuant to paragraph (c)(4)(ii) of this section includes payments for property taxes, homeowner's insurance, and other amounts described in paragraph (c)(4)(ii) of this section, along with a description of any such other amounts, and an indication of whether such amounts will be paid by the creditor using escrow account funds;

(v) A statement that the consumer must pay separately any amounts described in paragraph (c)(4)(ii) of this section that are not paid by the creditor using escrow account funds; and

(vi) A reference to the information disclosed pursuant to paragraph (g)(3) of this section.

(5) *Calculation of taxes and insurance.* For purposes of paragraphs (c)(2)(iii) and (4)(ii) of this section, estimated property taxes and homeowner's insurance shall reflect:

(i) The taxable assessed value of the real property securing the transaction after consummation, including the value of any improvements on the property or to be constructed on the property, if known, whether or not such construction will be financed from the proceeds of the transaction, for property taxes; and

(ii) The replacement costs of the property during the initial year after the transaction, for homeowner's insurance.

(d) *Cash to close.* In a separate table, under the heading "Cash to Close":

(1) The dollar amount as calculated in accordance with paragraph (h)(8) of this section, labeled "Estimated Cash to Close";

(2) The dollar amount calculated in accordance with paragraph (f)(4) of this section, described as “Loan Costs”;

(3) The dollar amount calculated in accordance with paragraph (g)(5) of this section, described as “Other Costs”;

(4) The dollar amount disclosed pursuant to paragraph (g)(6)(ii) of this section, described as “Lender Credits”;

(5) The sum of the amounts disclosed pursuant to paragraphs (d)(2), (d)(3) and (d)(4) of this section, described as “Closing Costs”; and

(6) A statement referring the consumer to the location where tables required pursuant to paragraphs (f) and (g) of this section are provided for details.

(e) *Website reference.* A statement that the consumer may obtain additional information and tools at the website of the Bureau, and the link/URL address to the website: [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

(f) *Closing cost details; loan costs.* Under the master heading “Closing Cost Details,” in a table under the heading “Loan Costs,” all loan costs associated with the transaction. The table shall contain the items and amounts listed under four subheadings, described in paragraphs (f)(1) through (4) of this section.

(1) *Origination charges.* Under the subheading “Origination Charges,” an itemization of each amount, and a subtotal of all such amounts, that the consumer will pay to each creditor and loan originator for originating and extending the credit.

(i) The points that the consumer will pay to the creditor to reduce the interest rate shall be separately itemized, as both a percentage of the amount of credit extended and a dollar amount,

and labeled “ \_\_\_% of Loan Amount (Points).” If points are not paid by the consumer, the disclosure required by this paragraph (f)(1)(i) shall show the amount as zero.

(ii) The number of items disclosed under this paragraph (f)(1), including the points disclosed under paragraph (f)(1)(i) of this section, shall not exceed 13.

(2) *Services you cannot shop for.* Under the subheading “Services You Cannot Shop For,” an itemization of each amount, and a subtotal of all such amounts, for services for which the consumer cannot shop in accordance with § 1026.19(e)(1)(vi)(A) and that are provided by persons other than the creditor or mortgage broker.

(i) For any item that is a component of title insurance or is for conducting the closing, the introductory description “Title –” shall appear at the beginning of the label for that item.

(ii) The number of items disclosed under this paragraph (f)(2) shall not exceed 13.

(3) *Services you can shop for.* Under the subheading “Services You Can Shop For,” an itemization of each amount, and a subtotal of all such amounts, for services for which the consumer can shop in accordance with § 1026.19(e)(1)(vi)(A) and that are provided by persons other than the creditor or mortgage broker.

(i) For any item that is a component of title insurance or is for conducting the closing, the introductory description “Title – ” shall appear at the beginning of the label for that item.

(ii) The number of items disclosed under this paragraph (f)(3) shall not exceed 14.

(4) *Total loan costs.* Under the subheading “Total Loan Costs,” the sum of the subtotals disclosed under paragraphs (f)(1) through (3) of this section.

(5) *Item descriptions and ordering.* The items listed as loan costs pursuant to this paragraph (f) shall be labeled using terminology that briefly and clearly describes each item, subject to the requirements of paragraphs (f)(1)(i), (f)(2)(i), and (f)(3)(i) of this section.

(i) The item prescribed in paragraph (f)(1)(i) of this section for points shall be the first item listed in the disclosure pursuant to paragraph (f)(1) of this section.

(ii) All other items must be listed in alphabetical order by their labels under the applicable subheading.

(6) *Use of addenda.* (i) An addendum to a form of disclosures prescribed by § 1026.37(o) may not be used for items required to be disclosed by paragraph (f)(1) or (2) of this section. If the creditor is not able to itemize all of the charges required to be disclosed in the number of lines provided by paragraph (f)(1)(ii) or (2)(ii) of this section, the remaining charges shall be disclosed as an aggregate amount in the last line permitted under paragraph (f)(1)(ii) or (2)(ii), as applicable, using the label “Additional Charges” to describe such charges.

(ii) An addendum to a form of disclosures prescribed by § 1026.37(o) may be used for items required to be disclosed by paragraph (f)(3) of this section. If the creditor is not able to itemize all of the charges required to be disclosed in the number of lines provided by paragraph (f)(3)(ii), the remaining charges shall be disclosed as follows:

(A) Label the last line permitted under paragraph (f)(3)(ii) with an appropriate reference to an addendum and list the remaining items on the addendum in accordance with the requirements in paragraphs (f)(3) and (5) of this section; or

(B) Disclose the remaining charges as an aggregate amount in the last line permitted under paragraph (f)(3)(ii), using the label “Additional Charges.”

(g) *Closing cost details; other costs.* Under the master heading “Closing Cost Details,” costs associated with the transaction that are in addition to the costs disclosed under § 1026.37(f), listed in a table under the heading “Other Costs.” The table consists of the items

and amounts listed under six subheadings, described in paragraphs (g)(1) through (6) of this section.

(1) *Taxes and other government fees.* Under the subheading “Taxes and Other Government Fees,” the amounts to be paid to State and local governments for taxes and other government fees, and the subtotal of all such amounts, as follows:

(i) On the first line, using the label “Recording Fees and Other Taxes,” the sum of all recording fees and other government fees and taxes, except for transfer taxes.

(ii) On the second line, using the label “Transfer Taxes,” the sum of all transfer taxes.

(iii) If an amount for recording fees or transfer taxes is not charged to the consumer, the dollar amount disclosed on the applicable line required by this paragraph (g)(1) must be zero.

(2) *Prepays.* Under the subheading “Prepays,” an itemization of the amounts to be paid by the consumer in advance of the first scheduled payment, and the subtotal of all such amounts, as follows:

(i) On the first line, using the label “Homeowner's Insurance Premium ( \_\_ months),” the number of months for which homeowner’s premiums are to be paid by the consumer at consummation and the total dollar amount to be paid.

(ii) On the second line, using the label “Mortgage Insurance Premium ( \_\_ months),” the number of months for which mortgage insurance premiums are to be paid by the consumer at consummation and the total dollar amount to be paid.

(iii) On the third line, using the label “Prepaid Interest ( \_\_\_\_ per day for \_ days @ \_\_\_\_%),” the amount of interest to be paid per day, the number of days for which prepaid interest will be collected, the interest rate, and the total dollar amount to be paid.



(iv) On the fourth line, using the label “Property Taxes,” the number of months for which property taxes are to be paid by the consumer and the total dollar amount to be paid.

(v) If an amount is not charged to the consumer for any item for which this paragraph (g)(2) prescribes a label, the dollar amount disclosed on that line must be zero.

(vi) A maximum of three additional items may be disclosed under this paragraph (g)(2), and each additional item must be identified and include the applicable time period covered by the amount to be paid by the consumer at consummation and the total amount to be paid.

(3) *Initial escrow payment at closing.* Under the subheading “Initial Escrow Payment at Closing,” an itemization of the amounts that the consumer will be expected to place into a reserve or escrow account at consummation to be applied to recurring periodic charges, and the subtotal of all such amounts, as follows:

(i) On the first line, using the label “Homeowner's Insurance \$ \_ per month for \_ mo.,” the amount escrowed per month, the number of months covered by an escrowed amount collected at consummation, and the total amount to be paid into the escrow account by the consumer to insure the property against hazards.

(ii) On the second line, using the label “Mortgage Insurance \$ \_ per month for \_ mo.,” the amount escrowed per month, the number of months covered by an escrowed amount collected at consummation, and the total amount to be paid by the consumer for mortgage insurance.

(iii) On the third line, using the label “Property Taxes \$ \_ per month for \_ mo.,” the amount escrowed per month, the number of months covered by an escrowed amount collected at consummation, and the total amount to be paid by the consumer for property taxes.

(iv) If an amount is not charged to the consumer for any item for which this paragraph (g)(3) prescribes a label, the dollar amount disclosed on that line must be zero.

(v) A maximum of five additional items may be disclosed under this paragraph (g)(3), and each additional item must be identified and include the applicable amount per month, the number of months collected at consummation, and the total amount to be paid.

(4) *Other*. Under the subheading “Other,” an itemization of any other amounts the consumer is likely to pay or has contracted with a person other than the creditor or loan originator to pay at closing and of which the creditor is aware at the time of issuing the Loan Estimate, and the subtotal of all amounts itemized.

(i) For any item that is a component of title insurance, the introductory description “Title –” shall appear at the beginning of the label for that item.

(ii) The parenthetical description “(optional)” shall appear at the end of the label for items disclosing any premiums paid for separate insurance, warranty, guarantee, or event-coverage products.

(iii) The number of items disclosed under this paragraph (g)(4) shall not exceed five.

(iv) If there are no such amounts, this table must be left blank.

(5) *Total other costs*. With the label “Total Other Costs,” the sum of the amounts disclosed pursuant to paragraphs (g)(1) through (4) of this section.

(6) *Total closing costs*. With the label “Total Closing Costs,” the component amounts and their sum, as follows:

(i) The sum of the amounts disclosed as Loan Costs and Other Costs under paragraphs (f)(4) and (g)(5) of this section, disclosed with the label “D + I”;

(ii) The amount of any lender credits, disclosed as a negative number with the label “Lender Credits”; and

(iii) Add the amount calculated under paragraph (g)(6)(i) and the (negative) amount disclosed under paragraph (g)(6)(ii) and disclose this sum as “Total Closing Costs.”

(7) *Item descriptions and ordering.* In identifying the items listed as Other Costs pursuant to this paragraph (g), the creditor must use terminology that briefly and clearly describes the item.

(i) The items prescribed in paragraphs (g)(1)(i) and (ii), (g)(2)(i) through (iv), and (g)(3)(i) through (iii) of this section must be listed in the order prescribed as the initial items under the applicable subheading, with any additional items to follow.

(ii) All additional items must be listed in alphabetical order under the applicable subheading.

(8) *Use of addenda.* An addendum to a form of disclosures prescribed by § 1026.37(o) may not be used for items required to be disclosed by this paragraph (g). If the creditor is not able to itemize all of the charges required to be disclosed in the number of lines provided by paragraph (g)(2)(vi), (3)(v), or (4)(iii) of this section, the remaining charges shall be disclosed as an aggregate amount in the last line permitted under paragraph (g)(2)(vi), (3)(v), or (4)(iii), as applicable, using the label “Additional Charges.”

(h) *Calculating cash to close.* In a separate table, under the master heading “Closing Cost Details,” required by paragraph (f) of this section, under the heading “Calculating Cash to Close,” the total amount of cash or other funds that must be provided by the consumer at consummation must be disclosed, with an itemization of that amount into the following component amounts:

(1) *Total closing costs.* The amount disclosed under paragraph (g)(6)(iii) of this section, disclosed as a positive number;

(2) *Closing costs to be financed.* The amount of any closing costs to be paid out of loan proceeds, disclosed as a negative number;

(3) *Downpayment and other funds from borrower.* (i) In a purchase transaction, as defined in § 1026.37(a)(9)(i), the actual amount of the difference between the purchase price of the property and the principal amount of the loan, disclosed as a positive number; or

(ii) In all other transactions, the estimated “Funds from Borrower,” labeled using that term, as determined in accordance with paragraph (h)(5) of this section;

(4) *Deposit.* The amount that is paid to the seller or held in trust or escrow by an attorney or other party under the terms of the agreement for the sale of the property, disclosed as a negative number;

(5) *Funds for borrower.* The amount of “Funds from Borrower,” to be disclosed under paragraph (h)(3)(ii) of this section, and of “Funds for Borrower,” disclosed under this paragraph (h)(5) of this section, are determined by subtracting the principal amount of the credit extended (excluding any amount disclosed pursuant to paragraph (h)(2) of this section) from the total amount of all existing debt being satisfied in the transaction (except to the extent the satisfaction of such existing debt is disclosed under paragraph (g) of this section).

(i) If the calculation under this paragraph (h)(5) of this section yields an amount that is a positive number, such amount shall be disclosed under paragraph (h)(3)(ii) of this section, and \$0.00 shall be disclosed under paragraph (h)(5) of this section.

(ii) If the calculation under this paragraph (h)(5) yields an amount that is a negative number, such amount shall be disclosed under paragraph (h)(5) of this section as a negative number, and \$0.00 shall be disclosed under paragraph (h)(3)(ii) of this section.

(iii) If the calculation under this paragraph (h)(5) of this section yields \$0.00, then \$0.00 shall be disclosed pursuant to paragraph (h)(3)(ii) of this section and pursuant to paragraph (h)(5) of this section.

(6) *Seller credits.* Seller credits are the total amount of money that the seller will provide to pay for total loan costs as determined by paragraph (f)(4) of this section and total other costs as determined by paragraph (g)(5) of this section, to the extent known, disclosed as a negative number;

(7) *Adjustments and other credits.* Other credits include all loan costs and other costs, to the extent known, that are paid by persons other than the loan originator, creditor, consumer, or seller, disclosed as a negative number; and

(8) *Estimated Cash to Close.* The total of the amounts disclosed by paragraphs (h)(1) through (h)(7).

(i) *Adjustable payment table.* If the periodic principal and interest payment may change after consummation but not based on an adjustment to the interest rate, or if the transaction is a seasonal payment product as described in § 1026.37(a)(10)(ii)(E), a separate table under the master heading “Closing Cost Details” required by paragraph (f) of this section and under the heading “Adjustable Payment (AP) Table” that includes the following information and satisfies the following requirements:

(1) *Interest-only payments.* Whether the transaction is an interest only product pursuant to paragraph (a)(10)(ii)(B) of this section as an affirmative or negative answer to the question “Interest Only Payments?” and, if an affirmative answer is disclosed, the period during which interest-only periodic payments are scheduled.

(2) *Optional payments.* Whether the terms of the legal obligation expressly provide that the consumer may elect to pay a specified periodic principal and interest payment other than the scheduled amount of the payment, as an affirmative or negative answer to the question “Optional Payments?” and, if an affirmative answer is disclosed, the period during which the consumer may elect to make such payments.

(3) *Step payments.* Whether the transaction is a step payment product pursuant to paragraph (a)(10)(ii)(C) of this section as an affirmative or negative answer to the question “Step Payments?” and, if an affirmative answer is disclosed, the period during which the regular periodic payments are scheduled to increase.

(4) *Seasonal payments.* Whether the transaction is a seasonal payment product pursuant to paragraph (a)(10)(ii)(E) of this section as an affirmative or negative answer to the question “Seasonal Payments?” and, if an affirmative answer is disclosed, the period during which periodic payments are not scheduled.

(5) *Principal and interest payments.* Under the subheading “Principal and Interest Payments,” which subheading is immediately preceded by the applicable unit period, the following information:

(i) The number of the payment of the first periodic principal and interest payment that may change under the terms of the legal obligation disclosed under this paragraph (i), counting from the first periodic payment due after consummation, and the amount or range of the periodic principal and interest payment for such payment, labeled, “First Change/Amount”;

(ii) The frequency of subsequent changes to the periodic principal and interest payment;  
and

(iii) The maximum periodic principal and payment that may occur during the term of the transaction, and the first periodic principal and interest payment that can reach such maximum, counting from the first periodic payment due after consummation.

(j) *Adjustable interest rate table.* If the interest rate may increase after consummation, a separate table under the master heading “Closing Cost Details” required by paragraph (f) of this section and under the heading “Adjustable Interest Rate (AIR) Table” that includes the following information and satisfies the following requirements:

(1) *Index and margin.* If the interest rate may adjust, the index upon which the adjustments to the interest rate are based and the margin that is added to the index to determine the interest rate, if any, labeled “Index + Margin.”

(2) *Increases in interest rate.* If the product type is a “Step Rate” and not also an “Adjustable Rate” under paragraph (a)(10) of this section, the maximum amount of any adjustments to the interest rate that are scheduled and pre-determined, labeled “Interest Rate Adjustments.”

(3) *Initial interest rate.* The interest rate at consummation of the loan transaction.

(4) *Minimum and maximum interest rate.* The minimum and maximum interest rates for the loan, after any introductory period expires.

(5) *Frequency of adjustments.* The following information, under the subheading “Change Frequency”:

(i) The month when the interest rate after consummation may first change, calculated from the date interest begins to accrue for the first regular periodic principal and interest payment, labeled “First Change”; and

(ii) The frequency of interest rate adjustments after the initial adjustment to the interest rate, labeled, “Subsequent Changes.”

(6) *Limits on interest rate changes.* The following information, under the subheading “Limits on Interest Rate Changes”:

(i) The maximum possible change for the first adjustment of the interest rate after consummation, labeled “First Change”; and

(ii) The maximum possible change for subsequent adjustments of the interest rate after consummation, labeled “Subsequent Changes.”

(k) *Contact information.* Under the master heading, “Additional Information About This Loan,” the following information:

(1) The name and Nationwide Mortgage Licensing System and Registry identification number (NMLSR ID) (labeled “NMLS ID/License #”) for the creditor (labeled “Lender”) and the mortgage broker (labeled “Mortgage Broker”), if any, together with the name of a primary contact for the consumer of the lender or mortgage broker. In the event the creditor or the mortgage broker has not been assigned an NMLSR ID, the license number or other unique identifier issued by the applicable jurisdiction or regulating body with which the creditor or mortgage broker is licensed and/or registered shall be disclosed, if any;

(2) The name and NMLSR ID of the individual loan officer (labeled “Loan Officer” and “NMLS ID/License #,” respectively) who is primary contact for the consumer. In the event the individual loan officer has not been assigned an NMLSR ID, the license number or other unique identifier issued by the applicable jurisdiction or regulating body with which the creditor or mortgage broker is licensed and/or registered shall be disclosed, if any; and



(3) The email address and telephone number of the loan officer (labeled “Email” and “Phone,” respectively).

(l) *Comparisons.* Under the master heading, “Additional Information About This Loan,” in a separate table under the heading “Comparisons” along with the statement “Use these measures to compare this loan with other loans”:

(1) *In five years.* Using the label “In 5 Years”:

(i) The total principal, interest, mortgage insurance, and loan costs scheduled to be paid through the end of the 60th month after the due date of the first periodic payment, expressed as a dollar amount, along with the statement “Total you will have paid in principal, interest, mortgage insurance, and loan costs”; and

(ii) The principal scheduled to be paid through the end of the 60th month after the due date of the first periodic payment, expressed as a dollar amount, along with the statement “Principal you will have paid off.”

(2) *Annual percentage rate.* The “Annual Percentage Rate,” using that term and the abbreviation “APR” and expressed as a percentage, and the following statement: “Your costs over the loan term expressed as a rate. This is not your interest rate.”

(3) *Total interest percentage.* The “Total Interest Percentage,” using that term and the abbreviation “TIP” and expressed as a percentage, and the statement “The total amount of interest that you will pay over the loan term as a percentage of your loan amount.” The total interest percentage is the total amount of interest that the consumer will pay over the life of the loan, expressed as a percentage of the amount of credit extended.

(m) *Other considerations.* Under the master heading “Additional Information About This Loan” required by paragraph (k) of this section and under the heading “Other Considerations”:

(1) *Appraisal.* For transactions subject to 15 U.S.C. 1639h or 1691(e), as implemented in this part or Regulation B, 12 CFR part 1002, respectively, a statement, labeled “Appraisal,” that:

(i) The creditor may order an appraisal to determine the value of the property identified in paragraph (a)(6) of this section and may charge the consumer for that appraisal;

(ii) The creditor will promptly provide the consumer a copy of any completed appraisal, even if the transaction is not consummated; and

(iii) The consumer may choose to pay for an additional appraisal of the property for the consumer’s use.

(2) *Assumption.* A statement of whether a subsequent purchaser of the property may be permitted to assume the remaining loan obligation on its original terms, labeled “Assumption.”

(3) *Homeowner’s insurance.* At the option of the creditor, a statement of whether homeowner’s insurance is required on the property and whether the consumer may choose the insurance provider, labeled “Homeowner’s Insurance.”

(4) *Late payment.* A statement detailing any charge that may be imposed for a late payment, stated as a dollar amount or percentage charge of the late payment amount, and the number of days that a payment must be late to trigger the late payment fee, labeled “Late Payment.”

(5) *Refinance.* The following statement, labeled “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.”

(6) *Servicing.* A statement of whether the loan will be serviced by the creditor or transferred to another servicer, labeled “Servicing.”

(7) *Liability after foreclosure.* If the purpose of the credit transaction is to refinance an extension of credit as described in paragraph (a)(9)(ii) of this section, a brief statement that certain State law protections against liability for any deficiency after foreclosure may be lost, the potential consequences of the loss of such protections, and a statement that the consumer should consult an attorney for additional information, labeled “Liability after Foreclosure.”

(n) *Signature statement.* (1) At the creditor’s option, under the master heading required by paragraph (k) of this section and under the heading “Confirm Receipt,” a line for the signatures of the consumers in the transaction. If the creditor includes a line for the consumer’s signature, the creditor must disclose the following below the signature line: “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.”

(2) If the creditor does not include a line for the consumer’s signature, the creditor must disclose the following statement under the heading “Other Considerations” required by paragraph (m) of this section, labeled “Loan Acceptance”: “You do not have to accept this loan because you have received this form or signed a loan application.”

(o) *Form of disclosures.* (1) *General requirements.* (i) The creditor shall make the disclosures required by this section clearly and conspicuously in writing, in a form that the consumer may keep. The disclosures also shall be grouped together, segregated from everything else, and provided on separate pages that are not commingled with any other documents or disclosures, including any other disclosures required by State or other laws.

(ii) Except as provided in paragraph (o)(5) of this section, the disclosures shall contain only the information required by paragraphs (a) through (n) of this section and shall be made in the same order, and positioned relative to the master headings, headings, subheadings, labels, and

similar designations in the same manner, as shown in form H-24, set forth in appendix H to this part.

(2) *Estimated disclosures.* If a master heading, heading, subheading, label, or similar designation contains the word “estimated” in form H-24, set forth in appendix H to this part, that heading, label, or similar designation shall contain the word “estimated.”

(3) *Form.* Except as provided in paragraph (o)(5) of this section: (i) For a transaction subject to this section that is a federally related mortgage loan, as defined in Regulation X, 12 CFR 1024.2, the disclosures must be made using form H-24, set forth in appendix H to this part.

(ii) For any other transaction subject to this section, the disclosures must be made with headings, content, and format substantially similar to form H-24, set forth in appendix H to this part.

(iii) The disclosures required by this section may be provided to the consumer in electronic form, subject to compliance with the consumer consent and other applicable provisions of the Electronic Signatures in Global and National Commerce Act (E-Sign Act) (15 U.S.C. 7001 *et seq.*).

(4) *Rounding.* (i) *Nearest dollar.* (A) The dollar amounts required to be disclosed by paragraphs (b)(6) and (7), (c)(1)(iii), (c)(2)(ii) and (iii), (c)(4)(ii), (f), (g), (h), (i), and (l) of this section shall be rounded to the nearest whole dollar.

(B) The dollar amount required to be disclosed by paragraph (b)(1) of this section shall be disclosed as an exact number, except that decimal places shall not be disclosed if the amount of cents is zero.

(C) The dollar amounts required to be disclosed by paragraph (c)(2)(iv) of this section shall be rounded to the nearest whole dollar, if any of the component amounts are required by paragraph (o)(4)(i)(A) of this section to be rounded to the nearest whole dollar.

(ii) *Percentages.* The percentage amounts required to be disclosed under paragraphs (b)(2) and (6), (f)(1)(i), (g)(2)(iii), (j), and (l)(3) of this section shall be disclosed as an exact number up to two or three decimal places. The percentage amount required to be disclosed under paragraph (l)(2) of this section shall be disclosed up to three decimal places. Decimal places shall not be disclosed if the amount is a whole number.

(5) *Exceptions.* (i) *Unit-period.* Wherever the form or this section uses “monthly” to describe the frequency of any payments or uses “month” to describe the applicable unit-period, the creditor shall substitute the appropriate term to reflect the fact that the transaction’s terms provide for other than monthly periodic payments, such as bi-weekly or quarterly payments.

(ii) *Lender credits.* The amount required to be disclosed by paragraph (d)(4) of this section may be omitted from the form if the amount is zero.

(iii) *Logo or slogan.* The creditor providing the form may use a logo for, and include a slogan with, the information required by paragraph (a)(3) of this section in any font size or type, provided that such logo or slogan does not cause the information required by paragraph (a)(3) of this section to exceed the space provided for that information, as illustrated in form H-24(a) in appendix H to this part. If the creditor does not use a logo for the information required by paragraph (a)(3) of this section, the information shall be disclosed in a similar format as form H-24.

(iv) *Business card.* The creditor may physically attach a business card over the information required to be disclosed by paragraph (a)(3) of this section.

(v) *Administrative information.* The creditor may insert immediately above the information required to be disclosed by paragraph (a)(2) of this section and adjacent to the information required to be disclosed by paragraph (a)(3) of this section any administrative information, text, or codes that assist in identification of the form or the information disclosed on the form, provided that the space provided on form H-24 of appendix H to this part for the information required by paragraph (a)(3) of this section is not altered.

(vi) *Translation.* The form may be translated into languages other than English. ◀

18. New § 1026.38 is added to read as follows:

▶ **§ 1026.38 Content of disclosures for certain mortgage transactions (Closing Disclosure).**

For each transaction subject to § 1026.19(f), the creditor shall disclose the information in this section, as applicable:

(a) *General information.* (1) *Form title.* The title of the form, “Closing Disclosure,” using that term.

(2) *Form purpose.* The following statement: “This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.”

(3) *Closing information.* Under the heading “Closing Information”:

(i) *Date issued.* The date the disclosures required by this section are delivered to the consumer, labeled “Date Issued.”

(ii) *Closing date.* The date of consummation, labeled “Closing Date.”

(iii) *Disbursement date.* The date the amounts disclosed pursuant to paragraphs (j)(3)(iii) and (k)(3)(iii) of this section are expected to be paid to the consumer and seller, respectively, as applicable, labeled “Disbursement Date.”

(iv) *Agent.* The name of the settlement agent conducting the closing, labeled “Agent.”

(v) *File number*. The number assigned to the transaction by the settlement agent for identification purposes, labeled “File #.”

(vi) *Property*. The street address or location of the property required to be disclosed under § 1026.37(a)(6), labeled “Property.”

(vii) *Sale price*. (A) In credit transactions where there is a seller, the contract sale price of the property identified in paragraph (a)(3)(vi) of this section, labeled “Sale Price.”

(B) In credit transactions where there is no seller, the appraised value of the property identified in paragraph (a)(3)(vi) of this section, labeled “Appraised Prop. Value.”

(4) *Transaction information*. Under the heading “Transaction Information”:

(i) *Borrower*. The consumer’s name and mailing address, labeled “Borrower.”

(ii) *Seller*. Where applicable, the seller’s name and mailing address, labeled “Seller.”

(iii) *Lender*. The name of the creditor making the disclosure, labeled “Lender.”

(5) *Loan information*. Under the heading “Loan Information”:

(i) *Loan term*. The information required to be disclosed under § 1026.37(a)(8), labeled “Loan Term.”

(ii) *Purpose*. The information required to be disclosed under § 1026.37(a)(9), labeled “Purpose.”

(iii) *Product*. The information required to be disclosed under § 1026.37(a)(10), labeled “Product.”

(iv) *Loan type*. The information required to be disclosed under § 1026.37(a)(11), labeled “Loan Type.”

(v) *Loan identification number*. The information required to be disclosed under § 1026.37(a)(12), labeled “Loan ID #.”

(vi) *Mortgage insurance case number.* The case number for any mortgage insurance policy, if required by the creditor, labeled “MIC #.”

(b) *Loan terms.* A separate table under the heading “Loan Terms” that includes the information required by § 1026.37(b).

(c) *Projected payments.* A separate table, under the heading “Projected Payments,” that includes and satisfies the following information and requirements:

(1) *Projected payments or range of payments.* The information required to be disclosed pursuant to § 1026.37(c)(1) through (4), other than § 1026.37(c)(4)(vi). In disclosing estimated escrow payments as described in § 1026.37(c)(2)(iii) and (4)(ii), the amount disclosed on the Closing Disclosure:

(i) For transactions subject to RESPA, is determined under the escrow account analysis described in Regulation X, 12 CFR 1024.17;

(ii) For transactions not subject to RESPA, may be determined under the escrow account analysis described in Regulation X, 12 CFR 1024.17 or in the manner set forth in § 1026.37(c)(5).

(2) *Estimated taxes, insurance, and assessments.* A reference to the disclosure required by § 1026.38(l)(7).

(d) *Cash to close.* In a separate table, under the heading “Cash to Close”:

(1) The sum of the dollar amounts calculated in accordance with paragraph (j)(3)(iii) of this section, labeled “Cash to Close”;

(2) The dollar amount of loan costs that are disclosed as borrower-paid at closing calculated in accordance with paragraph (f)(4) of this section, described as “Loan Costs”;



(3) The dollar amount of other costs that are disclosed as borrower-paid at closing and calculated in accordance with paragraph (g)(5) of this section, described as “Other Costs”;

(4) The dollar amount disclosed pursuant to paragraph (h)(3) of this section, described as “Lender Credit”;

(5) The sum of the amounts disclosed pursuant to paragraphs (d)(2), (d)(3), and (d)(4) of this section, described as “Closing Costs”; and

(6) A statement referring the consumer to the tables required pursuant to paragraphs (f) and (g) of this section for details.

(e) [Reserved]

(f) *Closing cost details; loan costs.* Under the master heading “Closing Cost Details” with columns stating whether the charge was borrower-paid at or before closing, seller-paid at or before closing, or paid by others, all loan costs associated with the transaction, listed in a table under the heading “Loan Costs.” The table consists of the items and amounts listed under five labels, described in paragraphs (f)(1) through (5) of this section.

(1) *Origination charges.* Under the label “Origination Charges,” an itemization of the items described in § 1026.37(f)(1) and compensation paid by the creditor to a loan originator in the applicable column and the total of all such itemized amounts that are designated borrower-paid at or before closing.

(2) *Services borrower did not shop for.* Under the label “Services Borrower Did Not Shop For,” an itemization of the costs for services required by the creditor and provided by persons other than the creditor or mortgage broker in the applicable column, and the total of all such itemized amounts that are designated borrower-paid at or before closing. Items that were disclosed pursuant to § 1026.37(f)(3) must be disclosed under this paragraph (f)(2) when the

consumer was provided a written list under § 1026.19(e)(1)(vi)(C) and the consumer selected a provider contained on that written list.

(3) *Services borrower did shop for.* Under the label “Services Borrower Did Shop For,” an itemization of the costs for services required by the creditor and provided by persons other than the creditor or mortgage broker where the consumer was provided a written list under § 1026.19(e)(1)(vi)(C) and the consumer did not select a provider contained on that written list, and the total of all such itemized costs that are designated borrower-paid at or before closing.

(4) *Total loan costs.* The total of the amounts disclosed under § 1026.38(f)(5) with the label “Total Loan Costs (Borrower-Paid).”

(5) *Subtotal of loan costs.* The sum of loan costs, calculated by totaling the amounts described in paragraphs (f)(1), (2), and (3) of this section for costs designated borrower-paid at or before closing, with the label “Loan Costs Subtotal.”

(g) *Closing cost details; other costs.* Under the master heading “Closing Cost Details” disclosed pursuant to paragraph (f) of this section, all other costs associated with the transaction listed in a table with a heading disclosed as “Other Costs.” The table comprises items and amounts listed under five labels, described in paragraphs (g)(1) through (6) of this section.

(1) *Taxes and other government fees.* Under the label “Taxes and Other Government Fees,” each amount that is expected to be paid to State and local governments for taxes and government fees and the total of all such itemized amounts that are designated borrower-paid at or before closing, as follows:

- (i) Recording fees and the amounts paid in the applicable columns; and
- (ii) An itemization of transfer taxes and the amounts paid in the applicable columns.

(2) *Prepays.* Under the subheading “Prepays,” the charges disclosed pursuant to § 1026.37(g)(2) with the actual costs in the applicable columns, and the total of all such itemized amounts that are designated borrower-paid at or before closing.

(3) *Initial escrow payment at closing.* Under the label “Initial escrow payment at closing,” the items described in § 1026.37(g)(3) with their actual costs, the applicable aggregate adjustment pursuant to 12 CFR 1024.17(d)(2), and the total of all such itemized amounts that are designated borrower-paid at or before closing.

(4) *Other.* Under the label “Other,” identify and state any other actual costs for services that are required or obtained in the real estate closing by the consumer, the seller, or other party, and the total of all such itemized amounts that are designated borrower-paid at or before closing.

(i) For any actual cost that is a component of title insurance, the introductory description “Title – ” shall appear at the beginning of the label for that actual cost.

(ii) The parenthetical description “(optional)” shall appear at the end of the label for actual costs designated borrower-paid at or before closing for any premiums paid for separate insurance, warranty, guarantee, or event-coverage products.

(5) *Total other costs.* With the label “Total Other Costs (Borrower-Paid),” the sum of the amounts disclosed pursuant to paragraphs (g)(6) of this section.

(6) *Subtotal of costs.* The sum of other costs, calculated by totaling the costs disclosed in paragraphs (g)(1) through (4) of this section designated borrower-paid at or before closing, labeled “Other Costs Subtotal.”

(h) *Closing cost totals.* (1) The total of the costs designated borrower-paid at or before closing that are disclosed pursuant to paragraph (h)(2) of this section, labeled “Total Closing Costs (Borrower-Paid).”

(2) The total of the amounts disclosed in paragraphs (f)(5) and (g)(6) of this section and the total of the costs designated seller-paid at or before closing, or paid by others are disclosed pursuant to paragraphs (f) and (g) of this section, and the sum of the amount disclosed in (h)(3) of this section and the amounts designated borrower-paid at closing, labeled “Closing Costs Subtotal (Loan Costs + Other Costs).”

(3) The amount disclosed pursuant to § 1026.37(g)(6)(ii) as a negative number, with the label “Lender Credit” and designated borrower-paid at closing.

(4) The creditor must use descriptions for the charges disclosed pursuant to paragraphs (f) and (g) of this section on the Closing Disclosure in a manner that are consistent with the descriptions used for the charges disclosed on the Loan Estimate pursuant to § 1026.37 of this part. The creditor must also list the charges on the Closing Disclosure in the same sequential order as on the Loan Estimate pursuant to § 1026.37.

(i) *Calculating cash to close.* In a separate table, under the heading “Calculating Cash to Close,” together with the statement “Use this table to see what has changed from your Loan Estimate”:

(1) *Total closing costs.* (i) Under the subheading “Estimate,” the “Total Closing Costs” disclosed on the Loan Estimate under § 1026.37(h)(1), labeled using that term together with a reference to the disclosure of “Total Closing Costs” under paragraph (h)(1) of this section.

(ii) Under the subheading “Final,” the amount disclosed under paragraph (h)(1) of this section, reduced by the amount of any lender credits disclosed under § 1026.38(h)(3).

(iii) Disclosed more prominently than the other disclosures under this paragraph (i), under the subheading “Did this change?”:

(A) If the amount disclosed under paragraph (i)(1)(ii) of this section is different than the amount disclosed under paragraph (i)(1)(i) of this section (unless the difference is due to rounding):

(1) A statement of that fact;

(2) If the difference in the “Total Closing Costs” is attributable to differences in itemized charges that are included in either or both subtotals, a statement that the consumer should see the total loan costs and total other costs subtotals disclosed under paragraphs (f)(4) and (g)(5) of this section (together with references to such disclosures), as applicable; and

(3) If the increase exceeds the limitations on increases in closing costs under § 1026.19(e)(3), a statement that such increase exceeds the legal limits by the dollar amount of the excess. Such dollar amount shall equal the sum total of all excesses of the limitations on increases in closing costs under § 1026.19(e)(3), taking into account the different methods of calculating excesses of the limitations on increases in closing costs under § 1026.19(e)(3)(ii) and (iii).

(B) If the amount disclosed under paragraph (i)(1)(ii) of this section is equal to the amount disclosed under paragraph (i)(1)(i) of this section, a statement of that fact.

(2) *Closing costs subtotal paid before closing.* (i) Under the subheading “Estimate,” the dollar amount “\$0,” labeled “Closing Costs Subtotal Paid Before Closing.”

(ii) Under the subheading “Final,” the amount of “Total Closing Costs” disclosed under paragraph (h)(2) of this section and designated as borrower-paid before closing, stated as a negative number.

(iii) Disclosed more prominently than the other disclosures under this paragraph (i), under the subheading “Did this change?”:

(A) If the amount disclosed under paragraph (i)(2)(ii) of this section is different than the amount disclosed under paragraph (i)(2)(i) of this section (unless the difference is due to rounding), a statement of that fact, along with a statement that the consumer paid such amounts prior to consummation of the transaction; or

(B) If the amount disclosed under paragraph (i)(2)(ii) of this section is equal to the amount disclosed under paragraph (i)(2)(i) of this section, a statement of that fact.

(3) *Closing costs financed.* (i) Under the subheading “Estimate,” the amount disclosed under § 1026.37(h)(2), labeled “Closing Costs Financed.”

(ii) Under the subheading “Final,” the actual amount of the closing costs that are to be paid out of loan proceeds, stated as a negative number.

(iii) Disclosed more prominently than the other disclosures under this paragraph (i), under the subheading “Did this change?”:

(A) If the amount disclosed under paragraph (i)(3)(ii) of this section is different than the amount disclosed under paragraph (i)(3)(i) of this section (unless the difference is due to rounding), a statement that the amount is different, along with a statement that the consumer included the closing costs in the loan amount, which increased the loan amount; or

(B) If the amount disclosed under paragraph (i)(3)(ii) of this section is equal to the amount disclosed under paragraph (i)(3)(i) of this section, a statement of that fact.

(4) *Downpayment/funds from borrower.* (i) Under the subheading “Estimate,” the amount disclosed under § 1026.37(h)(3), labeled “Downpayment/Funds from Borrower.”

(ii) Under the subheading “Final”:

(A) In a transaction that is a purchase as defined in § 1026.37(a)(9)(i), the actual amount of the difference between the purchase price of the property and the principal amount of the

credit extended, stated as a positive number, labeled using the term “Downpayment/Funds from Borrower”; or

(B) In a transaction other than the one described in paragraph (i)(4)(ii)(A) of this section, the “Funds from Borrower” as determined in accordance with paragraph (i)(6)(iv) of this section, labeled using the term “Downpayment/Funds from Borrower.”

(iii) Disclosed more prominently than the other disclosures under this paragraph (i), under the subheading “Did this change?”:

(A) If the amount disclosed under paragraph (i)(4)(ii) of this section is different than the amount disclosed under paragraph (i)(4)(i) of this section (unless the difference is due to rounding), a statement of that fact, along with a statement that the consumer increased or decreased this payment and that the consumer should see the details disclosed under paragraph (j)(1) or (j)(2) of this section, as applicable; or

(B) If the amount disclosed under paragraph (i)(4)(ii) of this section is equal to the amount disclosed under paragraph (i)(4)(i) of this section, a statement of that fact.

(5) *Deposit.* (i) Under the subheading “Estimate,” the amount disclosed under § 1026.37(h)(4), labeled “Deposit.”

(ii) Under the subheading “Final,” the amount disclosed under paragraph (j)(2)(ii) of this section, stated as a negative number.

(iii) Disclosed more prominently than the other disclosures under this paragraph (i), under the subheading “Did this change?”:

(A) If the amount disclosed under paragraph (i)(5)(ii) of this section is different than the amount disclosed under paragraph (i)(5)(i) of this section (unless the difference is due to rounding), a statement of that fact, along with a statement that the consumer increased or

decreased this payment, as applicable, and that the consumer should see the details disclosed under paragraph (j)(2)(ii) of this section; or

(B) If the amount disclosed under paragraph (i)(5)(ii) of this section is equal to the amount disclosed under paragraph (i)(5)(i) of this section, a statement of that fact.

(6) *Funds for borrower.* (i) Under the subheading “Estimate,” the amount disclosed under § 1026.37(h)(5), labeled “Funds for Borrower.”

(ii) Under the subheading “Final,” the “Funds for Borrower,” labeled using that term, as determined in accordance with paragraph (i)(6)(iv) of this section.

(iii) Disclosed more prominently than the other disclosures under this paragraph (i), under the subheading “Did this change?”:

(A) If the amount disclosed under paragraph (i)(6)(ii) of this section is different than the amount disclosed under paragraph (i)(6)(i) of this section (unless the difference is due to rounding), a statement of that fact, along with a statement that the consumer’s available funds from the loan amount have increased or decreased, as applicable; or

(B) If the amount disclosed under paragraph (i)(6)(ii) of this section is equal to the amount disclosed under paragraph (i)(6)(i) of this section, a statement of that fact.

(iv) The “Funds from Borrower” to be disclosed under paragraph (i)(4)(ii)(B) of this section and “Funds for Borrower” to be disclosed under paragraph (i)(6)(ii) of this section are determined by subtracting the principal amount of the credit extended (excluding any amount disclosed pursuant to paragraph (i)(3)(ii) of this section) from the total amount of all existing debt being satisfied in the real estate closing and disclosed under § 1026.38(j)(1)(v) (except to the extent the satisfaction of such existing debt is disclosed under § 1026.38(g)).



(A) If the calculation under this paragraph (i)(6)(iv) yields an amount that is a positive number, such amount shall be disclosed under paragraph (i)(4)(ii)(B) of this section, and \$0.00 shall be disclosed under paragraph (i)(6)(ii) of this section.

(B) If the calculation under this paragraph (i)(6)(iv) yields an amount that is a negative number, such amount shall be disclosed under paragraph (i)(6)(ii) of this section, stated as a negative number, and \$0.00 shall be disclosed under paragraph (i)(4)(ii)(B) of this section.

(C) If the calculation under this paragraph (i)(6)(iv) yields \$0.00, \$0.00 shall be disclosed under paragraph (i)(4)(ii)(B) of this section and under paragraph (i)(6)(ii) of this section.

(7) *Seller credits.* (i) Under the subheading “Estimate,” the amount disclosed under § 1026.37(h)(6), labeled “Seller Credits.”

(ii) Under the subheading “Final,” the amount disclosed under paragraph (j)(2)(v) of this section, stated as a negative number.

(iii) Disclosed more prominently than the other disclosures under this paragraph (i), under the subheading “Did this change?”:

(A) If the amount disclosed under paragraph (i)(7)(ii) of this section is different than the amount disclosed under paragraph (i)(7)(i) of this section (unless the difference is due to rounding), a statement of that fact, along with a statement that the consumer should see the details disclosed under paragraph (j)(2)(v) of this section; or

(B) If the amount disclosed under paragraph (i)(7)(ii) of this section is equal to the amount disclosed under paragraph (i)(7)(i) of this section, a statement of that fact.

(8) *Adjustments and other credits.* (i) Under the subheading “Estimate,” the amount disclosed on the Loan Estimate under § 1026.37(h)(7) rounded to the nearest whole dollar, labeled “Adjustments and Other Credits.”

(ii) Under the subheading “Final,” the amount equal to the total of the amounts disclosed under paragraphs (j)(1)(v) through (x) of this section reduced by the total of the amounts disclosed under paragraphs (j)(2)(vi) through (xi) of this section.

(iii) Disclosed more prominently than the other disclosures under this paragraph (i), under the subheading “Did this change?”:

(A) If the amount disclosed under paragraph (i)(8)(ii) of this section is different than the amount disclosed under paragraph (i)(8)(i) of this section (unless the difference is due to rounding), a statement of that fact, along with a statement that the consumer should see the details disclosed under paragraphs (j)(1)(v) through (x) and (j)(2)(vi) through (xi) of this section; or

(B) If the amount disclosed under paragraph (i)(8)(ii) of this section is equal to the amount disclosed under paragraph (i)(8)(i) of this section, a statement of that fact.

(9) *Cash to close.* (i) Under the subheading “Estimate,” the amount disclosed on the Loan Estimate under § 1026.37(h)(8), labeled “Cash to Close” and disclosed more prominently than the other disclosures under this paragraph (i).

(ii) Under the subheading “Final,” the sum of the amounts disclosed under paragraphs (i)(1) through (i)(8) of this section, and disclosed more prominently than the other disclosures under this paragraph (i).

(j) *Summary of borrower’s transaction.* Under the heading “Summaries of Transactions,” with a statement to “Use this table to see a summary of your transaction,” two separate tables are disclosed. The first table shall include, under the subheading “Borrower’s Transaction,” the following information and shall satisfy the following requirements:

(1) *Itemization of amount due from borrower.* (i) The total amount due from the consumer at closing, calculated as the sum of items required to be disclosed by paragraph (j)(1)(ii) through (x) of this section, excluding items paid from funds other than closing funds as described in paragraph (j)(4)(i) of this section, labeled “Due from Borrower at Closing”;

(ii) The amount of the contract sales price of the property being sold in a purchase real estate transaction, excluding the price of any tangible personal property if the consumer and seller have agreed to a separate price for such items, labeled “Sale Price of Property”;

(iii) The amount of the sales price of any tangible personal property excluded from the contract sales price pursuant to paragraph (j)(1)(ii) of this section, labeled “Sale Price of Any Personal Property Included in Sale”;

(iv) The total amount of closing costs disclosed that are designated borrower-paid at closing, calculated pursuant to paragraph (h)(1) of this section, the labeled “Subtotal Closing Costs Paid at Closing by Borrower”;

(v) A description and the amount of any additional items that the seller has paid prior to the real estate closing, but reimbursed by the consumer at the real estate closing, and a description and the amount of any other items owed by the consumer at the real estate closing not otherwise disclosed pursuant to paragraph (f), (g), or (j) of this section;

(vi) The description “Adjustments for Items Paid by Seller in Advance”;

(vii) The time period that the consumer is responsible for reimbursing the seller for any prepaid taxes, and the prorated amount of any prepaid taxes due from the consumer at the real estate closing, labeled “City/Town Taxes”;

(viii) The time period that the consumer is responsible for reimbursing the seller for any prepaid taxes, and the prorated amount of any prepaid taxes due from the consumer at the real estate closing, labeled “County Taxes”;

(ix) The time period that the consumer is responsible for reimbursing the seller for any prepaid assessments, and the prorated amount of any prepaid assessments due from the consumer at the real estate closing, labeled “Assessments”; and

(x) A description and the amount of any additional items paid by the seller prior to the real estate closing that are due from the consumer at the real estate closing.

(2) *Itemization of amounts already paid by or on behalf of borrower.* (i) The sum of the amounts disclosed in this paragraphs (j)(2)(ii) through (xi) of this section, excluding items paid from funds other than closing funds as described in paragraph (j)(4)(i) of this section, labeled “Paid Already by or on Behalf of Borrower at Closing”;

(ii) Any amount that is paid to the seller or held in trust or escrow by an attorney or other party under the terms of the agreement for the sale of real estate, labeled “Deposit”;

(iii) The amount of the consumer’s new loan or first user loan as disclosed pursuant to paragraph (b)(1) of this section, labeled “Borrower’s Loan Amount”;

(iv) The amount of those existing loans assumed or taken subject to by the consumer, labeled “Existing Loan(s) Assumed or Taken Subject to”;

(v) The total amount of money that the seller will provide at the real estate closing as a lump sum to pay for loan costs as determined by paragraph (f) of this section and other costs as determined by paragraph (g) of this section and any other obligations of the seller to be paid directly to the consumer, labeled “Seller Credit”;

(vi) The amount of other items paid by or on behalf of the consumer and not otherwise disclosed pursuant to paragraphs (f), (g), (h), and (j)(2) of this section, labeled “Other Credits”;

(vii) The description “Adjustments for Items Unpaid by Seller”;

(viii) The time period that the seller is responsible for the payment of any unpaid taxes, and the prorated amount of any unpaid taxes due from the seller at the real estate closing, labeled “City/Town Taxes”;

(ix) The time period that the seller is responsible for the payment of any unpaid taxes, and the prorated amount of any unpaid taxes due from the seller at the real estate closing, labeled “County Taxes”;

(x) The time period that the seller is responsible for the payment of any unpaid assessments, and the prorated amount of any unpaid assessments due from the seller at the real estate closing, labeled “Assessments”; and

(xi) A description and the amount of any additional items which have not yet been paid and which the consumer is expected to pay after the real estate closing, but which are attributable in part to a period of time prior to the real estate closing.

(3) *Calculation of borrower’s transaction.* Under the label “Calculation”:

(i) The amount disclosed pursuant to paragraph (j)(1)(i) of this section, labeled “Total Due from Borrower at Closing”;

(ii) The amount disclosed pursuant to paragraph (j)(2)(i) of this section, disclosed as a negative number, labeled “Total Paid Already by or on Behalf of Borrower at Closing”; and

(iii) A statement that the disclosed amount is due from or to the consumer, and the amount due from or to the consumer at the real estate closing, calculated by the sum of the

amounts disclosed under paragraphs (j)(3)(i) and (j)(3)(ii) of this section, labeled “Cash to Close.”

(4) *Items paid outside of closing funds.* (i) Costs that are not paid from closing funds but that would otherwise be disclosed in the table required pursuant to paragraph (j) of this section, should be marked with the phrase “Paid Outside of Closing” or the abbreviation “P.O.C.” and include the name of the party making the payment.

(ii) For purposes of this paragraph (j), “closing funds” means funds collected and disbursed at closing.

(k) *Summary of seller’s transaction.* Under the heading required by paragraph (j) of this section, a second table under the subheading “Seller’s Transaction,” that includes the following information and satisfies the following requirements:

(1) *Itemization of amounts due to seller.* (i) The total amount due to the seller at the real estate closing, calculated as the sum of items required to be disclosed pursuant to paragraph (k)(1)(ii) through (ix) of this section, excluding items paid from funds other than closing funds as described in paragraph (k)(4)(i) of this section, labeled “Due to Seller at Closing”;

(ii) The amount of the contract sales price of the property being sold, excluding the price of any tangible personal property if the consumer and seller have agreed to a separate price for such items, labeled “Sale Price of Property”;

(iii) The amount of the sales price of any tangible personal property excluded from the contract sales price pursuant to paragraph (k)(1)(ii) of this section, labeled “Sale Price of Any Personal Property Included in Sale”;

(iv) A description and the amount of other items paid to the seller by the consumer pursuant to the contract of sale or other agreement, such as charges that were not disclosed

pursuant to § 1026.37 on the Loan Estimate or items paid by the seller prior to the real estate closing but reimbursed by the consumer at the real estate closing;

(v) The description “Adjustments for Items Paid by Seller in Advance”;

(vi) The time period that the consumer is responsible for reimbursing the seller for any prepaid taxes, and the prorated amount of any prepaid taxes due from the consumer at the real estate closing, labeled “City/Town Taxes”;

(vii) The time period that the consumer is responsible for reimbursing the seller for any prepaid taxes, and the prorated amount of any prepaid taxes due from the consumer at the real estate closing, labeled “County Taxes”;

(viii) The time period that the consumer is responsible for reimbursing the seller for any prepaid assessments, and the prorated amount of any prepaid assessments due from the consumer at the real estate closing, labeled “Assessments”; and

(ix) A description and the amount of additional items paid by the seller prior to the real estate closing that are reimbursed by the consumer at the real estate closing.

(2) *Itemization of amounts due from seller.* (i) The total amount due from the seller at the real estate closing, calculated as the sum of items required to be disclosed pursuant to paragraph (k)(2)(ii) through (xiii) of this section, excluding items paid from funds other than closing funds as described in paragraph (k)(4)(i) of this section, labeled “Due from Seller at Closing”;

(ii) The amount of any excess deposit retained by the seller at the time of the real estate closing, labeled “Excess Deposit”;

(iii) The amount of closing costs designated seller-paid at closing disclosed pursuant to paragraph (h)(1) of this section, labeled “Subtotal Closing Costs Paid at Closing by Seller”;

(iv) The amount of those existing loans assumed or taken subject to at the real estate closing by the consumer, labeled “Existing Loan(s) Assumed or Taken Subject to”;

(v) The amount of any first loan secured by the property that will be paid off as part of the real estate closing, labeled “Payoff of First Mortgage Loan”;

(vi) The amount of any second loan secured by the property that will be paid off as part of the real estate closing, labeled “Payoff of Second Mortgage Loan”;

(vii) The total amount of money that the seller will provide at the real estate closing as a lump sum to pay for loan costs as determined by paragraph (f) of this section and other costs as determined by paragraph (g) of this section and any other obligations of the seller to be paid directly to the consumer, labeled “Seller Credit”;

(viii) A description and amount of any and all other obligations required to be paid by the seller at the real estate closing, including any lien-related payoffs, fees, or obligations;

(ix) The description “Adjustments for Items Unpaid by Seller”;

(x) The time period that the seller is responsible for the payment of any unpaid taxes, and the prorated amount of any unpaid taxes due from the seller at the real estate closing, labeled “City/Town Taxes”;

(xi) The time period that the seller is responsible for the payment of any unpaid taxes, and the prorated amount of any unpaid taxes due from the seller at the real estate closing, labeled “County Taxes”;

(xii) The time period that the seller is responsible for the payment of any unpaid assessments, and the prorated amount of any unpaid assessments due from the seller at the real estate closing, labeled “Assessments”; and



(xiii) A description and the amount of any additional items which have not yet been paid and which the consumer is expected to pay after the real estate closing, but which are attributable in part to a period of time prior to the real estate closing.

(3) *Calculation of seller's transaction.* Under the label "Calculation":

(i) The amount described in paragraph (k)(1)(i) of this section, labeled "Total Due to Seller at Closing";

(ii) The amount described in paragraph (k)(2)(i) of this section, disclosed as a negative number, labeled "Total Due from Seller at Closing"; and

(iii) A statement that the disclosed amount is due from or to the seller, and the amount due from or to the seller at closing, calculated by the sum of the amounts disclosed pursuant to paragraphs (k)(3)(i) and (k)(3)(ii) of this section, labeled "Cash."

(4) *Items paid outside of closing funds.* (i) Charges that are not paid from closing funds but that would otherwise be disclosed in the table described in paragraph (k) of this section, should be marked with the phrase "Paid Outside of Closing" or the acronym "P.O.C." and include a statement of the party making the payment.

(ii) For purposes of this paragraph (k), "closing funds" are defined as funds collected and disbursed at closing.

(1) *Loan disclosures.* Under the master heading "Additional Information About This Loan" and under the heading "Loan Disclosures":

(1) *Assumption.* Under the subheading "Assumption," the information required by § 1026.37(m)(2).

(2) *Demand feature.* Under the subheading “Demand Feature,” a statement of whether the legal obligation permits the creditor to demand early repayment of the loan and, if the statement is affirmative, a reference to the note or other loan contract for details.

(3) *Late payment.* Under the subheading “Late Payment,” the information required by § 1026.37(m)(4).

(4) *Negative amortization.* Under the subheading “Negative Amortization (Increase in Loan Amount),” a statement of whether the regular periodic payments may cause the principal balance to increase.

(i) If the regular periodic payments do not cover all of the interest due, the creditor must provide a statement that the principal balance will increase, such balance will likely become larger than the original loan amount, and increases in such balance lower the consumer’s equity in the property.

(ii) If the consumer may make regular periodic payments that do not cover all of the interest due, the creditor must provide a statement that, if the consumer chooses a monthly payment option that does not cover all of the interest due, the principal balance may become larger than the original loan amount and the increases in the principal balance lower the consumer’s equity in the property.

(5) *Partial payment policy.* Under the subheading “Partial Payment Policy”:

(i) A statement whether the creditor will accept monthly payments that are less than the full amount due and that, if the loan is sold, the new creditor may have a different policy; and

(ii) If partial payments are permitted, a brief description of the creditor’s partial payment policy, including the manner and order in which the partial payment would be applied to the principal, interest, or an escrow account for partial payments and whether any penalties apply.

(6) *Security interest.* Under the subheading “Security Interest,” a statement that the creditor will acquire a security interest in the property securing the transaction, the property address, and a statement that the consumer may lose the property if the consumer does not make the required payments or satisfy other requirements under the legal obligation.

(7) *Escrow account.* Under the subheading “Escrow Account”:

(i) Under the reference “For now,” a statement that an escrow account may also be called an impound or trust account, a statement of whether the creditor has established or will establish, at or before consummation, an escrow account in connection with the transaction for the costs that will be paid using escrow account funds described in paragraph (1)(7)(i)(A)(1) of this section:

(A) A statement that the creditor may be liable for penalties and interest if it fails to make a payment for any cost for which the escrow account is established, a statement that the consumer would have to pay such costs directly in the absence of the escrow account, and a table, titled “Escrow” that contains, if an escrow account is or will be established, an itemization of the following:

(1) The total amount the consumer will be required to pay into an escrow account over the first year after consummation for payment of the charges described in § 1026.37(c)(4)(ii), labeled “Escrowed Property Costs over Year 1,” together with a descriptive name of each such charge, calculated as the amount disclosed under paragraph (1)(7)(i)(A)(4) of this section multiplied by the number of periodic payments scheduled to be made to the escrow account during the first year after consummation;

(2) The estimated amount the consumer is likely to pay during the first year after consummation for charges described in § 1026.37(c)(4)(ii) that are known to the creditor and that

will not be paid using escrow account funds, labeled “Non-Escrowed Property Costs over Year 1,” together with a descriptive name of each such charge and a statement that the consumer may have to pay other costs that are not listed;

(3) The total amount disclosed pursuant to paragraph (g)(3) of this section, a statement that the payment is a cushion for the escrow account, labeled “Initial Payment,” and a reference to the information disclosed pursuant to paragraph (g)(3) of this section;

(4) The amount the consumer will be required to pay into the escrow account with each periodic payment during the first year after consummation for payment of the charges described in § 1026.37(c)(4)(ii), labeled “Monthly Payment.”

(5) A creditor complies with the requirements of paragraphs (l)(7)(i)(A)(1) and (l)(7)(i)(A)(4) of this section if the creditor bases the numerical disclosures required by those paragraphs on amounts derived from the escrow account analysis required under Regulation X, 12 CFR 1024.17.

(B) A statement of whether the consumer will not have an escrow account, the reason why an escrow account will not be established, a statement that the consumer must pay all property costs, such as taxes and homeowner’s insurance, directly, a statement that the consumer may contact the creditor to inquire about the availability of an escrow account, and a table, titled “No Escrow,” that contains, if an escrow account will not be established, an itemization of the following:

(1) The estimated total amount the consumer will pay directly for charges described in § 1026.37(c)(4)(ii) during the first year after consummation that are known to the creditor and a statement that, without an escrow account, the consumer must pay the identified costs, possibly in one or two large payments, labeled as “Estimated Property Costs over Year 1”; and

(2) The amount of any fee the creditor imposes on the consumer for not establishing an escrow account in connection with the transaction, labeled “Escrow Waiver Fee.”

(ii) Under the reference “In the future”:

(A) A statement that the consumer’s property costs may change and that, as a result, the consumer’s escrow payments may change;

(B) A statement that the consumer may be able to cancel any escrow account that has been established, but that the consumer is responsible for directly paying all property costs in the absence of an escrow account; and

(C) A description of the consequences if the consumer fails to pay property costs, including the actions that a State or local government may take if property taxes are not paid and the actions the creditor may take if the consumer does not pay some or all property costs, such as adding amounts to the loan balance, adding an escrow account to the loan, or purchasing a property insurance policy on the consumer’s behalf that may be more expensive and provide fewer benefits than what the consumer could obtain directly.

(m) *Adjustable payment table.* Under the master heading “Additional Information About This Loan” required by paragraph (l) of this section, and under the heading “Adjustable Payment (AP) Table,” the table required to be disclosed by § 1026.37(i).

(n) *Adjustable interest rate table.* Under the master heading “Additional Information About This Loan” required by paragraph (l) of this section, and under the heading “Adjustable Interest Rate (AIR) Table,” the table required to be disclosed by § 1026.37(j).

(o) *Loan calculations.* In a separate table under the heading “Loan Calculations”:

(1) *Total of payments.* The “Total of Payments,” using that term and expressed as a dollar amount, and a statement that the disclosure is the total the consumer will have paid after making all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.

(2) *Finance charge.* The “Finance Charge,” using that term and expressed as a dollar amount, and the following statement: “The dollar amount the loan will cost you.” The disclosed finance charge and other disclosures affected by the disclosed financed charge (including the amount financed and the annual percentage rate) shall be treated as accurate if the amount disclosed as the finance charge:

(i) is understated by no more than \$100; or

(ii) is greater than the amount required to be disclosed.

(3) *Amount financed.* The “Amount Financed,” using that term and expressed as a dollar amount, and the following statement: “The loan amount available after paying your upfront finance charge.”

(4) *Annual percentage rate.* The “Annual Percentage Rate,” using that term and the abbreviation “APR” and expressed as a percentage, and the following statement: “Your costs over the loan term expressed as a rate. This is not your interest rate.”

(5) *Total interest percentage.* The “Total Interest Percentage,” using that term and the abbreviation “TIP” and expressed as a percentage, and the following statement: “The total amount of interest that you will pay over the loan term as a percentage of your loan amount.”

(6) *Approximate cost of funds.* The “Approximate Cost of Funds,” using that term and the abbreviation “ACF” and expressed as a percentage, and the following statement: “The approximate cost of funds used to make this loan. This is not a direct cost to you.” For purposes

of this paragraph (o)(6), “approximate cost of funds” means either the most recent ten-year Treasury constant maturity rate or the creditor’s actual cost of borrowing the funds used to extend the credit, at the creditor’s option.

(p) *Other disclosures.* Under the heading “Other Disclosures”:

(1) *Appraisal.* For transactions subject to 15 U.S.C. 1639h or 1691(e), as implemented in this part or Regulation B, 12 CFR part 1002, respectively, under the subheading “Appraisal,” that:

(i) If there was an appraisal of the property in connection with the loan, the creditor is required to provide the consumer with a copy at no additional cost to the consumer at least three days prior to consummation; and

(ii) If the consumer has not yet received a copy of the appraisal, the consumer should contact the creditor using the information disclosed pursuant to paragraph (r) of this section.

(2) *Contract details.* A statement that the consumer should refer to the appropriate loan document and security instrument for information about nonpayment, what constitutes a default under the legal obligation, circumstances under which the creditor may accelerate the maturity of the obligation, and prepayment rebates and penalties, under the subheading “Contract Details.”

(3) *Liability after foreclosure.* A brief statement of whether, and the conditions under which, the consumer may remain responsible for any deficiency after foreclosure under applicable State law, a brief statement that certain protections may be lost if the consumer refinances or incurs additional debt on the property, and a statement that the consumer should consult an attorney for additional information, under the subheading “Liability after Foreclosure.”

(4) *Refinance*. Under the subheading “Refinance,” the statement required by § 1026.37(m)(5).

(5) *Tax deductions*. Under the subheading “Tax Deductions,” a statement that, if the extension of credit exceeds the fair market value of the property, the interest on the portion of the credit extension that is greater than the fair market value of the property is not tax deductible for Federal income tax purposes and a statement that the consumer should consult a tax adviser for further information.

(q) *Questions notice*. In a separate notice labeled “Questions?”:

(1) A statement that the consumer should contact the creditor with any questions about the disclosures required pursuant to § 1026.19(f);

(2) A reference to the Bureau’s website to obtain more information or to make a complaint; and

(3) A prominent question mark.

(r) *Contact information*. In a separate table, under the heading “Contact Information,” the following information for each creditor (under the subheading “Lender”), mortgage broker (under the subheading “Mortgage Broker”), consumer’s real estate broker (under the subheading “Real Estate Broker (B)”), seller’s real estate broker (under the subheading “Real Estate Broker (S)”), and closing agent (under the subheading “Closing Agent”) participating in the transaction:

(1) Name of the person, labeled “Name”;

(2) Address, using that label;

(3) Nationwide Mortgage Licensing System & Registry identification number or, if none, license number or other unique identifier issued by the applicable jurisdiction or regulating body



with which the person is licensed and/or registered, for the persons identified in paragraph (r)(1) of this section, labeled “NMLS/License ID”;

(4) Name of the natural person who is the primary contact for the consumer with the person identified in paragraph (r)(1) of this section, labeled “Contact”;

(5) Nationwide Mortgage Licensing System & Registry identification number or, if none, license number or other unique identifier issued by the applicable jurisdiction or regulating body with which the person is licensed and/or registered, for the natural person identified in paragraph (r)(4) of this section, labeled “Contact NMLS/License ID”;

(6) Email address for the person identified in paragraph (r)(4) of this section, labeled “Email”; and

(7) Telephone number for the person identified in paragraph (r)(4) of this section, labeled “Phone.”

(s) *Signature statement.* (1) At the creditor’s option, under the heading “Confirm Receipt,” a line for the signatures of the consumers in the transaction. If the creditor provides a line for the consumer’s signature, the creditor must disclose the statement required to be disclosed under § 1026.37(n)(1).

(2) If the creditor does not provide a line for the consumer’s signature under the heading “Other Disclosures” required by paragraph (p) of this section, the statement required to be disclosed under § 1026.37(n)(2).

(t) *Form of disclosures.* (1) *General requirements.* (i) The creditor shall make the disclosures required by this section clearly and conspicuously in writing, in a form that the consumer may keep. The disclosures also shall be grouped together, segregated from everything

else, and provided on separate pages that are not commingled with any other documents or disclosures, including any other disclosures required by State or other laws.

(ii) Except as provided in paragraph (t)(5), the disclosures shall contain only the information required by paragraphs (a) through (s) of this section and shall be made in the same order, and positioned relative to the master headings, headings, subheadings, labels, and similar designations in the same manner, as shown in form H-25, set forth in appendix H to this part.

(2) *Estimated disclosures.* If a master heading, heading, subheading, label, or similar designation contains the word “estimated” in form H-25, set forth in appendix H to this part, that heading, label, or similar designation shall contain the word “estimated.”

(3) *Form.* Except as provided in paragraph (t)(5) of this section:

(i) For a transaction subject to this section that is a federally related mortgage loan, as defined in Regulation X, 12 CFR 1024.2, the disclosures must be made using form H-25, set forth in appendix H to this part.

(ii) For any other transaction subject to this section, the disclosures must be made with headings, content, and format substantially similar to form H-25, set forth in appendix H to this part.

(iii) The disclosures required by this section may be provided to the consumer in electronic form, subject to compliance with the consumer consent and other applicable provisions of the Electronic Signatures in Global and National Commerce Act (E-Sign Act) (15 U.S.C. 7001 *et seq.*).

(4) *Rounding.* (i) *Nearest dollar.* The following dollar amounts are required to be rounded to the nearest whole dollar:

(A) The dollar amounts required to be disclosed by paragraph (b) of this section that are required to be rounded by § 1026.37(o)(4)(i)(A) when disclosed under § 1026.37(b)(6) and (7);

(B) The dollar amounts required to be disclosed by paragraph (c) of this section that are required to be rounded by § 1026.37(o)(4)(i)(A) when disclosed under § 1026.37(c)(1)(iii);

(C) The dollar amounts required to be disclosed by paragraph (i) of this section under the subheading “Estimate”;

(D) The dollar amounts required to be disclosed by paragraph (m) of this section; and

(E) The dollar amounts required to be disclosed by paragraph (c) of this section that are required to be rounded by § 1026.37(o)(4)(i)(B) when disclosed under § 1026.37(c)(2)(iv).

(ii) *Percentages.* The percentage amounts required to be disclosed under paragraphs (b), (f)(1)(i), (g)(2)(iii), (l), (n), and (o)(5) and (6) of this section shall be disclosed as an exact number up to two or three decimal places. The percentage amount required to be disclosed under paragraph (o)(4) of this section shall be disclosed up to three decimal places. Decimal places shall not be disclosed if the amount is a whole number.

(5) *Exceptions.* (i) *Unit-period.* Wherever the form or this section uses “monthly” to describe the frequency of any payments or uses “month” to describe the applicable unit-period, the creditor shall substitute the appropriate term to reflect the fact that the transaction’s terms provide for other than monthly periodic payments, such as bi-weekly or quarterly payments.

(ii) *Lender credits.* The amount required to be disclosed by paragraph (d)(4) of this section may be omitted from the form if the amount is zero.

(iii) *Administrative information.* The creditor may insert immediately above the information required to be disclosed by paragraph (a)(2) of this section and adjacent to the information required to be disclosed by paragraph (a)(3) of this section any administrative

information, text, or codes that assist in identification of the form or the information disclosed on the form.

(iv) *Line numbers (Closing Cost Details)*. Line numbers provided on form H-25 in Appendix H to this part for the disclosure of the information required by paragraphs (f)(1), (2), and (3) and (g)(1), (2), (3), and (4) of this section that are not used may be deleted and the deleted line numbers added to the space provided for any other of those paragraphs as necessary to accommodate the disclosure of additional items.

(v) *Additional page (Closing Cost Details)*. The information required to be disclosed by paragraphs (f), (g), and (h) of this section may be disclosed on two pages if form H-25 in appendix H to this part, as altered pursuant to paragraph (t)(5)(iv) of this section, does not accommodate an itemization of all of the information required to be disclosed by paragraphs (f), (g), and (h) on one page, provided that the information required by paragraph (f) is disclosed on a page separate from the information required by paragraph (g). The information required by paragraph (g), if disclosed on a page separate from paragraph (f), shall be disclosed on the same page as the information required by paragraph (h).

(vi) *Separation of consumer and seller information*. The creditor or settlement agent preparing the form may use form H-25 in appendix H to this part for the disclosure provided to both the consumer and the seller, with the following modifications to separate the information of the consumer and seller, as necessary:

(A) The information required to be disclosed by paragraphs (j) and (k) of this section may be disclosed on separate pages to the consumer and the seller, respectively, with the information required by the other paragraph left blank. The information disclosed to the consumer pursuant

to paragraph (j) of this section must be disclosed on the same page as the information required by paragraph (i) of this section.

(B) The information required to be disclosed by paragraphs (f) and (g) of this section with respect to costs paid by the consumer may be left blank on the disclosure provided to the seller.

(C) The information required by paragraphs (a)(2), (a)(4)(iii), (a)(5), (b) through (d), (i), (l) through (p), (r) with respect to the creditor and mortgage broker, and (s)(2) of this section may be left blank on the disclosure provided to the seller.

(vii) *Modified version of the form for a seller or third-party.* The information required by paragraphs (a)(2), (a)(4)(iii), (a)(5), (b) through (d), (f) and (g) with respect to costs paid by the consumer, (i), (j), (l) through (p), (q)(1), (r) with respect to the creditor and mortgage broker, and (s) of this section may be deleted from the form provided to the seller or a third-party, as illustrated by form H-25(I) in appendix H to this part.

(viii) *Transaction without a seller.* The following modifications to form H-25 in appendix H to this part may be made for a transaction that does not involve a seller, as illustrated by form H-25(J) in appendix H to this part:

(A) The information required by paragraphs (a)(4)(ii), (f), (g), and (h) with respect to costs paid by the seller, and (k) of this section may be deleted.

(B) A table under the master heading “Closing Cost Details” required by paragraph (f) of this section may be added with the heading “Disbursements to Others” that itemizes the amounts of payments made at closing to other parties from the credit extended to the consumer or funds provided by the consumer in connection with the transaction, including designees of the

consumer; the payees of such disbursements under the subheading “To”; and the total amount of such payments labeled “Total Disbursements to Others.”

(C) The information required by paragraphs (i)(5), (7), and (8) of this section may be deleted from the table required by paragraph (i) of this section. These deletions must be factored into the calculation and disclosure required by paragraph (i)(9) of this section.

(D) The tables required to be disclosed by paragraphs (j) and (k) of this section may be deleted.

(ix) *Translation.* The form may be translated into languages other than English.

(x) *Customary recitals and information.* An additional page may be attached to the form for the purpose of including customary recitals and information used locally in real estate settlements. ◀

19. Section 1026.39 is amended by revising paragraphs (a)(2) and (d) and adding new paragraph (d)(5) to read as follows:

**§ 1026.39 Mortgage transfer disclosures.**

(a) *Scope.* The disclosure requirements of this section apply to any covered person except as otherwise provided in this section. For purposes of this section:

\* \* \* \* \*

(2) A “*mortgage loan*” means▶:

(i) An open-end consumer credit transaction that is secured by the principal dwelling of a consumer; and

(ii) A closed-end consumer credit transaction secured by a dwelling or real property. ◀

\* \* \* \* \*

(d) *Content of required disclosures.* The disclosures required by this section shall identify the loan that was sold, assigned or otherwise transferred, and state the following ►, except that the information required by paragraph (d)(5) of this section shall be stated only for a mortgage loan that is a closed-end consumer credit transaction other than a reverse mortgage transaction subject to § 1026.33 of this part ◀:

\* \* \* \* \*

► (5) The following statements, labeled “Partial Payment Policy”:

(i) Whether the covered person will accept payments that are less than the amount due;

(ii) If such payments are accepted, a description of how the covered person will apply such payments to the amount due, including whether such payments will be placed in an escrow account; and

(iii) A statement that, if the loan is sold, the new covered person, using the term “lender,” may have a different policy. ◀

\* \* \* \* \*

20. Appendix D to part 1026 is amended by revising paragraph C of part II to read as follows:

APPENDIX D TO PART 1026—MULTIPLE ADVANCE CONSTRUCTION LOANS

\* \* \* \* \*

*Part II—Construction and Permanent Financing Disclosed as One Transaction*

\* \* \* \* \*

C. The creditor shall disclose the repayment schedule as follows:

1. For loans under paragraph A.1 of part II, ► other than loans that are subject to § 1026.19(e) and (f), ◀ without reflecting the number or amounts of payments of interest only

that are made during the construction period. The fact that interest payments must be made and the timing of such payments shall be disclosed.

2. For loans under paragraph A.2 of part II ► and loans under paragraph A.1 of part II that are subject to § 1026.19(e) and (f) ◀, including any payments of interest only that are made during the construction period.

21. Appendix H to part 1026 is amended by revising H-13 and H-15, adding new H-24 through H-27, and revising and adding their respective entries to the table of contents at the beginning of the appendix in numerical order as follows:

APPENDIX H TO PART 1026— CLOSED-END [MODEL] FORMS AND CLAUSES

\* \* \* \* \*

H-13 ► Closed-End ◀ [Mortgage] Transaction with Demand Feature Sample

\* \* \* \* \*

H-15 ► Closed-End ◀ Graduated-Payment [Mortgage] ► Transaction ◀ Sample

\* \* \* \* \*

► H-24(A) Mortgage Loan Transaction Loan Estimate - Blank

H-24(B) Mortgage Loan Transaction Loan Estimate - Fixed-Rate Loan Sample

H-24(C) Mortgage Loan Transaction Loan Estimate - Interest Only Adjustable-Rate Loan Sample

H-24(D) Mortgage Loan Transaction Loan Estimate – Refinance Sample

H-24(E) Mortgage Loan Transaction Loan Estimate - Balloon Payment Sample

H-24(F) Mortgage Loan Transaction Loan Estimate – Negative Amortization Sample

H-25(A) Mortgage Loan Transaction Closing Disclosure - Blank

H-25(B) Mortgage Loan Transaction Closing Disclosure - Fixed-Rate Loan Sample



H-25(C) Mortgage Loan Transaction Closing Disclosure - Sample of Borrower Funds from Second-Lien Loan in Summaries of Transactions

H-25(D) Mortgage Loan Transaction Closing Disclosure - Sample of Borrower Satisfaction of Seller's Second-Lien Loan Outside of Closing in Summaries of Transactions

H-25(E) Mortgage Loan Transaction Closing Disclosure - Sample of Refinance Transaction

H-25(F) Mortgage Loan Transaction Closing Disclosure - Sample of Refinance Transaction (19(e)(3) violation)

H-25(G) Mortgage Loan Transaction Closing Disclosure - Sample of Refinance Transaction with Financed Closing Costs

H-25(H) Mortgage Loan Transaction Closing Disclosure – Modification to Closing Cost Details

H-25(I) Mortgage Loan Transaction Closing Disclosure – Modification to Closing Disclosure for Disclosure Provided to Seller

H-25(J) Mortgage Loan Transaction Closing Disclosure – Modification to Closing Disclosure for Transaction Not Involving Seller

H-26(A) Mortgage Loan Transaction – Pre-Loan Estimate Statement

H-26(B) Mortgage Loan Transaction – Pre-Loan Estimate Statement on Worksheet

H-27(A) Mortgage Loan Transaction – Written List of Providers

H-27(B) Mortgage Loan Transaction – Sample of Written List of Providers

H-27(C) Mortgage Loan Transaction – Sample of Written List of Providers with Services You Cannot Shop For ◀

\* \* \* \* \*

H-13 ► Closed-End Transaction ◀ [Mortgage] with Demand Feature Sample

Mortgage Savings and Loan Assoc.

Date: April 15, 1981

Glenn Jones  
700 Oak Drive  
Little Creek, USA

ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	Amount Financed The amount of credit provided to you or on your behalf.	Total of Payments The amount you will have paid after you have made all payments as scheduled.
14.85 %	\$ 156,551.54	\$ 44,605.66	\$ 201,157.20

Your payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due
360	\$ 558.77	Monthly beginning 6/1/81

This obligation has a demand feature.

You may obtain property insurance from anyone you want that is acceptable to Mortgage Savings and Loan Assoc.. If you get the insurance from Mortgage Savings and Loan Assoc. you will pay \$ 150/year

Security: You are giving a security interest in:

- the goods or property being purchased.  
 \_\_\_\_\_

Late Charge: If a payment is late, you will be charged \$ N/A 5 % of the payment.

Prepayment: If you pay off early, you may have to pay a penalty.

\* \* \* \* \*

H-15 ► Closed-End ◀ Graduated Payment ► Transaction ◀ [Mortgage] Sample

<b>Convenient Savings and Loan</b>		Account number: 4862-88	
Michael Jones 500 Walnut Court, Little Creek USA			
<b>ANNUAL PERCENTAGE RATE</b> The cost of your credit as a yearly rate.	<b>FINANCE CHARGE</b> The dollar amount the credit will cost you	<b>Amount Financed</b> The amount of credit provided to you or on your behalf	<b>Total of Payments</b> The amount you will have paid after you have made all payments as scheduled
15.37 %	\$ 177,970.44	\$ 43,777	\$ 221,548.44
Your payment schedule will be:			
Number of Payments	Amount of Payments	When Payments Are Due	
12	\$ 446.62	monthly beginning 6/1/81	
12	\$ 479.67	"	" 6/1/82
12	\$ 515.11	"	" 6/1/83
12	\$ 553.13	"	" 6/1/84
12	\$ 593.91	"	" 6/1/85
300	} varying from \$637.68 to \$627.37	"	" 6/1/86
Security: You are giving a security interest in the property being purchased.			
Late Charge: If a payment is late, you will be charged 5% of the payment.			
Prepayment: If you pay off early, you			
<input checked="" type="checkbox"/> may	<input type="checkbox"/> will not	have to pay a penalty	
<input checked="" type="checkbox"/> may	<input type="checkbox"/> will not	be entitled to a refund of part of the finance charge.	

\* \* \* \* \*

► H-24(A) Mortgage Loan Transaction Loan Estimate - Blank

*Description:* This is a blank Loan Estimate that illustrates the application of the content requirements in § 1026.37. This form provides two variations of page one, four variations of page two, and eight variations of page three, reflecting the variable content requirements in § 1026.37.

Save this Loan Estimate to compare with your Closing Disclosure.

## Loan Estimate

DATE ISSUED  
APPLICANTS

PROPERTY  
SALE PRICE

LOAN TERM  
PURPOSE  
PRODUCT  
LOAN TYPE  Conventional  FHA  VA  \_\_\_\_\_  
LOAN ID #  
RATE LOCK  NO  YES, until  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on*

Loan Terms	Can this amount increase after closing?
Loan Amount	
Interest Rate	
Monthly Principal & Interest <i>See Projected Payments Below for Your Total Monthly Payment</i>	
	Does the loan have these features?
Prepayment Penalty	
Balloon Payment	

Projected Payments									
Payment Calculation									
Principal & Interest									
Mortgage Insurance									
Estimated Escrow <i>Amount Can Increase Over Time</i>									
Estimated Total Monthly Payment									
Estimated Taxes, Insurance & Assessments <i>Amount Can Increase Over Time</i>	<table border="0"> <tr> <td><b>This estimate includes</b></td> <td><b>In escrow?</b></td> </tr> <tr> <td><input type="checkbox"/> Property Taxes</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Homeowner's Insurance</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table> <p><i>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</i></p>	<b>This estimate includes</b>	<b>In escrow?</b>	<input type="checkbox"/> Property Taxes		<input type="checkbox"/> Homeowner's Insurance		<input type="checkbox"/> Other:	
<b>This estimate includes</b>	<b>In escrow?</b>								
<input type="checkbox"/> Property Taxes									
<input type="checkbox"/> Homeowner's Insurance									
<input type="checkbox"/> Other:									

Cash to Close	
Estimated Cash to Close	Includes _____ in Closing Costs ( _____ in Loan Costs + _____ in Other Costs – _____ in Lender Credits). See details on page 2.

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

Save this Loan Estimate to compare with your Closing Disclosure.

## Loan Estimate

DATE ISSUED  
APPLICANTS

PROPERTY  
EST. PROP. VALUE

LOAN TERM  
PURPOSE  
PRODUCT  
LOAN TYPE  Conventional  FHA  VA  \_\_\_\_\_  
LOAN ID #  
RATE LOCK  NO  YES, until  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on*

Loan Terms	Can this amount increase after closing?
Loan Amount	
Interest Rate	
Monthly Principal & Interest <i>See Projected Payments Below for Your Total Monthly Payment</i>	
	Does the loan have these features?
Prepayment Penalty	
Balloon Payment	

Projected Payments											
Payment Calculation											
Principal & Interest											
Mortgage Insurance											
Estimated Escrow <i>Amount Can Increase Over Time</i>											
Estimated Total Monthly Payment											
Estimated Taxes, Insurance & Assessments <i>Amount Can Increase Over Time</i>	<table border="0"> <tr> <td><b>This estimate includes</b></td> <td><b>In escrow?</b></td> </tr> <tr> <td><input type="checkbox"/> Property Taxes</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Homeowner's Insurance</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> <tr> <td colspan="2"><i>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</i></td> </tr> </table>	<b>This estimate includes</b>	<b>In escrow?</b>	<input type="checkbox"/> Property Taxes		<input 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>	
<b>This estimate includes</b>	<b>In escrow?</b>										
<input type="checkbox"/> Property Taxes											
<input 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>											

Cash to Close	
Estimated Cash to Close	Includes _____ in Closing Costs ( _____ in Loan Costs + _____ in Other Costs – _____ in Lender Credits). See details on page 2.

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

## Closing Cost Details

### Loan Costs

#### A. Origination Charges

% of Loan Amount (Points)

#### B. Services You Cannot Shop For

#### C. Services You Can Shop For

#### D. TOTAL LOAN COSTS (A + B + C)

### Other Costs

#### E. Taxes and Other Government Fees

Recording Fees and Other Taxes  
Transfer Taxes

#### F. Prepays

Homeowner's Insurance Premium ( \_\_ months)  
Mortgage Insurance Premium ( \_\_ months)  
Prepaid Interest (      per day for      days @      )  
Property Taxes ( \_\_ months)

#### G. Initial Escrow Payment at Closing

Homeowner's Insurance	per month for	mo.
Mortgage Insurance	per month for	mo.
Property Taxes	per month for	mo.

#### H. Other

#### I. TOTAL OTHER COSTS (E + F + G + H)

#### J. TOTAL CLOSING COSTS

D + I  
Lender Credits

### Calculating Cash to Close

Total Closing Costs (J)  
Closing Costs Financed (Included in Loan Amount)  
Down Payment/Funds from Borrower  
Deposit  
Funds for Borrower  
Seller Credits  
Adjustments and Other Credits

#### Estimated Cash to Close

## Closing Cost Details

### Loan Costs

#### A. Origination Charges

% of Loan Amount (Points)

#### B. Services You Cannot Shop For

#### C. Services You Can Shop For

#### D. TOTAL LOAN COSTS (A + B + C)

### Adjustable Payment (AP) Table

Interest Only Payments?	
Optional Payments?	
Step Payments?	
Seasonal Payments?	
<b>Monthly Principal and Interest Payments</b>	
First Change/Amount	
Subsequent Changes	
Maximum Payment	

LOAN ESTIMATE

### Other Costs

#### E. Taxes and Other Government Fees

Recording Fees and Other Taxes  
Transfer Taxes

#### F. Prepays

Homeowner's Insurance Premium ( \_\_ months)  
Mortgage Insurance Premium ( \_\_ months)  
Prepaid Interest (      per day for      days @      )  
Property Taxes ( \_\_ months)

#### G. Initial Escrow Payment at Closing

Homeowner's Insurance	per month for	mo.
Mortgage Insurance	per month for	mo.
Property Taxes	per month for	mo.

#### H. Other

#### I. TOTAL OTHER COSTS (E + F + G + H)

#### J. TOTAL CLOSING COSTS

D + I  
Lender Credits

### Calculating Cash to Close

Total Closing Costs (J)  
Closing Costs Financed (Included in Loan Amount)  
Down Payment/Funds from Borrower  
Deposit  
Funds for Borrower  
Seller Credits  
Adjustments and Other Credits

#### Estimated Cash to Close

### Adjustable Interest Rate (AIR) Table

Index + Margin
Initial Interest Rate
Minimum/Maximum Interest Rate
<b>Change Frequency</b>
First Change
Subsequent Changes
<b>Limits on Interest Rate Changes</b>
First Change
Subsequent Changes

PAGE 2 OF 3 - LOAN ID #

## Closing Cost Details

### Loan Costs

#### A. Origination Charges

% of Loan Amount (Points)

#### B. Services You Cannot Shop For

#### C. Services You Can Shop For

#### D. TOTAL LOAN COSTS (A + B + C)

### Adjustable Payment (AP) Table

Interest Only Payments?	
Optional Payments?	
Step Payments?	
Seasonal Payments?	
<b>Monthly Principal and Interest Payments</b>	
First Change/Amount	
Subsequent Changes	
Maximum Payment	

LOAN ESTIMATE

### Other Costs

#### E. Taxes and Other Government Fees

Recording Fees and Other Taxes  
Transfer Taxes

#### F. Prepays

Homeowner's Insurance Premium ( \_\_ months)  
Mortgage Insurance Premium ( \_\_ months)  
Prepaid Interest (      per day for      days @      )  
Property Taxes ( \_\_ months)

#### G. Initial Escrow Payment at Closing

Homeowner's Insurance	per month for	mo.
Mortgage Insurance	per month for	mo.
Property Taxes	per month for	mo.

#### H. Other

#### I. TOTAL OTHER COSTS (E + F + G + H)

#### J. TOTAL CLOSING COSTS

D + I  
Lender Credits

### Calculating Cash to Close

Total Closing Costs (J)	
Closing Costs Financed (Included in Loan Amount)	
Down Payment/Funds from Borrower	
Deposit	
Funds for Borrower	
Seller Credits	
Adjustments and Other Credits	
<b>Estimated Cash to Close</b>	

PAGE 2 OF 3 - LOAN ID #



## Closing Cost Details

### Loan Costs

#### A. Origination Charges

% of Loan Amount (Points)

#### B. Services You Cannot Shop For

#### C. Services You Can Shop For

#### D. TOTAL LOAN COSTS (A + B + C)

### Other Costs

#### E. Taxes and Other Government Fees

Recording Fees and Other Taxes  
Transfer Taxes

#### F. Prepays

Homeowner's Insurance Premium ( \_\_ months)  
Mortgage Insurance Premium ( \_\_ months)  
Prepaid Interest (      per day for      days @      )  
Property Taxes ( \_\_ months)

#### G. Initial Escrow Payment at Closing

Homeowner's Insurance	per month for	mo.
Mortgage Insurance	per month for	mo.
Property Taxes	per month for	mo.

#### H. Other

#### I. TOTAL OTHER COSTS (E + F + G + H)

#### J. TOTAL CLOSING COSTS

D + I  
Lender Credits

### Calculating Cash to Close

Total Closing Costs (J)  
Closing Costs Financed (Included in Loan Amount)  
Down Payment/Funds from Borrower  
Deposit  
Funds for Borrower  
Seller Credits  
Adjustments and Other Credits

#### Estimated Cash to Close

### Adjustable Interest Rate (AIR) Table

Index + Margin  
Initial Interest Rate  
Minimum/Maximum Interest Rate

#### Change Frequency

First Change  
Subsequent Changes

#### Limits on Interest Rate Changes

First Change  
Subsequent Changes

## Additional Information About This Loan

LENDER  
NMLS/LICENSE ID  
LOAN OFFICER  
NMLS ID  
EMAIL  
PHONE

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

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

### Other Considerations

<b>Appraisal</b>	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.
<b>Assumption</b>	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 type="checkbox"/> will not allow this person to assume this loan on the original terms.
<b>Homeowner's Insurance</b>	This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
<b>Late Payment</b>	If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
<b>Loan Acceptance</b>	You do not have to accept this loan because you have received this form or signed a loan application.
<b>Refinance</b>	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.
<b>Servicing</b>	We intend <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input type="checkbox"/> to transfer servicing of your loan.

## Additional Information About This Loan

LENDER  
NMLS/LICENSE ID  
LOAN OFFICER  
NMLS ID  
EMAIL  
PHONE

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

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

### Other Considerations

<b>Appraisal</b>	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.
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<b>Homeowner's Insurance</b>	This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
<b>Late Payment</b>	If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
<b>Refinance</b>	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.
<b>Servicing</b>	We intend <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input type="checkbox"/> 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  
NMLS/LICENSE ID  
LOAN OFFICER  
NMLS ID  
EMAIL  
PHONE

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

### Comparisons

Use these measures to compare this loan with other loans.

<b>In 5 Years</b>	Total you will have paid in principal, interest, mortgage insurance, and loan costs. Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

### Other Considerations

<b>Assumption</b>	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 type="checkbox"/> will not allow this person to assume this loan on the original terms.
<b>Late Payment</b>	If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
<b>Refinance</b>	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.
<b>Servicing</b>	We intend <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input type="checkbox"/> 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

LOAN ESTIMATE

PAGE 3 OF 3 • LOAN ID #

## Additional Information About This Loan

---

LENDER  
NMLS/LICENSE ID  
LOAN OFFICER  
NMLS ID  
EMAIL  
PHONE

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

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

### Other Considerations

<b>Assumption</b>	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 type="checkbox"/> will not allow this person to assume this loan on the original terms.
<b>Late Payment</b>	If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
<b>Loan Acceptance</b>	You do not have to accept this loan because you have received this form or signed a loan application.
<b>Refinance</b>	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.
<b>Servicing</b>	We intend <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input type="checkbox"/> to transfer servicing of your loan.

## Additional Information About This Loan

LENDER  
NMLS/LICENSE ID  
LOAN OFFICER  
NMLS ID  
EMAIL  
PHONE

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

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

### Other Considerations

<b>Appraisal</b>	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.
<b>Assumption</b>	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 type="checkbox"/> will not allow this person to assume this loan on the original terms.
<b>Homeowner's Insurance</b>	This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
<b>Late Payment</b>	If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
<b>Loan Acceptance</b>	You do not have to accept this loan because you have received this form or signed a loan application.
<b>Liability after Foreclosure</b>	Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may be liable for debt remaining after foreclosure. You may want to consult a lawyer for more information.
<b>Refinance</b>	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.
<b>Servicing</b>	We intend <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input type="checkbox"/> to transfer servicing of your loan.

## Additional Information About This Loan

LENDER  
NMLS/LICENSE ID  
LOAN OFFICER  
NMLS ID  
EMAIL  
PHONE

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

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

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<b>Homeowner's Insurance</b>	This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
<b>Late Payment</b>	If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
<b>Liability after Foreclosure</b>	Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may be liable for debt remaining after foreclosure. You may want to consult a lawyer for more information.
<b>Refinance</b>	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.
<b>Servicing</b>	We intend <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input type="checkbox"/> 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

LOAN ESTIMATE

PAGE 3 OF 3 • LOAN ID #

## Additional Information About This Loan

LENDER  
NMLS/LICENSE ID  
LOAN OFFICER  
NMLS ID  
EMAIL  
PHONE

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

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

### Other Considerations

<b>Assumption</b>	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 type="checkbox"/> will not allow this person to assume this loan on the original terms.
<b>Late Payment</b>	If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
<b>Liability after Foreclosure</b>	Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may be liable for debt remaining after foreclosure. You may want to consult a lawyer for more information.
<b>Refinance</b>	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.
<b>Servicing</b>	We intend <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input type="checkbox"/> 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  
 NMLS/LICENSE ID  
 LOAN OFFICER  
 NMLS ID  
 EMAIL  
 PHONE

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

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

Other Considerations	
<b>Assumption</b>	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 type="checkbox"/> will not allow this person to assume this loan on the original terms.
<b>Late Payment</b>	If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
<b>Liability after Foreclosure</b>	Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may be liable for debt remaining after foreclosure. You may want to consult a lawyer for more information.
<b>Loan Acceptance</b>	You do not have to accept this loan because you have received this form or signed a loan application.
<b>Refinance</b>	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.
<b>Servicing</b>	We intend <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input type="checkbox"/> to transfer servicing of your loan.

H-24(B) Mortgage Loan Transaction Loan Estimate – Fixed-Rate Loan Sample

*Description:* This is an example of a completed Loan Estimate for a fixed-rate loan. This loan is for the purchase of property at a sale price of \$180,000 and has a loan amount of

\$162,000, a 30-year loan term, and a fixed interest rate of 3.875 percent. The consumer has elected to lock the interest rate. The creditor requires an escrow account and that the consumer pay for private mortgage insurance.

## FICUS BANK

4321 Random Boulevard • Somers, CT 06083

Save this Loan Estimate to compare with your Closing Disclosure.

### Loan Estimate

**DATE ISSUED** 7/23/2012  
**APPLICANTS** John A. and Mary B.  
 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 9/21/12 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 8/6/12 at 5:00 p.m. EDT*

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$162,000	NO
<b>Interest Rate</b>	3.875%	NO
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments Below for Your Total Monthly Payment</i>	\$761.78	NO
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>	NO	
<b>Balloon Payment</b>	NO	

Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow <i>Amount Can Increase Over Time</i>	+ 206	+ 206
<b>Estimated Total Monthly Payment</b>	<b>\$1,050</b>	<b>\$968</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount Can Increase Over Time</i>	\$206 a month	<b>This estimate includes</b> <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>
		<b>In escrow?</b> YES YES

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

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

## Closing Cost Details

### Loan Costs

<b>A. Origination Charges</b>	<b>\$1,802</b>
.25 % of Loan Amount (Points)	\$405
Application Fee	\$300
Underwriting Fee	\$1,097

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

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

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$5,672</b>
----------------------------------------	----------------

### Other Costs

<b>E. Taxes and Other Government Fees</b>	<b>\$85</b>
Recording Fees and Other Taxes	\$85
Transfer Taxes	\$0

<b>F. Prepays</b>	<b>\$867</b>
Homeowner's Insurance Premium ( <u>6</u> months)	\$605
Mortgage Insurance Premium ( <u>0</u> months)	\$0
Prepaid Interest ( \$17.44 per day for 15 days @ 3.875%)	\$262
Property Taxes ( <u>0</u> months)	\$0

<b>G. Initial Escrow Payment at Closing</b>	<b>\$413</b>
Homeowner's Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo.	
Property Taxes \$105.30 per month for 2 mo.	\$211

<b>H. Other</b>	<b>\$1,017</b>
Title – Owner's Title Policy (optional)	\$1,017

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$2,382</b>
---------------------------------------------	----------------

<b>J. TOTAL CLOSING COSTS</b>	<b>\$8,054</b>
D + I	\$8,054
Lender Credits	\$0

### Calculating Cash to Close

Total Closing Costs (J)	\$8,054
Closing Costs Financed (Included in 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
<b>Estimated Cash to Close</b>	<b>\$16,054</b>

## Additional Information About This Loan

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

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

Comparisons	Use these measures to compare this loan with other loans.	
<b>In 5 Years</b>	\$56,582	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$15,773	Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	4.494%	Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	69.447%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

### Other Considerations

<b>Appraisal</b>	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.
<b>Assumption</b>	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.
<b>Homeowner's Insurance</b>	This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
<b>Late Payment</b>	If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
<b>Refinance</b>	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.
<b>Servicing</b>	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.

### 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 \_\_\_\_\_

## H-24(C) Mortgage Loan Transaction Loan Estimate - Interest Only Adjustable-Rate Loan

### Sample

*Description:* This is an example of a completed Loan Estimate for an adjustable-rate loan with interest-only payments. This loan is for the purchase of property at a sale price of \$240,000 and has a loan amount of \$211,000 and a 30-year loan term. For the first five years of the loan term, the scheduled payments cover only interest and the loan has an adjustable interest rate that is fixed at 4.375 percent. After five years, the payments include principal and the interest rate adjusts every three years based on the value of the London Interbank Offered Rate plus a margin of 4.00 percent. The consumer has elected to lock the interest rate. The creditor requires an escrow account and that the consumer pay for private mortgage insurance.

# FICUS BANK

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

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

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
<b>Estimated Total Monthly Payment</b>	<b>\$1,409</b>	<b>\$1,873–\$2,182</b>	<b>\$1,873–\$2,262</b>	<b>\$1,766–\$2,155</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount Can Increase Over Time</i>	\$533 a month	<b>This estimate includes</b> <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>		<b>In escrow?</b> <b>YES</b> <b>YES</b>

Cash to Close	
<b>Estimated Cash to Close</b>	<b>\$31,587</b> Includes <b>\$8,587</b> 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](http://www.consumerfinance.gov/learnmore) for general information and tools.

## Closing Cost Details

### Loan Costs

<b>A. Origination Charges</b>	<b>\$2,850</b>
% of Loan Amount (Points)	\$0
Application Fee	\$400
Loan Origination Fee	\$2,450

<b>B. Services You Cannot Shop For</b>	<b>\$820</b>
Appraisal Fee	\$305
Credit Report Fee	\$30
Flood Determination Fee	\$35
Lender's Attorney	\$400
Tax Status Research Fee	\$50

<b>C. Services You Can Shop For</b>	<b>\$857</b>
Pest Inspection Fee	\$125
Survey Fee	\$150
Title - Lender's Title Policy	\$132
Title - Settlement Agent Fee	\$300
Title - Title Search	\$150

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$4,527</b>
----------------------------------------	----------------

### Adjustable Payment (AP) Table

Interest Only Payments?	YES for your first 60 payments
Optional Payments?	NO
Step Payments?	NO
Seasonal Payments?	NO

<b>Monthly Principal and Interest Payments</b>	
First Change/Amount	\$1,233 - \$1,542 at 61st payment
Subsequent Changes	Every three years
Maximum Payment	\$1,622 starting at 108th payment

LOAN ESTIMATE

### Other Costs

<b>E. Taxes and Other Government Fees</b>	<b>\$152</b>
Recording Fees and Other Taxes	\$152
Transfer Taxes	\$0

<b>F. Prepays</b>	<b>\$1,205</b>
Homeowner's Insurance Premium ( _12_ months)	\$1,000
Mortgage Insurance Premium ( _0_ months)	\$0
Prepaid Interest (\$25.64 per day for 8 days @ 4.375%)	\$205
Property Taxes ( _0_ months)	\$0

<b>G. Initial Escrow Payment at Closing</b>	<b>\$1,067</b>
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

<b>H. Other</b>	<b>\$1,636</b>
Title - Owner's Title Policy (optional)	\$1,636

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$4,060</b>
---------------------------------------------	----------------

<b>J. TOTAL CLOSING COSTS</b>	<b>\$8,587</b>
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
<b>Estimated Cash to Close</b>	<b>\$31,587</b>

### Adjustable Interest Rate (AIR) Table

Index + Margin	LIBOR + 4%
Initial Interest Rate	4.375%
Minimum/Maximum Interest Rate	5%/8%

<b>Change Frequency</b>	
First Change	Beginning of 61st month
Subsequent Changes	Every 36th month after first change

<b>Limits on Interest Rate Changes</b>	
First Change	3%
Subsequent Changes	3%

PAGE 2 OF 3 • LOAN ID # 123456789

## Additional Information About This Loan

<b>LENDER</b>	Ficus Bank	<b>MORTGAGE BROKER</b>	Pecan Mortgage Broker Inc.
<b>NMLS/LICENSE ID</b>		<b>NMLS/LICENSE ID</b>	222222
<b>LOAN OFFICER</b>	Joe Smith	<b>LOAN OFFICER</b>	Jane Jones
<b>NMLS ID</b>	12345	<b>NMLS ID</b>	67890
<b>EMAIL</b>	jsmith@ficusbank.com	<b>EMAIL</b>	jjones@pecanmortgagebroker.com
<b>PHONE</b>	111-222-3333	<b>PHONE</b>	333-444-5555

Comparisons	Use these measures to compare this loan with other loans.
<b>In 5 Years</b>	\$57,324 Total you will have paid in principal, interest, mortgage insurance, and loan costs. \$0 Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	5.231% Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	99.104% The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Other Considerations	
<b>Appraisal</b>	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.
<b>Assumption</b>	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.
<b>Homeowner's Insurance</b>	This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
<b>Late Payment</b>	If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
<b>Loan Acceptance</b>	You do not have to accept this loan because you have received this form or signed a loan application.
<b>Refinance</b>	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.
<b>Servicing</b>	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.

## H-24(D) Mortgage Loan Transaction Loan Estimate – Refinance Sample

*Description:* This is an example of a completed Loan Estimate for a transaction that is for a refinance and includes a prepayment penalty equal to 2.00 percent of the principal amount



prepaid for the first two years after consummation of the transaction. The consumer estimated the balance of the existing loan to be \$121,000.

## FICUS BANK

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

### Loan Estimate

**DATE ISSUED** 7/23/2012  
**APPLICANTS** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**PROPERTY** 123 Anywhere Street  
 Anytown, ST 12345  
**EST. PROP. VALUE** \$135,000

**LOAN TERM** 15 years  
**PURPOSE** Refinance  
**PRODUCT** Fixed Rate  
**LOAN TYPE**  Conventional  FHA  VA   
**LOAN ID #** 123456789  
**RATE LOCK**  NO  YES

*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on: 8/6/2012 at 5:00 p.m. EDT*

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$121,000	NO
<b>Interest Rate</b>	3.375%	NO
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments Below for Your Total Monthly Payment</i>	\$857.60	NO
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>	YES • As high as \$2,420 if you pay off the loan during the first 2 years	
<b>Balloon Payment</b>	NO	

Projected Payments		
Payment Calculation	Years 1-3	Years 4-15
Principal & Interest	\$857.60	\$857.60
Mortgage Insurance	+ 77	+ —
Estimated Escrow <i>Amount Can Increase Over Time</i>	+ 309	+ 309
<b>Estimated Total Monthly Payment</b>	<b>\$1,244</b>	<b>\$1,167</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount Can Increase Over Time</i>	\$415 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: HOA <i>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</i>
		<b>In escrow?</b> YES YES NO

Cash to Close	
<b>Estimated Cash to Close</b>	\$7,397 Includes \$7,397 in Closing Costs ( \$4,385 in Loan Costs + \$3,012 in Other Costs - \$0 in Lender Credits). See details on page 2.

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

## Closing Cost Details

### Loan Costs

<b>A. Origination Charges</b>	<b>\$1,810</b>
1 % of Loan Amount (Points)	\$1,210
Origination Fee	\$600

<b>B. Services You Cannot Shop For</b>	<b>\$535</b>
Appraisal Fee	\$250
Appraisal Management Company Fee	\$200
Credit Report Fee	\$40
Flood Determination Fee	\$45

<b>C. Services You Can Shop For</b>	<b>\$2,040</b>
Pest Inspection Fee	\$100
Survey Fee	\$125
Title – Search	\$400
Title – Lender's Title Policy	\$1,115
Title – Settlement Agent Fee	\$300

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$4,385</b>
----------------------------------------	----------------

### Other Costs

<b>E. Taxes and Other Government Fees</b>	<b>\$1,555</b>
Recording Fees and Other Taxes	\$130
Transfer Taxes	\$1,425

<b>F. Prepays</b>	<b>\$687</b>
Homeowner's Insurance Premium ( <u>6</u> months)	\$519
Mortgage Insurance Premium ( <u>0</u> months)	\$0
Prepaid Interest ( \$11.19 per day for 15 days @ 3.375%)	\$168
Property Taxes ( <u>0</u> months)	\$0

<b>G. Initial Escrow Payment at Closing</b>	<b>\$770</b>
Homeowner's Insurance	\$86.50 per month for 2 mo. \$173
Mortgage Insurance	\$76.63 per month for 2 mo. \$153
Property Taxes	\$222.00 per month for 2 mo. \$444

<b>H. Other</b>	<b>\$0</b>
-----------------	------------

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$3,012</b>
---------------------------------------------	----------------

<b>J. TOTAL CLOSING COSTS</b>	<b>\$7,397</b>
D + I	\$7,397
Lender Credits	\$0

### Calculating Cash to Close

Total Closing Costs (J)	\$7,397
Closing Costs Financed (Included in Loan Amount)	\$0
Down Payment/Funds from Borrower	\$0
Deposit	\$0
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
<b>Estimated Cash to Close</b>	<b>\$7,397</b>

## Additional Information About This Loan

<b>LENDER</b>	Ficus Bank	<b>MORTGAGE BROKER</b>	Pecan Mortgage Broker Inc.
<b>NMLS/LICENSE ID</b>		<b>NMLS/LICENSE ID</b>	222222
<b>LOAN OFFICER</b>	Joe Smith	<b>LOAN OFFICER</b>	Jane Jones
<b>NMLS ID</b>	12345	<b>NMLS ID</b>	67890
<b>EMAIL</b>	joesmith@ficusbank.com	<b>EMAIL</b>	jjones@pecanmortgagebroker.com
<b>PHONE</b>	123-456-7890	<b>PHONE</b>	333-444-5555

Comparisons	Use these measures to compare this loan with other loans.	
<b>In 5 Years</b>	\$58,461	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$33,758	Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	4.439%	Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	27.72%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

### Other Considerations

<b>Appraisal</b>	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.
<b>Assumption</b>	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.
<b>Homeowner's Insurance</b>	This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
<b>Late Payment</b>	If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
<b>Loan Acceptance</b>	You do not have to accept this loan because you have received this form or signed a loan application.
<b>Liability after Foreclosure</b>	Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may be liable for debt remaining after foreclosure. You may want to consult a lawyer for more information.
<b>Refinance</b>	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.
<b>Servicing</b>	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.

H-24(E) Mortgage Loan Transaction Loan Estimate - Balloon Payment Sample

*Description:* This is an example of the information required by § 1026.37(a) through (c) for a transaction with a loan term of 7 years that includes a final balloon payment.

**FICUS BANK**

4321 Random Boulevard • Somers, CT 06083

Save this Loan Estimate to compare with your Closing Disclosure.

**Loan Estimate**

**DATE ISSUED** 7/23/2012  
**APPLICANTS** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**PROPERTY** 456 Somewhere Avenue  
 Anytown, ST 12345  
**SALE PRICE** \$190,000

**LOAN TERM** 7 years  
**PURPOSE** Purchase  
**PRODUCT** Year 7 Balloon Payment Fixed Rate  
**LOAN TYPE**  Conventional  FHA  VA   
**LOAN ID #** 123456789  
**RATE LOCK**  NO  YES, until 9/21/2012 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 8/6/2012 at 5:00 p.m. EDT*

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$171,000	NO
<b>Interest Rate</b>	4.375%	NO
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments Below for Your Total Monthly Payment</i>	\$853.78	NO
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>	NO	
<b>Balloon Payment</b>	YES • You will have to pay <b>\$148,409.35</b> at the end of year 7	

Projected Payments		
Payment Calculation	Years 1-7	Final Payment
Principal & Interest	\$853.78	\$148,409.35
Mortgage Insurance	+ 87	+ —
Estimated Escrow <i>Amount Can Increase Over Time</i>	+ 309	+ —
<b>Estimated Total Monthly Payment</b>	<b>\$1,250</b>	<b>\$148,409.35</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount Can Increase Over Time</i>	<b>\$309</b> a month	<b>This estimate includes</b> <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>
		<b>In escrow?</b> YES YES

H-24(F) Mortgage Loan Transaction Loan Estimate – Negative Amortization Sample

*Description:* This is an example of the information required by § 1026.37(a) and (b) for a transaction with negative amortization.

**FICUS BANK**  
 4321 Random Boulevard • Somecity, ST 12340

*Save this Loan Estimate to compare with your Closing Disclosure.*

---

**Loan Estimate**

<p><b>DATE ISSUED</b> 7/23/2012  <b>APPLICANTS</b> John A. and Mary B.                  123 Anywhere Street                  Anytown, ST 12345  <b>PROPERTY</b> 456 Somewhere Avenue                  Anytown, ST 12345  <b>SALE PRICE</b> \$180,000</p>	<p><b>LOAN TERM</b> 30 years  <b>PURPOSE</b> Purchase  <b>PRODUCT</b> 4 year Negative Amortization 1/1 Adjustable Rate  <b>LOAN TYPE</b> <input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/> _____  <b>LOAN ID #</b> 123456789  <b>RATE LOCK</b> <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES, until 9/21/2012 at 5:00 p.m. EDT  <i>Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 8/6/2012 at 5:00 p.m. EDT</i></p>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Loan Terms		Can this amount increase after closing?
<b>Loan Amount</b>	\$171,000	<b>YES</b> <ul style="list-style-type: none"> <li>• Can go as high as \$176,032</li> <li>• Can increase until year 6</li> </ul>
<b>Interest Rate</b>	2%	<b>YES</b> <ul style="list-style-type: none"> <li>• Adjusts every year starting in year 2</li> <li>• Can go as high as 7% in year 10</li> <li>• See AIR table on page 2 for details</li> </ul>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments Below for Your Total Monthly Payment</i>	\$632.05	<b>YES</b> <ul style="list-style-type: none"> <li>• Adjusts every year starting in year 6</li> <li>• Can go as high as \$1,227 in year 10</li> <li>• See AP table on page 2 for details</li> </ul>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

H-25(A) Mortgage Loan Transaction Closing Disclosure - Blank

*Description:* This is a blank Closing Disclosure that illustrates the content requirements in § 1026.38. This form provides two variations of page one, one page two, one page three, four variations of page four, and two variations of page five, reflecting the variable content requirements in § 1026.38. This form does not reflect modifications permitted under § 1026.38(t).

# 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	Borrower	Loan Term
Closing Date		Purpose
Disbursement Date	Seller	Product
Agent		Loan Type <input type="checkbox"/> Conventional <input type="checkbox"/> FHA
File #	Lender	<input type="checkbox"/> VA <input type="checkbox"/> _____
Property		Loan ID #
Sale Price		MIC #

Loan Terms	Can this amount increase after closing?
Loan Amount	
Interest Rate	
Monthly Principal & Interest <i>See Projected Payments Below for Your Total Monthly Payment</i>	
	Does the loan have these features?
Prepayment Penalty	
Balloon Payment	

Projected Payments											
Payment Calculation											
Principal & Interest											
Mortgage Insurance											
Estimated Escrow <i>Amount Can Increase Over Time</i>											
Estimated Total Monthly Payment											
Estimated Taxes, Insurance & Assessments <i>Amount Can Increase Over Time See Details on Page 4</i>	<table border="0"> <tr> <td><b>This estimate includes</b></td> <td><b>In escrow?</b></td> </tr> <tr> <td><input type="checkbox"/> Property Taxes</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Homeowner's Insurance</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> <tr> <td colspan="2"><i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i></td> </tr> </table>	<b>This estimate includes</b>	<b>In escrow?</b>	<input type="checkbox"/> Property Taxes		<input type="checkbox"/> Homeowner's Insurance		<input type="checkbox"/> Other:		<i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>	
<b>This estimate includes</b>	<b>In escrow?</b>										
<input type="checkbox"/> Property Taxes											
<input type="checkbox"/> Homeowner's Insurance											
<input type="checkbox"/> Other:											
<i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>											

Cash to Close	
Cash to Close	Includes _____ in Closing Costs ( _____ in Loan Costs + _____ in Other Costs - _____ in Lender Credits). See details on page 2.

# Closing Disclosure

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

<b>Closing Information</b>	<b>Transaction Information</b>	<b>Loan Information</b>
Date Issued	<b>Borrower</b>	<b>Loan Term</b>
Closing Date		<b>Purpose</b>
Disbursement Date		<b>Product</b>
Agent	<b>Lender</b>	<b>Loan Type</b> <input type="checkbox"/> Conventional <input type="checkbox"/> FHA
File #		<input type="checkbox"/> VA <input type="checkbox"/> _____
Property		<b>Loan ID #</b>
<b>Appraised Prop. Value</b>		<b>MIC #</b>

<b>Loan Terms</b>	<b>Can this amount increase after closing?</b>
<b>Loan Amount</b>	
<b>Interest Rate</b>	
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments Below for Your Total Monthly Payment</i>	
	<b>Does the loan have these features?</b>
<b>Prepayment Penalty</b>	
<b>Balloon Payment</b>	

<b>Projected Payments</b>											
<b>Payment Calculation</b>											
Principal & Interest											
Mortgage Insurance											
Estimated Escrow <i>Amount Can Increase Over Time</i>											
<b>Estimated Total Monthly Payment</b>											
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount Can Increase Over Time See Details on Page 4</i>	<table border="0"> <tr> <td><b>This estimate includes</b></td> <td><b>In escrow?</b></td> </tr> <tr> <td><input type="checkbox"/> Property Taxes</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Homeowner's Insurance</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> <tr> <td colspan="2"><i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i></td> </tr> </table>	<b>This estimate includes</b>	<b>In escrow?</b>	<input type="checkbox"/> Property Taxes		<input type="checkbox"/> Homeowner's Insurance		<input type="checkbox"/> Other:		<i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>	
<b>This estimate includes</b>	<b>In escrow?</b>										
<input type="checkbox"/> Property Taxes											
<input type="checkbox"/> Homeowner's Insurance											
<input type="checkbox"/> Other:											
<i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>											

<b>Cash to Close</b>	
<b>Cash to Close</b>	Includes _____ in Closing Costs ( _____ in Loan Costs + _____ in Other Costs - _____ in Lender Credits). See details on page 2.

## Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
<b>A. Origination Charges</b>					
01 % of Loan Amount (Points)					
02					
03					
04					
05					
06					
07					
08					
<b>B. Services Borrower Did Not Shop For</b>					
01					
02					
03					
04					
05					
06					
07					
08					
09					
10					
<b>C. Services Borrower Did Shop For</b>					
01					
02					
03					
04					
05					
06					
07					
08					
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>					
Loan Costs Subtotals (A + B + C)					
<b>Other Costs</b>					
<b>E. Taxes and Other Government Fees</b>					
01 Recording Fees Deed: Mortgage:					
02					
<b>F. Prepays</b>					
01 Homeowner's Insurance Premium ( mo.)					
02 Mortgage Insurance Premium ( mo.)					
03 Prepaid Interest per day from to					
04 Property Taxes ( mo.)					
05					
<b>G. Initial Escrow Payment at Closing</b>					
01 Homeowner's Insurance per month for mo.					
02 Mortgage Insurance per month for mo.					
03 Property Taxes per month for mo.					
04					
05					
06					
07					
08 Aggregate Adjustment					
<b>H. Other</b>					
01					
02					
03					
04					
05					
06					
07					
08					
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>					
Other Costs Subtotals (E + F + G + H)					
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>					
Closing Costs Subtotals (D + I)					
Lender Credits					



**Calculating Cash to Close**

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

	Estimate	Final	Did this change?
Total Closing Costs (J)			
Closing Costs Paid Before Closing			
Closing Costs Financed (Included in Loan Amount)			
Down Payment/Funds from Borrower			
Deposit			
Funds for Borrower			
Seller Credits			
Adjustments and Other Credits			
<b>Cash to Close</b>			

**Summaries of Transactions**

Use this table to see a summary of your transaction.

**BORROWER'S TRANSACTION****K. Due from Borrower at Closing**

01 Sale Price of Property  
 02 Sale Price of Any Personal Property Included in Sale  
 03 Closing Costs Paid at Closing (J)  
 04

**Adjustments**

05  
 06  
 07

**Adjustments for Items Paid by Seller in Advance**

08 City/Town Taxes to  
 09 County Taxes to  
 10 Assessments to  
 11 HOA Dues to  
 12  
 13  
 14  
 15

**L. Paid Already by or on Behalf of Borrower at Closing**

01 Deposit  
 02 Borrower's Loan Amount  
 03 Existing Loan(s) Assumed or Taken Subject to  
 04  
 05 Seller Credit

**Other Credits**

06  
 07

**Adjustments**

08  
 09  
 10  
 11

**Adjustments for Items Unpaid by Seller**

12 City/Town Taxes to  
 13 County Taxes to  
 14 Assessments to  
 15  
 16  
 17

**CALCULATION**

Total Due from Borrower at Closing (K)  
 Total Paid Already by or on Behalf of Borrower at Closing (L)

Cash to Close  From  To Borrower**SELLER'S TRANSACTION****M. Due to Seller at Closing**

01 Sale Price of Property  
 02 Sale Price of Any Personal Property Included in Sale  
 03  
 04  
 05

06  
 07  
 08

**Adjustments for Items Paid by Seller in Advance**

09 City/Town Taxes to  
 10 County Taxes to  
 11 Assessments to  
 12 HOA Dues to  
 13  
 14  
 15  
 16

**N. Due from Seller at Closing**

01 Excess Deposit  
 02 Closing Costs Paid at Closing (J)  
 03 Existing Loan(s) Assumed or Taken Subject to  
 04 Payoff of First Mortgage Loan  
 05 Payoff of Second Mortgage Loan  
 06  
 07

**Seller Credit**

08  
 09  
 10  
 11  
 12  
 13

**Adjustments for Items Unpaid by Seller**

14 City/Town Taxes to  
 15 County Taxes to  
 16 Assessments to  
 17  
 18  
 19

**CALCULATION**

Total Due to Seller at Closing (M)  
 Total Due from Seller at Closing (N)

Cash  From  To Seller

## 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 assumption of this loan.

#### 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 Payment

Your lender will

- accept payments that are less than the full amount due (partial payments). Partial payments will be applied:

- not accept partial payments.

If this loan is sold, your new lender may have a different policy.

#### Security Interest

You are granting a security interest in \_\_\_\_\_

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		Estimated total amount over year 1 for your escrowed property costs:
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs: You may have other property costs.
Initial Payment		A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Payment		The amount included in your total monthly payment.

- will not have an escrow account because  you declined it  your lender does not require or 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.

## Additional Information About This Loan

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### Adjustable Payment (AP) Table

Interest Only Payments?	
Optional Payments?	
Step Payments?	
Seasonal Payments?	
<b>Monthly Principal and Interest Payments</b>	
First Change/Amount	
Subsequent Changes	
Maximum Payment	

CLOSING DISCLOSURE

#### Escrow Account

For now, your loan

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### Adjustable Interest Rate (AIR) Table

Index + Margin
Initial Interest Rate
Minimum/Maximum Interest Rate
<b>Change Frequency</b>
First Change
Subsequent Changes
<b>Limits on Interest Rate Changes</b>
First Change
Subsequent Changes

PAGE 4 OF 5 - LOAN ID #

## Additional Information About This Loan

### Loan Disclosures

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Optional Payments?	
Step Payments?	
Seasonal Payments?	
<b>Monthly Principal and Interest Payments</b>	
First Change/Amount	
Subsequent Changes	
Maximum Payment	

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### Adjustable Interest Rate (AIR) Table

Index + Margin

Initial Interest Rate

Minimum/Maximum Interest Rate

Change Frequency

First Change

Subsequent Changes

Limits on Interest Rate Changes

First Change

Subsequent Changes

**Loan Calculations**

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	
<b>Finance Charge.</b> The dollar amount the loan will cost you.	
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	
<b>Approximate Cost of Funds (ACF).</b> The approximate cost of the funds used to make this loan. This is not a direct cost to you.	

**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 be liable for debt remaining after the 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 and costs on this form, contact your lender. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

**Contact Information**

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
<b>Name</b>					
<b>Address</b>					
<b>NMLS/ License ID</b>					
<b>Contact</b>					
<b>Contact NMLS/ License ID</b>					
<b>Email</b>					
<b>Phone</b>					

**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**

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	
<b>Finance Charge.</b> The dollar amount the loan will cost you.	
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	
<b>Approximate Cost of Funds (ACF).</b> The approximate cost of the funds used to make this loan. This is not a direct cost to you.	

**Other Disclosures****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 be liable for debt remaining after the foreclosure. You may want to consult a lawyer for more information.
- state law does not protect you from liability for the unpaid balance.

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**Questions?** If you have questions about the loan terms and costs on this form, contact your lender. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

**Contact Information**

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
<b>Name</b>					
<b>Address</b>					
<b>NMLS/ License ID</b>					
<b>Contact</b>					
<b>Contact NMLS/ License ID</b>					
<b>Email</b>					
<b>Phone</b>					

**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

CLOSING DISCLOSURE

PAGE 5 OF 5 - LOAN ID #

## H-25(B) Mortgage Loan Transaction Closing Disclosure - Fixed-Rate Loan Sample

*Description:* This is an example of a completed Closing Disclosure for the fixed-rate loan illustrated by form H-24(B). The purpose, sale price, loan amount, loan term, and interest rate

have not changed from the estimates provided on the Loan Estimate. The creditor requires an escrow account and that the consumer pay for private mortgage insurance for the transaction.

## 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	
<b>Date Issued</b>	9/10/2012	<b>Borrower</b>	John A. and Mary B. 123 Anywhere Street Anytown, ST 12345	<b>Loan Term</b>	30 years
<b>Closing Date</b>	9/14/2012			<b>Purpose</b>	Purchase
<b>Disbursement Date</b>	9/14/2012	<b>Seller</b>	Steve C. and Amy D. 321 Somewhere Drive Anytown, ST 12345	<b>Product</b>	Fixed Rate
<b>Agent</b>	Epsilon Title Co.			<b>Loan Type</b>	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA
<b>File #</b>	12-3456	<b>Lender</b>	Ficus Bank		<input type="checkbox"/> VA <input type="checkbox"/>
<b>Property</b>	456 Somewhere Ave Anytown, ST 12345			<b>Loan ID #</b>	123456789
<b>Sale Price</b>	\$180,000			<b>MIC #</b>	000654321

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$162,000	NO
<b>Interest Rate</b>	3.875%	NO
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments Below for Your Total Monthly Payment</i>	\$761.78	NO
	<b>Does the loan have these features?</b>	
<b>Prepayment Penalty</b>		NO
<b>Balloon Payment</b>		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
<b>Estimated Total Monthly Payment</b>		<b>\$1,050.26</b>	<b>\$967.91</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount Can Increase Over Time See Details on Page 4</i>	\$356.13 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: Homeowner's Association <i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>	<b>In escrow?</b> <b>YES</b> <b>YES</b> <b>NO</b>

Cash to Close	
<b>Cash to Close</b>	<b>\$14,272.35</b> Includes \$9,729.54 in Closing Costs (\$4,694.05 in Loan Costs + \$5,035.49 in Other Costs - \$0 in Lender Credits). See details on page 2.



## Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$1,802.00</b>				
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>B. Services Borrower Did Not Shop For</b>	<b>\$236.55</b>				
01 Appraisal Fee to John Smith Appraisers Inc.					\$405.00
02 Credit Report Fee to Information Inc.		\$29.80			
03 Flood Determination Fee to Info Co.	\$20.00				
04 Flood Monitoring Fee to Info Co.	\$31.75				
05 Tax Monitoring Fee to Info Co.	\$75.00				
06 Tax Status Research Fee to Info Co.	\$80.00				
07					
08					
09					
10					
<b>C. Services Borrower Did Shop For</b>	<b>\$2,655.50</b>				
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 - Title Search to Epsilon Title Co.	\$800.00				
06 Title - Settlement Agent Fee to Epsilon Title Co.	\$500.00				
07					
08					
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$4,694.05</b>				
Loan Costs Subtotals (A + B + C)	\$4,664.25	\$29.80			
<b>Other Costs</b>					
<b>E. Taxes and Other Government Fees</b>	<b>\$85.00</b>				
01 Recording Fees Deed: \$40.00 Mortgage: \$45.00	\$85.00				
02 State Transfer Tax			\$950.00		
<b>F. Prepays</b>	<b>\$2,138.24</b>				
01 Homeowner's Insurance Premium ( 12 mo.) to Insurance Co.	\$1,209.96				
02 Mortgage Insurance Premium ( mo.)					
03 Prepaid Interest \$17.44 per day from 9/14/12 to 10/1/12	\$296.48				
04 Property Taxes ( 6 mo.) to Any County USA	\$631.80				
05					
<b>G. Initial Escrow Payment at Closing</b>	<b>\$412.25</b>				
01 Homeowner's Insurance \$100.83 per month for 2 mo.	\$201.66				
02 Mortgage Insurance per month for mo.					
03 Property Taxes \$105.30 per month for 2 mo.	\$210.60				
04					
05					
06					
07					
08 Aggregate Adjustment	-0.01				
<b>H. Other Costs</b>	<b>\$2,400.00</b>				
01 Real Estate Commission to Alpha Real Estate Broker			\$700.00		
02 Real Estate Commission to Omega Real Estate Broker			\$700.00		
03 Title - Owner's Title Insurance to Epsilon Title Co.	\$1,000.00				
04 HOA Capital Contribution to HOA Acre Inc.	\$500.00				
05 HOA Dues Oct. 2012 to HOA Acre Inc.	\$150.00				
06 Home Inspection Fee to Engineers Inc.	\$750.00			\$750.00	
07 Home Warranty Fee to XYZ Warranty Inc.			\$450.00		
08					
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$5,035.49</b>				
Other Costs Subtotal (E + F + G + H)	\$5,035.49				
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$9,729.54</b>				
Closing Costs Subtotals (D + I)	\$9,699.74	\$29.80	\$2,800.00	\$750.00	\$405.00
Lender Credits					

**Calculating Cash to Close**

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

	Estimate	Final	Did this change?
Total Closing Costs (J)	\$8,054.00	\$9,729.54	YES - See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	-\$29.80	YES - You paid these Closing Costs before closing
Closing Costs Financed (Included in 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			NO
Seller Credits	\$0	-\$2,500.00	YES - See Seller Credits in Section L
Adjustments and Other Credits	\$0	-\$927.39	YES - See details in Sections K and L
<b>Cash to Close</b>	<b>\$16,054.00</b>	<b>\$14,272.35</b>	

**Summaries of Transactions**

Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION		SELLER'S TRANSACTION	
<b>K. Due from Borrower at Closing</b>	<b>\$189,784.74</b>	<b>M. Due to Seller at Closing</b>	<b>\$180,085.00</b>
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)	\$9,699.74	03	
04		04	
<b>Adjustments</b>		05	
05		06	
06		07	
07		08	
<b>Adjustments for Items Paid by Seller in Advance</b>		<b>Adjustments for Items Paid by Seller in Advance</b>	
08 City/Town Taxes to		09 City/Town Taxes to	
09 County Taxes to		10 County Taxes to	
10 Assessments to		11 Assessments to	
11 HOA Dues 9/14/12 to 9/30/12	\$85.00	12 HOA Dues 9/14/12 to 9/30/12	\$85.00
12		13	
13		14	
14		15	
15		16	
<b>L. Paid Already by or on Behalf of Borrower at Closing</b>	<b>\$175,512.39</b>	<b>N. Due from Seller at Closing</b>	<b>\$115,562.39</b>
01 Deposit	\$10,000.00	01 Excess Deposit	\$10,000.00
02 Borrower's Loan Amount	\$162,000.00	02 Closing Costs Paid at Closing (J)	\$2,800.00
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	
<b>Other Credits</b>		06	
06 Rebate from Epsilon Title Co.	\$750.00	07	
07		08 Seller Credit	\$2,500.00
<b>Adjustments</b>		09	
08		10	
09		11	
10		12	
11		13	
<b>Adjustments for Items Unpaid by Seller</b>		<b>Adjustments for Items Unpaid by Seller</b>	
12 City/Town Taxes 7/1/12 to 9/14/12	\$262.39	14 City/Town Taxes 7/1/12 to 9/14/12	\$262.39
13 County Taxes to		15 County Taxes to	
14 Assessments to		16 Assessments to	
15		17	
16		18	
17		19	
<b>CALCULATION</b>		<b>CALCULATION</b>	
Total Due from Borrower at Closing (K)	\$189,784.74	Total Due to Seller at Closing (M)	\$180,085.00
Total Paid Already by or on Behalf of Borrower at Closing (L)	\$175,512.39	Total Due from Seller at Closing (N)	\$115,562.39
<b>Cash to Close</b> <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	<b>\$14,272.35</b>	<b>Cash</b> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	<b>\$64,522.61</b>

## 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 assumption of this loan.

#### 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 Payment

Your lender will

- accept payments that are less than the full amount due (partial payments). Partial payments will be applied:

- not accept 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 Payment	\$412.25	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly 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 require or 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.

**Loan Calculations**

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$292,420.88
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$123,997.58
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$156,964.47
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.441%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.468%
<b>Approximate Cost of Funds (ACF).</b> The approximate cost of the funds used to make this loan. This is not a direct cost to you.	1.63%

**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 be liable for debt remaining after the 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 and costs on this form, contact your lender. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

**Contact Information**

	<b>Lender</b>	<b>Mortgage Broker</b>	<b>Real Estate Broker (B)</b>	<b>Real Estate Broker (S)</b>	<b>Settlement Agent</b>
<b>Name</b>	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
<b>NMLS/ License ID</b>			Z765416	Z61456	Z61616
<b>Contact</b>	Joe S.		Samuel G.	Joseph C.	Sarah A.
<b>Contact NMLS/ License ID</b>	12345		P16415	P51461	PT1234
<b>Email</b>	joesmith@ ficusbank.com		sam@omegare.biz	joe@alphare.biz	sarah@ epsilontitle.com
<b>Phone</b>	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

CLOSING DISCLOSURE

PAGE 5 OF 5 • LOAN ID # 123456789

H-25(C) Mortgage Loan Transaction Closing Disclosure - Sample of Borrower Funds from Second-Lien Loan in Summaries of Transactions

*Description:* This is an example of the information required on the Closing Disclosure by § 1026.38(j) for disclosure of consumer funds from a simultaneous second-lien credit transaction not otherwise disclosed pursuant to § 1026.38(j)(2)(iii) or (iv) that is used to finance part of the purchase price of the property subject to the transaction.

Summaries of Transactions		Use this table to see a summary of your transaction.	
<b>BORROWER'S TRANSACTION</b>		<b>SELLER'S TRANSACTION</b>	
<b>K. Due from Borrower at Closing</b>		<b>M. Due to Seller at Closing</b>	
01	Sale Price of Property	01	Sale Price of Property
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 (I)	03	
04		04	
<b>Adjustments</b>		<b>Adjustments for Items Paid by Seller in Advance</b>	
05		09	City/Town Taxes to
06		10	County Taxes to
07		11	Assessments to
<b>Adjustments for Items Paid by Seller in Advance</b>		12	HOA Dues to
08	City/Town Taxes to	13	
09	County Taxes to	14	
10	Assessments to	15	
11	HOA Dues to	16	
12		<b>N. Due from Seller at Closing</b>	
13		01	Excess Deposit
14		02	Closing Costs Paid at Closing (J)
15		03	Existing Loan(s) Assumed or Taken Subject to
<b>L. Paid Already by or on Behalf of Borrower at Closing</b>		04	Payoff of First Mortgage Loan
01	Deposit	05	Payoff of Second Mortgage Loan
02	Borrower's Loan Amount	06	
03	Existing Loan(s) Assumed or Taken Subject to	07	
04	Second Loan (Principal Balance \$100,000) <span style="float: right;">\$96,500.00</span>	08	Seller Credit
05	Seller Credit	09	
<b>Other Credits</b>		10	
06		11	
07		12	
<b>Adjustments</b>		13	
08		<b>Adjustments for Items Unpaid by Seller</b>	
09		14	City/Town Taxes to
10		15	County Taxes to
11		16	Assessments to
<b>Adjustments for Items Unpaid by Seller</b>		17	
12	City/Town Taxes to	18	
13	County Taxes to	19	
14	Assessments to	<b>CALCULATION</b>	
15		<b>Total Due from Borrower at Closing (K)</b>	
16		<b>Total Paid Already by or on Behalf of Borrower at Closing (L)</b>	
17		<b>Cash to Close <input type="checkbox"/> From <input type="checkbox"/> To Borrower</b>	
<b>CALCULATION</b>		<b>Total Due to Seller at Closing (M)</b>	
<b>Total Due from Borrower at Closing (K)</b>		<b>Total Due from Seller at Closing (N)</b>	
<b>Total Paid Already by or on Behalf of Borrower at Closing (L)</b>		<b>Cash <input type="checkbox"/> From <input type="checkbox"/> To Seller</b>	
<b>Cash to Close <input type="checkbox"/> From <input type="checkbox"/> To Borrower</b>			

H-25(D) Mortgage Loan Transaction Closing Disclosure - Sample of Borrower Satisfaction of Seller's Second-Lien Loan Outside of Closing in Summaries of Transactions

*Description:* This is an example of the information required on the Closing Disclosure by § 1026.38(j) and (k) for the satisfaction of a junior-lien transaction by the consumer, which was not paid from closing funds.

Summaries of Transactions		Use this table to see a summary of your transaction.	
<b>BORROWER'S TRANSACTION</b>		<b>SELLER'S TRANSACTION</b>	
<b>K. Due from Borrower at Closing</b>		<b>M. Due to Seller at Closing</b>	
01	Sale Price of Property	01	Sale Price of Property
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)	03	
04		04	
<b>Adjustments</b>		<b>Adjustments</b>	
05		05	
06		06	
07		07	
<b>Adjustments for Items Paid by Seller in Advance</b>		<b>Adjustments for Items Paid by Seller in Advance</b>	
08	City/Town Taxes to	09	City/Town Taxes to
09	County Taxes to	10	County Taxes to
10	Assessments to	11	Assessments to
11	HOA Dues to	12	HOA Dues to
12		13	
13		14	
14		15	
15		16	
<b>L. Paid Already by or on Behalf of Borrower at Closing</b>		<b>N. Due from Seller at Closing</b>	
01	Deposit	01	Excess Deposit
02	Borrower's Loan Amount	02	Closing Costs Paid at Closing (J)
03	Existing Loan(s) Assumed or Taken Subject to	03	Existing Loan(s) Assumed or Taken Subject to
04	Satisfaction of Junior Lien \$5,000 P.O.C. Borrower	04	Payoff of First Mortgage Loan
05	Seller Credit	05	Payoff of Second Mortgage Loan
<b>Other Credits</b>		06	Satisfaction of Junior Lien \$5,000 P.O.C. Borrower
06		07	
07		08	Seller Credit
<b>Adjustments</b>		09	
08		10	
09		11	
10		12	
11		13	
<b>Adjustments for Items Unpaid by Seller</b>		<b>Adjustments for Items Unpaid by Seller</b>	
12	City/Town Taxes to	14	City/Town Taxes to
13	County Taxes to	15	County Taxes to
14	Assessments to	16	Assessments to
15		17	
16		18	
17		19	
<b>CALCULATION</b>		<b>CALCULATION</b>	
Total Due from Borrower at Closing (K)		Total Due to Seller at Closing (M)	
Total Paid Already by or on Behalf of Borrower at Closing (L)		Total Due from Seller at Closing (N)	
Cash to Close <input type="checkbox"/> From <input type="checkbox"/> To Borrower		Cash <input type="checkbox"/> From <input type="checkbox"/> To Seller	

H-25(E) Mortgage Loan Transaction Closing Disclosure - Sample of Refinance Transaction

*Description:* This is an example of a completed Closing Disclosure for the refinance transaction illustrated by form H-24(D). The purpose, loan amount, loan term, interest rate, and

prepayment penalty have not changed from the estimates provided on the Loan Estimate. The creditor requires an escrow account and that the consumer pay for private mortgage insurance for the transaction.

## 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	
<b>Date Issued</b>	9/04/2012	<b>Borrower</b>	John A. and Mary B. 123 Anywhere Street Anytown, ST 12345	<b>Loan Term</b>	15 years
<b>Closing Date</b>	9/10/2012	<b>Lender</b>	Ficus Bank	<b>Purpose</b>	Refinance
<b>Disbursement Date</b>	9/14/2012			<b>Product</b>	Fixed Rate
<b>Agent</b>	Zeta Title			<b>Loan Type</b>	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/> _____
<b>File #</b>	12-3456			<b>Loan ID #</b>	123456789
<b>Property</b>	123 Anywhere Street Anytown, ST 12345			<b>MIC #</b>	000009876543
<b>Appraised Prop. Value</b>	\$135,000				

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$121,000	NO
<b>Interest Rate</b>	3.375%	NO
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments Below for Your Total Monthly Payment</i>	\$857.60	NO
<b>Prepayment Penalty</b>	<b>Does the loan have these features?</b> <b>YES</b> • As high as \$2,420 if you pay off the loan during the first 2 years	
<b>Balloon Payment</b>	NO	

Projected Payments			
Payment Calculation	Years 1-3		Years 4-15
Principal & Interest	\$857.60		\$857.60
Mortgage Insurance	+	76.63	+ —
Estimated Escrow <i>Amount Can Increase Over Time</i>	+	308.50	+ 308.50
<b>Estimated Total Monthly Payment</b>	<b>\$1,242.73</b>		<b>\$1,166.10</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount Can Increase Over Time See Details on Page 4</i>	\$408.50 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: HOA <i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>	<b>In escrow?</b> <b>YES</b> <b>YES</b> <b>NO</b>

Cash to Close	
<b>Cash to Close</b>	<b>\$4,925.66</b> Includes <b>\$7,419.48</b> in Closing Costs (\$4,385.00 in Loan Costs + \$3,034.48 in Other Costs – \$0 in Lender Credits). See details on page 2.

## Closing Cost Details

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$1,810.00</b>		
01 1 % of Loan Amount (Points)	\$1,210.00		
02 Origination Fee	\$600.00		
03			
04			
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>	<b>\$2,350.00</b>		
01 Appraisal Fee to Value, Inc.	\$200.00		
02 Appraisal Management Co. Fee to Vendors, Inc.	\$250.00		
03 Credit Report Fee to Info, Inc.		\$40.00	
04 Flood Determination Fee to Info, Inc.	\$45.00		
05 Title - Title Search to Zeta Title	\$400.00		
06 Title - Lender's Title Policy to Zeta Title	\$1,115.00		
07 Title - Settlement Agent Fee to Zeta Title	\$300.00		
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>	<b>\$225.00</b>		
01 Pest Inspection Fee to Pest, LLC	\$100.00		
02 Survey Fee to Survey, LLC	\$125.00		
03			
04			
05			
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$4,385.00</b>		
Loan Costs Subtotals (A + B + C)	\$4,345.00	\$40.00	
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>	<b>\$1,555.00</b>		
01 Recording Fees Deed: Mortgage: \$130.00	\$130.00		
02 Transfer Tax to Any County	\$1,425.00		
<b>F. Prepays</b>	<b>\$709.23</b>		
01 Homeowner's Insurance Premium ( 6 mo.) to Eta Insurance Co.	\$519.00		
02 Mortgage Insurance Premium ( mo.)			
03 Prepaid Interest \$11.19 per day from 9/14/2012 to 10/1/2012	\$190.23		
04 Property Taxes ( mo.)			
05			
<b>G. Initial Escrow Payment at Closing</b>	<b>\$770.25</b>		
01 Homeowner's Insurance \$86.50 per month for 2 mo.	\$173.00		
02 Mortgage Insurance \$76.63 per month for 2 mo.	\$153.26		
03 Property Taxes \$222.00 per month for 2 mo.	\$444.00		
04			
05			
06			
07			
08 Aggregate Adjustment	-\$0.01		
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$3,034.48</b>		
Other Costs Subtotal (E + F + G + H)	\$3,034.48		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$7,419.48</b>		
Closing Costs Subtotals (D + I)	\$7,379.48	\$40.00	
Lender Credits			



**Calculating Cash to Close**

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

	Estimate	Final	Did this change?
Total Closing Costs (J)	\$7,397.00	\$7,419.48	<b>YES</b> - See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	-\$40.00	<b>YES</b> - You paid these costs <b>before</b> closing
Closing Costs Financed (Included in Loan Amount)	\$0	\$0	<b>NO</b>
Down Payment/Funds from Borrower	\$0	\$0	<b>NO</b>
Funds for Borrower	\$0	-\$2,453.82	<b>YES</b> - After the disbursements below, the funds available to you <b>have increased</b>
<b>Cash to Close</b>	<b>\$7,397.00</b>	<b>\$4,925.66</b>	

**Disbursements to Others**

Use this table to see a list of payments from your loan funds.

TO	AMOUNT
01 Rho Servicing to pay off existing loan	\$118,546.18
02	
03	
04	
05	
06	
07	
08	
09	
10	
11	
12	
13	
14	
15	
<b>Total Disbursement to Others</b>	<b>\$118,546.18</b>

## 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 assumption of this loan.

#### 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 Payment

Your lender will

- accept payments that are less than the full amount due (partial payments). Partial payments will be applied:
  - in this order to: 1. accrued interest, 2. principal balance.

- not accept partial payments.

If this loan is sold, your new lender may have a different policy.

#### Security Interest

You are granting a security interest in \_\_\_\_\_

123 Anywhere Street, 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	\$3,702.00	Estimated total amount over year 1 for your escrowed property costs: Property Taxes, Homeowner's Insurance
Non-Escrowed Property Costs over Year 1	\$1,200.00	Estimated total amount over year 1 for your non-escrowed property costs: HOA Fees You may have other property costs.
Initial Payment	\$770.25	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Payment	\$385.13	The amount included in your total monthly payment.

- will not have an escrow account because  you declined it  your lender does not require or 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.

**Loan Calculations**

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$161,406.58
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$41,961.57
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$114,705.33
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.443%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	27.74%
<b>Approximate Cost of Funds (ACF).</b> The approximate cost of the funds used to make this loan. This is not a direct cost to you.	1.63%

**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 be liable for debt remaining after the 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 and costs on this form, contact your lender. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

**Contact Information**

	<b>Lender</b>	<b>Mortgage Broker</b>	<b>Settlement Agent</b>
<b>Name</b>	Ficus Bank	Pecan Mortgage Broker Inc.	Zeta Title
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340	222222	321 Uptown Dr. Anytown, ST 12345
<b>NMLS/ License ID</b>			P76821
<b>Contact</b>	Joe S.	Jane B.	Joan T.
<b>Contact NMLS/ License ID</b>	12345	54321	
<b>Email</b>	joesmith@ficusbank.com	janeb@pecanmortgagebroker.com	joan@zt.biz
<b>Phone</b>	123-456-7890	333-444-5555	555-321-9876

**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

H-25(F) Mortgage Loan Transaction Closing Disclosure - Sample of Refinance Transaction  
(19(e)(3) violation)

*Description:* This is an example of a completed Closing Disclosure for the refinance transaction illustrated by form H-24(D). The Closing Costs have increased in violation of § 1026.19(e)(3) by \$100, for which the creditor has provided a credit.

# 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	
<b>Date Issued</b>	9/04/2012	<b>Borrower</b>	John A. and Mary B.	<b>Loan Term</b>	15 years
<b>Closing Date</b>	9/10/2012		123 Anywhere Street	<b>Purpose</b>	Refinance
<b>Disbursement Date</b>	9/14/2012	<b>Lender</b>	Anytown, ST 12345	<b>Product</b>	Fixed Rate
<b>Agent</b>	Zeta Title		Ficus Bank	<b>Loan Type</b>	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA
<b>File #</b>	12-3456				<input type="checkbox"/> VA <input type="checkbox"/>
<b>Property</b>	123 Anywhere Street			<b>Loan ID #</b>	123456789
	Anytown, ST 12345			<b>MIC #</b>	000009876543
<b>Appraised Prop. Value</b>	\$135,000				

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$121,000	NO
<b>Interest Rate</b>	3.375%	NO
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments Below for Your Total Monthly Payment</i>	\$857.60	NO
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		NO
<b>Balloon Payment</b>		NO

Projected Payments			
Payment Calculation	Years 1-3		Years 4-15
Principal & Interest		\$857.60	\$857.60
Mortgage Insurance	+	76.63	+ —
Estimated Escrow <i>Amount Can Increase Over Time</i>	+	308.50	+ 308.50
<b>Estimated Total Monthly Payment</b>		<b>\$1,242.73</b>	<b>\$1,166.10</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount Can Increase Over Time See Details on Page 4</i>	\$408.50 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: HOA <i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>	<b>In escrow?</b> <b>YES</b> <b>YES</b> <b>NO</b>

Cash to Close	
<b>Cash to Close</b>	\$4,675.66 Includes <b>\$7,169.48</b> in Closing Costs (\$4,385.00 in Loan Costs + \$3,134.48 in Other Costs - \$350.00 in Lender Credits). See details on page 2.

## Closing Cost Details

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$1,810.00</b>		
01 1 % of Loan Amount (Points)	\$1,210.00		
02 Origination Fee	\$600.00		
03			
04			
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>	<b>\$2,350.00</b>		
01 Appraisal Fee to Value, Inc.	\$200.00		
02 Appraisal Management Co. Fee to Vendors, Inc.	\$250.00		
03 Credit Report Fee to Info, Inc.		\$40.00	
04 Flood Determination Fee to Info, Inc.	\$45.00		
05 Title - Title Search to Zeta Title	\$400.00		
06 Title - Lender's Title Policy to Zeta Title	\$1,115.00		
07 Title - Settlement Agent Fee to Zeta Title	\$300.00		
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>	<b>\$225.00</b>		
01 Pest Inspection Fee to Pest, LLC	\$100.00		
02 Survey Fee to Survey, LLC	\$125.00		
03			
04			
05			
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$4,385.00</b>		
Loan Costs Subtotals (A + B + C)	\$4,345.00	\$40.00	
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>	<b>\$1,655.00</b>		
01 Recording Fees Deed: Mortgage: \$130.00	\$130.00		
02 Transfer Tax to Any County	\$1,525.00		
<b>F. Prepays</b>	<b>\$709.23</b>		
01 Homeowner's Insurance Premium ( 6 mo.) to Eta Insurance Co.	\$519.00		
02 Mortgage Insurance Premium ( mo.)			
03 Prepaid Interest \$11.19 per day from 9/14/2012 to 10/1/2012	\$190.23		
04 Property Taxes ( mo.)			
05			
<b>G. Initial Escrow Payment at Closing</b>	<b>\$770.25</b>		
01 Homeowner's Insurance \$86.50 per month for 2 mo.	\$173.00		
02 Mortgage Insurance \$76.63 per month for 2 mo.	\$153.26		
03 Property Taxes \$222.00 per month for 2 mo.	\$444.00		
04			
05			
06			
07			
08 Aggregate Adjustment		-\$0.01	
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$3,134.48</b>		
Other Costs Subtotal (E + F + G + H)	\$3,134.48		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$7,169.48</b>		
Closing Costs Subtotals (D + I)	\$7,479.48	\$40.00	
Lender Credits		-\$350.00	

**Calculating Cash to Close**

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

	Estimate	Final	Did this change?
Total Closing Costs (I)	\$7,397.00	\$7,169.48	<b>YES</b> - See Total Loan Costs (D) and Total Other Costs (H) - Increase exceeds legal limits by \$100
Closing Costs Paid Before Closing	\$0	-\$40.00	<b>YES</b> - You paid these Closing Costs <b>before closing</b>
Closing Costs Financed (Included in Loan Amount)	\$0	\$0	<b>NO</b>
Down Payment/Funds from Borrower	\$0	\$0	<b>NO</b>
Funds for Borrower	\$0	-\$2,453.82	<b>YES</b> - After the disbursements below, the funds available to you <b>have increased</b>
<b>Cash to Close</b>	<b>\$7,397.00</b>	<b>\$4,675.66</b>	

**Disbursements to Others**

Use this table to see a list of payments from your loan funds.

TO	AMOUNT
01 Rho Servicing to pay off existing loan	\$118,546.18
02	
03	
04	
05	
06	
07	
08	
09	
10	
11	
12	
13	
14	
15	
<b>Total Disbursement to Others</b>	<b>\$118,546.18</b>

## 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 assumption of this loan.

#### 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 Payment

Your lender will

- accept payments that are less than the full amount due (partial payments). Partial payments will be applied:

- not accept partial payments.

If this loan is sold, your new lender may have a different policy.

#### Security Interest

You are granting a security interest in \_\_\_\_\_

123 Anywhere Street, 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	\$3,702.00	Estimated total amount over year 1 for your escrowed property costs: Property Taxes, Homeowner's Insurance
Non-Escrowed Property Costs over Year 1	\$1,200.00	Estimated total amount over year 1 for your non-escrowed property costs: HOA Fees You may have other property costs.
Initial Payment	\$770.25	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Payment	\$385.13	The amount included in your total monthly payment.

- will not have an escrow account because  you declined it  your lender does not require or 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.



**Loan Calculations**

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$161,406.58
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$41,700.38
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$114,966.52
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.409%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	27.74%
<b>Approximate Cost of Funds (ACF).</b> The approximate cost of the funds used to make this loan. This is not a direct cost to you.	1.63%

**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 be liable for debt remaining after the 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 and costs on this form, contact your lender. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

**Contact Information**

	<b>Lender</b>	<b>Mortgage Broker</b>	<b>Settlement Agent</b>
<b>Name</b>	Ficus Bank	Pecan Mortgage Broker Inc.	Zeta Title
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340	222222	321 Uptown Dr. Anytown, ST 12345
<b>NMLS/ License ID</b>			P76821
<b>Contact</b>	Joe S.	Jane B.	Joan T.
<b>Contact NMLS/ License ID</b>	12345	54321	
<b>Email</b>	joesmith@ficusbank.com	janeb@pecanmortgagebroker.com	joan@zt.biz
<b>Phone</b>	123-456-7890	333-444-5555	555-321-9876

**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

H-25(G) Mortgage Loan Transaction Closing Disclosure - Sample of Refinance Transaction with  
Financed Closing Costs

*Description:* This is an example of a completed Closing Disclosure for the refinance transaction illustrated by form H-24(D). The consumer has financed \$4,500 of the Closing Costs in the Loan Amount.

# 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	
<b>Date Issued</b>	9/04/2012	<b>Borrower</b>	John A. and Mary B.	<b>Loan Term</b>	15 years
<b>Closing Date</b>	9/10/2012		123 Anywhere Street	<b>Purpose</b>	Refinance
<b>Disbursement Date</b>	9/14/2012	<b>Lender</b>	Anytown, ST 12345	<b>Product</b>	Fixed Rate
<b>Agent</b>	Zeta Title		Ficus Bank	<b>Loan Type</b>	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA
<b>File #</b>	12-3456				<input type="checkbox"/> VA <input type="checkbox"/>
<b>Property</b>	123 Anywhere Street			<b>Loan ID #</b>	123456789
	Anytown, ST 12345			<b>MIC #</b>	00009876543
<b>Appraised Prop. Value</b>	\$135,000				

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$125,500	NO
<b>Interest Rate</b>	3.375%	NO
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments Below for Your Total Monthly Payment</i>	\$889.49	NO
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		NO
<b>Balloon Payment</b>		NO

Projected Payments			
Payment Calculation	Years 1-3		Years 4-15
Principal & Interest		\$889.49	\$889.49
Mortgage Insurance	+	79.48	+ —
Estimated Escrow <i>Amount Can Increase Over Time</i>	+	308.50	+ 308.50
<b>Estimated Total Monthly Payment</b>		<b>\$1,277.47</b>	<b>\$1,197.99</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount Can Increase Over Time See Details on Page 4</i>	\$408.50 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: HOA <i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>	<b>In escrow?</b> <b>YES</b> <b>YES</b> <b>NO</b>

Cash to Close	
<b>Cash to Close</b>	\$577.33 Includes \$7,571.15 in Closing Costs (\$4,471.00 in Loan Costs + \$3,100.15 in Other Costs – \$0 in Lender Credits). See details on page 2.

## Closing Cost Details

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$1,855.00</b>		
01 1 % of Loan Amount (Points)	\$1,255.00		
02 Origination Fee	\$600.00		
03			
04			
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>	<b>\$2,391.00</b>		
01 Appraisal Fee to Value, Inc.	\$200.00		
02 Appraisal Management Co. Fee to Vendors, Inc.	\$250.00		
03 Credit Report Fee to Info, Inc.		\$40.00	
04 Flood Determination Fee to Info, Inc.	\$45.00		
05 Title - Title Search to Zeta Title	\$400.00		
06 Title - Lender's Title Policy to Zeta Title	\$1,156.00		
07 Title - Settlement Agent Fee to Zeta Title	\$300.00		
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>	<b>\$225.00</b>		
01 Pest Inspection Fee to Pest, LLC	\$100.00		
02 Survey Fee to Survey, LLC	\$125.00		
03			
04			
05			
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$4,471.00</b>		
Loan Costs Subtotals (A + B + C)	\$4,431.00	\$40.00	
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>	<b>\$1,608.00</b>		
01 Recording Fees Deed: Mortgage: \$130.00	\$130.00		
02 Transfer Tax to Any County	\$1,478.00		
<b>F. Prepays</b>	<b>\$716.20</b>		
01 Homeowner's Insurance Premium ( 6 mo.) to Eta Insurance Co.	\$519.00		
02 Mortgage Insurance Premium ( mo.)			
03 Prepaid Interest \$11.60 per day from 9/14/2012 to 10/1/2012	\$197.20		
04 Property Taxes ( mo.)			
05			
<b>G. Initial Escrow Payment at Closing</b>	<b>\$775.95</b>		
01 Homeowner's Insurance \$86.50 per month for 2 mo.	\$173.00		
02 Mortgage Insurance \$79.48 per month for 2 mo.	\$158.96		
03 Property Taxes \$222.00 per month for 2 mo.	\$444.00		
04			
05			
06			
07			
08 Aggregate Adjustment	-\$0.01		
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$3,100.15</b>		
Other Costs Subtotal (E + F + G + H)	\$3,100.15		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$7,571.15</b>		
Closing Costs Subtotals (D + I)	\$7,531.15	\$40.00	
Lender Credits			

**Calculating Cash to Close**

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

	Estimate	Final	Did this change?
Total Closing Costs (J)	\$7,397.00	\$7,571.15	<b>YES</b> - See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	-\$40.00	<b>YES</b> - You paid these Closing Costs <b>before closing</b>
Closing Costs Financed (Included in Loan Amount)	\$0	-\$4,500.00	<b>YES</b> - You included these Closing Costs in your Loan Amount, which <b>increased your Loan Amount</b>
Down Payment/Funds from Borrower	\$0	\$0	<b>NO</b>
Funds for Borrower	\$0	-\$2,453.82	<b>YES</b> - After the disbursements below, the funds available to you <b>have increased</b>
<b>Cash to Close</b>	<b>\$7,397.00</b>	<b>\$577.33</b>	

**Disbursements to Others**

Use this table to see a list of payments from your loan funds.

TO	AMOUNT
01 Rho Servicing to pay off existing loan	\$118,546.18
02	
03	
04	
05	
06	
07	
08	
09	
10	
11	
12	
13	
14	
15	
<b>Total Disbursement to Others</b>	<b>\$118,546.18</b>

## 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 assumption of this loan.

#### 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 Payment

Your lender will

- accept payments that are less than the full amount due (partial payments). Partial payments will be applied:

- not accept partial payments.

If this loan is sold, your new lender may have a different policy.

#### Security Interest

You are granting a security interest in \_\_\_\_\_

123 Anywhere Street, 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	\$3,702.00	Estimated total amount over year 1 for your escrowed property costs: Homeowner's Insurance, Property Taxes
Non-Escrowed Property Costs over Year 1	\$1,200.00	Estimated total amount over year 1 for your non-escrowed property costs: HOA Fees You may have other property costs.
Initial Payment	\$775.95	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Payment	\$387.98	The amount included in your total monthly payment.

- will not have an escrow account because  you declined it  your lender does not require or 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.

**Loan Calculations**

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$167,808.24
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$43,868.63
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$119,064.85
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.481%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	27.73%
<b>Approximate Cost of Funds (ACF).</b> The approximate cost of the funds used to make this loan. This is not a direct cost to you.	1.63%

**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 be liable for debt remaining after the 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 and costs on this form, contact your lender. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

**Contact Information**

	<b>Lender</b>	<b>Mortgage Broker</b>	<b>Settlement Agent</b>
<b>Name</b>	Ficus Bank	Pecan Mortgage Broker Inc.	Zeta Title
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340	222222	321 Uptown Dr. Anytown, ST 12345
<b>NMLS/ License ID</b>			P76821
<b>Contact</b>	Joe S.	Jane B.	Joan T.
<b>Contact NMLS/ License ID</b>	12345	54321	
<b>Email</b>	joesmith@ficusbank.com	janeb@pecanmortgagebroker.com	joan@zt.biz
<b>Phone</b>	123-456-7890	333-444-5555	555-321-9876

**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

H-25(H) Mortgage Loan Transaction Closing Disclosure – Modification to Closing Cost Details

*Description:* This is an example of the modification to Closing Cost Details permitted by § 1026.38(t)(5)(v).

**Closing Cost Details**

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
<b>A. Origination Charges</b>					
01 % of Loan Amount (Points)					
02					
03					
04					
05					
06					
07					
08					
09					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
<b>B. Services Borrower Did Not Shop For</b>					
01					
02					
03					
04					
05					
06					
07					
08					
09					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
<b>C. Services Borrower Did Shop For</b>					
01					
02					
03					
04					
05					
06					
07					
08					
09					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>					
Loan Costs Subtotals (A + B + C)					



### Closing Cost Details

Other Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
<b>E. Taxes and Other Government Fees</b>					
01 Recording Fees Deed: Mortgage:					
02					
03					
04					
05					
06					
07					
08					
09					
10					
11					
12					
13					
14					
<b>F. Prepays</b>					
01 Homeowner's Insurance Premium ( . mo.)					
02 Mortgage Insurance Premium ( . mo.)					
03 Prepaid Interest per day from to					
04 Property Taxes ( . mo.)					
05					
06					
07					
08					
09					
10					
11					
12					
13					
14					
<b>G. Initial Escrow Payment at Closing</b>					
01 Homeowner's Insurance per month for mo.					
02 Mortgage Insurance per month for mo.					
03 Property Taxes per month for mo.					
04					
05					
06					
07					
08					
09					
10					
11					
12					
13					
14					
<b>H. Other</b>					
01					
02					
03					
04					
05					
06					
07					
08					
09					
10					
11					
12					
13					
14					
15					
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>					
Other Costs Subtotals (E + F + G + H)					
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>					
Closing Costs Subtotals (D + I)					
Lender Credits					

H-25(I) Mortgage Loan Transaction Closing Disclosure – Modification to Closing Disclosure for Disclosure Provided to Seller

*Description:* This is an example of the modification permitted by § 1026.38(t)(5)(vii).

## Closing Disclosure

### Closing Information

Data Issued  
 Closing Date  
 Disbursement Date  
 Agent  
 File #  
 Property  
 Sale Price

### Transaction Information

Borrower  
 Seller


### Summaries of Transactions

#### SELLER'S TRANSACTION

<b>Due to Seller at Closing</b>	
01	Sale Price of Property
02	Sale Price of Any Personal Property Included in Sale
03	
04	
05	
06	
07	
08	
<b>Adjustments for Items Paid by Seller in Advance</b>	
09	City/Town Taxes to
10	County Taxes to
11	Assessments to
12	HOA Dues to
13	
14	
15	
16	
<b>Due from Seller at Closing</b>	
01	Excess Deposit
02	Closing Costs Paid at Closing (J)
03	Existing Loan(s) Assumed or Taken Subject to
04	Payoff of First Mortgage Loan
05	Payoff of Second Mortgage Loan
06	
07	
08	Seller Credit
09	
10	
11	
12	
13	
<b>Adjustments for Items Unpaid by Seller</b>	
14	City/Town Taxes to
15	County Taxes to
16	Assessments to
17	
18	
19	
<b>CALCULATION</b>	
Total Due to Seller at Closing	
Total Due from Seller at Closing	
Cash <input type="checkbox"/> From <input type="checkbox"/> To Seller	

### Contact Information

<b>REAL ESTATE BROKER (B)</b>	
Name	
Address	
Contact	
Email	
Phone	
<b>REAL ESTATE BROKER (S)</b>	
Name	
Address	
Contact	
Email	
Phone	
<b>SETTLEMENT AGENT</b>	
Name	
Address	
License ID	
Contact	
Contact License ID	
Email	
Phone	



**Questions?** To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

## Closing Cost Details

Loan Costs	Seller-Paid	
	At Closing	Before Closing
<b>A. Origination Charges</b>		
01 % of Loan Amount (Points)		
02		
03		
04		
05		
06		
07		
08		
<b>B. Services Borrower Did Not Shop For</b>		
01		
02		
03		
04		
05		
06		
07		
08		
<b>C. Services Borrower Did Shop For</b>		
01		
02		
03		
04		
05		
06		
07		
08		
<b>D. LOAN COSTS SUBTOTALS (A + B + C)</b>		
<b>Other Costs</b>		
<b>E. Taxes and Other Government Fees</b>		
01 Recording Fees	Deed:	Mortgage:
02		
<b>F. Prepays</b>		
01 Homeowner's Insurance Premium ( mo.) to		
02 Mortgage Insurance Premium ( mo.)		
03 Prepaid Interest per day from to		
04 Property Taxes ( mo.)		
05		
<b>G. Initial Escrow Payment at Closing</b>		
01 HOA/Condo/Co-op	per month for	mo.
02 Homeowner's Insurance	per month for	mo.
03 Mortgage Insurance	per month for	mo.
04 Property Taxes	per month for	mo.
05		
06		
07		
08 Aggregate Adjustment		
<b>H. Other</b>		
01		
02		
03		
04		
05		
06		
07		
08		
09		
10		
11		
12		
13		
<b>I. OTHER COSTS SUBTOTALS (E + F + G + H)</b>		
<b>J. TOTAL CLOSING COSTS (D + I)</b>		

H-25(J) Mortgage Loan Transaction Closing Disclosure – Modification to Closing Disclosure for Transaction Not Involving Seller

*Description:* This is an example of the modification permitted by § 1026.38(t)(5)(viii).

**Closing Disclosure**

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

<b>Closing Information</b>	<b>Transaction Information</b>	<b>Loan Information</b>
Data Issued	<b>Borrower</b>	<b>Loan Term</b>
Closing Date		<b>Purpose</b>
Disbursement Date		<b>Product</b>
Agent	<b>Lender</b>	<b>Loan Type</b> <input type="checkbox"/> Conventional <input type="checkbox"/> FHA
File #		<input type="checkbox"/> VA <input type="checkbox"/> _____
Property		<b>Loan ID #</b>
Appraised Prop. Value		<b>MIC #</b>

<b>Loan Terms</b>	<b>Can this amount increase after closing?</b>
<b>Loan Amount</b>	
<b>Interest Rate</b>	
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments Below for Your Total Monthly Payment</i>	
	<b>Does the loan have these features?</b>
<b>Prepayment Penalty</b>	
<b>Balloon Payment</b>	

<b>Projected Payments</b>											
<b>Payment Calculation</b>											
Principal & Interest											
Mortgage Insurance											
Estimated Escrow <i>Amount Can Increase Over Time</i>											
<b>Estimated Total Monthly Payment</b>											
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount Can Increase Over Time See Details on Page 4</i>	<table border="0"> <tr> <td><b>This estimate includes</b></td> <td><b>In escrow?</b></td> </tr> <tr> <td><input type="checkbox"/> Property Taxes</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Homeowner's Insurance</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Other: Windstorm Insurance, HOA</td> <td></td> </tr> <tr> <td colspan="2"><i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i></td> </tr> </table>	<b>This estimate includes</b>	<b>In escrow?</b>	<input type="checkbox"/> Property Taxes		<input type="checkbox"/> Homeowner's Insurance		<input type="checkbox"/> Other: Windstorm Insurance, HOA		<i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>	
<b>This estimate includes</b>	<b>In escrow?</b>										
<input type="checkbox"/> Property Taxes											
<input type="checkbox"/> Homeowner's Insurance											
<input type="checkbox"/> Other: Windstorm Insurance, HOA											
<i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>											

<b>Cash to Close</b>	
<b>Cash to Close</b>	Includes in Closing Costs ( in Loan Costs + in Other Costs – in Lender Credits). See details on page 2..

## Closing Cost Details

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>			
01 % of Loan Amount (Points)			
02			
03			
04			
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>			
01			
02			
03			
04			
05			
06			
07			
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>			
Loan Costs Subtotals (A + B + C)			
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>			
01 Recording Fees                      Deed:                      Mortgage:			
02			
<b>F. Prepays</b>			
01 Homeowner's Insurance Premium (    mo.)			
02 Mortgage Insurance Premium (    mo.)			
03 Prepaid Interest                      per day from                      to			
04 Property Taxes (    mo.)			
05			
<b>G. Initial Escrow Payment at Closing</b>			
01 Homeowner's Insurance                      per month for                      mo.			
02 Mortgage Insurance                      per month for                      mo.			
03 Property Taxes                      per month for                      mo.			
04			
05			
06			
07			
08 Aggregate Adjustment			
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>			
Other Costs Subtotals (E + F + G + H)			
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>			
Closing Costs Subtotals (D + I)			
Lender Credits			

**Calculating Cash to Close**

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

	Estimate	Final	Did this change?
Total Closing Costs (J)			
Closing Costs Paid Before Closing			
Closing Costs Financed (Included in Loan Amount)			
Down Payment/Funds from Borrower			
Funds for Borrower			
<b>Cash to Close</b>			

**Disbursements to Others**

Use this table to see a list of payments from your loan funds.

TO	AMOUNT
01	
02	
03	
04	
05	
06	
07	
08	
09	
10	
11	
12	
13	
14	
15	
<b>Total Disbursement to Others</b>	

## 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 assumption of this loan.

#### 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 Payment

Your lender will

- accept payments that are less than the full amount due (partial payments). Partial payments will be applied:

- not accept partial payments.

If this loan is sold, your new lender may have a different policy.

#### Security Interest

You are granting a security interest in \_\_\_\_\_

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		Estimated total amount over year 1 for your escrowed property costs:
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs: You may have other property costs.
Initial Payment		A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Payment		The amount included in your total monthly payment.

- will not have an escrow account because  you declined it  your lender does not require or 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.

## 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.
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Your loan

- has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
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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 Payment

Your lender will

- accept payments that are less than the full amount due (partial payments). Partial payments will be applied:

- not accept partial payments.

If this loan is sold, your new lender may have a different policy.

#### Security Interest

You are granting a security interest in \_\_\_\_\_

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

### Adjustable Payment (AP) Table

Interest Only Payments?	
Optional Payments?	
Step Payments?	
Seasonal Payments?	
<b>Monthly Principal and Interest Payments</b>	
First Change/Amount	
Subsequent Changes	
Maximum Payment	

CLOSING DISCLOSURE

#### 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.

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Monthly Payment		The amount included in your total monthly payment.

- will not have an escrow account because  you declined it  your lender does not require or 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.

### Adjustable Interest Rate (AIR) Table

Index + Margin	
Initial Interest Rate	
Minimum/Maximum Interest Rate	
<b>Change Frequency</b>	
First Change	
Subsequent Changes	
<b>Limits on Interest Rate Changes</b>	
First Change	
Subsequent Changes	

PAGE 4 OF 5 - LOAN ID #



## 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 assumption of this loan.

#### 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 Payment

Your lender will

- accept payments that are less than the full amount due (partial payments). Partial payments will be applied:

- not accept partial payments.

If this loan is sold, your new lender may have a different policy.

#### Security Interest

You are granting a security interest in \_\_\_\_\_

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

### Adjustable Payment (AP) Table

Interest Only Payments?	
Optional Payments?	
Step Payments?	
Seasonal Payments?	
<b>Monthly Principal and Interest Payments</b>	
First Change/Amount	
Subsequent Changes	
Maximum Payment	

CLOSING DISCLOSURE

#### 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		Estimated total amount over year 1 for your escrowed property costs:
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs: You may have other property costs.
Initial Payment		A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Payment		The amount included in your total monthly payment.

- will not have an escrow account because  you declined it  your lender does not require or 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.

## 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 assumption of this loan.

#### 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 Payment

Your lender will

- accept payments that are less than the full amount due (partial payments). Partial payments will be applied:

- not accept partial payments.

If this loan is sold, your new lender may have a different policy.

#### Security Interest

You are granting a security interest in \_\_\_\_\_

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		Estimated total amount over year 1 for your escrowed property costs:
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs: You may have other property costs.
Initial Payment		A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Payment		The amount included in your total monthly payment.

- will not have an escrow account because  you declined it  your lender does not require or 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.

### Adjustable Interest Rate (AIR) Table

Index + Margin

Initial Interest Rate

Minimum/Maximum Interest Rate

Change Frequency

First Change

Subsequent Changes

Limits on Interest Rate Changes

First Change

Subsequent Changes

**Loan Calculations**

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	
<b>Finance Charge.</b> The dollar amount the loan will cost you.	
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	
<b>Approximate Cost of Funds (ACF).</b> The approximate cost of the funds used to make this loan. This is not a direct cost to you.	

**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 be liable for debt remaining after the 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 and costs on this form, contact your lender. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

**Contact Information**

	Lender	Mortgage Broker	Settlement Agent
<b>Name</b>			
<b>Address</b>			
<b>NMLS/ License ID</b>			
<b>Contact</b>			
<b>Contact NMLS/ License ID</b>			
<b>Email</b>			
<b>Phone</b>			

**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**

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	
<b>Finance Charge.</b> The dollar amount the loan will cost you.	
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	
<b>Approximate Cost of Funds (ACF).</b> The approximate cost of the funds used to make this loan. This is not a direct cost to you.	

**Other Disclosures****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 be liable for debt remaining after the 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 and costs on this form, contact your lender. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

**Contact Information**

	Lender	Mortgage Broker	Settlement Agent
<b>Name</b>			
<b>Address</b>			
<b>NMLS/ License ID</b>			
<b>Contact</b>			
<b>Contact NMLS/ License ID</b>			
<b>Email</b>			
<b>Phone</b>			

**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

H-26(A) Mortgage Loan Transaction – Disclaimer

***Your actual rate, payment, and costs could be higher.  
Get an official Loan Estimate before choosing a loan.***

H-26(B) Mortgage Loan Transaction – Disclaimer on Worksheet

*Description:* This is an example of the placement of the disclaimer required by § 1026.19(e)(2)(ii) on the first page of a consumer-specific worksheet for which a creditor uses a format similar to the Loan Estimate in H-24 of this appendix.

# FICUS BANK

4321 Random Boulevard • Somerscity, ST 54321

**Your actual rate, payment, and costs could be higher.  
Get an official Loan Estimate before choosing a loan.**

## Worksheet

DATE ISSUED  
APPLICANTS

PROPERTY  
SALE PRICE

LOAN TERM  
PURPOSE  
PRODUCT  
LOAN TYPE  Conventional  FHA  VA  \_\_\_\_\_  
LOAN ID #  
RATE LOCK  NO  YES, until

*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on*

Loan Terms	Can this amount increase after closing?
Loan Amount	
Interest Rate	
Monthly Principal & Interest <i>See Projected Payments Below for Your Total Monthly Payment</i>	
	Does the loan have these features?
Prepayment Penalty	
Balloon Payment	

Projected Payments	
Payment Calculation	
Principal & Interest	
Mortgage Insurance	
Estimated Escrow <i>Amount Can Increase Over Time</i>	
Estimated Total Monthly Payment	
Estimated Taxes, Insurance & Assessments <i>Amount Can Increase Over Time</i>	<p><b>This estimate includes</b> <span style="float: right;"><b>In escrow?</b></span></p> <p><input type="checkbox"/> Property Taxes</p> <p><input type="checkbox"/> Homeowner's Insurance</p> <p><input type="checkbox"/> Other:</p> <p><i>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</i></p>

Cash to Close	
Estimated Cash to Close	Includes _____ in Closing Costs ( _____ in Loan Costs + _____ in Other Costs – _____ in Lender Credits). See details on page 2.

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

## H-27(A) Mortgage Loan Transaction – Written List of Providers

*Description:* This is a model for the written list of settlement service providers required by § 1026.19(e)(1)(vi) and the statement required by § 1026.19(e)(1)(vi)(C) that the consumer may select a settlement service provider that is not on the list.

**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).

<b>Service Provider List</b>		<b>You can select these providers or shop for your own providers.</b>	
<b>Service</b>	<b>Estimate</b>	<b>Provider We Identified</b>	<b>Contact Information</b>

APPLICANTS:

DATE ISSUED:

LOAN ID #



H-27(B) Mortgage Loan Transaction – Sample of Written List of Providers

*Description:* This is a sample of the Written List of Providers for the transaction in the sample Loan Estimate illustrated by form H-24(B) of this appendix.

**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).

<b>Service Provider List</b>		<b>You can select these providers or shop for your own providers.</b>	
<b>Service</b>	<b>Estimate</b>	<b>Provider We Identified</b>	<b>Contact Information</b>
Pest Inspection Fee	\$135	Pest Co.	Jane P. 123 Avenue A Anytown, ST 12345 janep@pestco.com 111-222-3333
Survey Fee	\$65	Surveyor LLC	Bill B. 456 Avenue B Anytown, ST 12341 billb@surveyorllc.com 111-333-4444
Survey Fee		Surveys Inc.	Charlie P. 654 Avenue C Anytown, ST 12340 charliep@surveysinc.com 111-333-2222
Title – Insurance Binder	\$650	Gamma Title Co.	Joanna C. 789 Avenue D Anytown, ST 12333 joannac@gammatitle.com 222-444-5555
Title – Lender’s Title Insurance	\$500		
Title – Title Search	\$800		
Title – Settlement Agent Fee	\$500		
Title – Lender’s Title Insurance	\$1,100	Delta Title Inc.	Frank F. 321 Avenue E Anytown, ST 12321 frankf@deltatitle.com 222-444-6666
Title – Other Title Services	\$1,000		
Title – Settlement Agent Fee	\$350		

H-27(C) Mortgage Loan Transaction – Sample of Written List of Providers with Services You Cannot Shop For

*Description:* This is a sample of the Written List of Providers with information about the providers selected by the creditor for the charges disclosed pursuant to § 1026.37(f)(2).

### 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).

Service Provider List		You can select these providers or shop for your own providers.	
Service	Estimate	Provider We Identified	Contact Information

### Additional Details for Services You Cannot Shop For

---

Service Provider List		You can only select from these providers for these services.	
Service	Estimate	Provider We Identified	Contact Information

APPLICANTS:

DATE ISSUED:

LOAN ID #



22. In Supplement I to Part 1026:

A. Under *Section 1026.1—Authority, Purpose, Coverage, Organization, Enforcement and Liability*, subheading *1(c) Coverage*, the subheading *Paragraph 1(c)(5)* and paragraph 1. under that subheading are added.

B. Under *Section 1026.2—Definitions and Rules of Construction*:

i. The subheading *2(a)(3) Application* and paragraphs 1., 2., and 3. under that subheading are added.

ii. Under subheading *2(a)(6) Business day*, paragraph 2. is revised.

iii. Under subheading *2(a)(25) Security interest*, paragraph 2. is revised.

C. Under *Section 1026.3—Exempt Transactions*:

i. Under subheading *3(a) Business, commercial, agricultural, or organizational credit*, paragraphs 9. and 10. are revised.

ii. The subheading *3(h) Partial exemption for certain mortgage loans* and paragraphs 1. and 2. under that subheading are added.

D. Under *Section 1026.4—Finance Charge*:

i. Under subheading *4(a) Definition*, paragraph 6. is added.

ii. Under subheading *4(a)(2) Special rule; closing agent charges*, paragraph 3. is added.

iii. Under subheading *4(b) Examples of finance charges*, paragraph 1. is revised.

iv. Under subheading *4(c) Charges excluded from the finance charge*:

a. Under subheading *Paragraph 4(c)(1)*, paragraph 1. is revised.

b. Under subheading *4(c)(7) Real-estate related fees*, paragraphs 1. and .3 are revised.

v. Under subheading *4(d) Insurance and debt cancellation and debt suspension coverage*, paragraphs 8. and 12. are revised.

- vi. Under subheading *4(e) Certain security interest charges*, paragraph 1. is revised.
  - vii. The subheading *4(g) Special rule for closed-end mortgage transactions* and paragraphs 1., 2., and 3. under that subheading are added.
- E. Under *Section 1026.17—General Disclosure Requirements*:
- i. Paragraph 1. is added.
  - ii. Under subheading *17(a) Form of disclosures*, subheading *Paragraph 17(a)(1)*, paragraph 7. is revised.
  - iii. Under subheading *17(c) Basis of disclosures and use of estimates*:
    - a. Under subheading *Paragraph 17(c)(1)*, paragraphs 1., 2., 3., 4., 5., 8., 10., 11., and 12. are revised and paragraph 19. is added.
    - b. Under subheading *Paragraph 17(c)(2)(i)*, paragraphs 1., 2., and 3. are revised.
    - c. Under subheading *Paragraph 17(c)(2)(ii)*, paragraph 1. is revised.
    - d. Under subheading *Paragraph 17(c)(4)*, paragraph 1. is revised.
    - e. Under subheading *Paragraph 17(c)(5)*, paragraphs 2., 3., and 4. are revised.
  - iv. Under subheading *17(d) Multiple creditors; multiple consumers*, paragraph 2. is revised.
  - v. Under subheading *17(e) Effect of subsequent events*, paragraph 1. is revised.
  - vi. Under subheading *17(f) Early disclosures*, paragraphs 1., 2., 3., and 4. are revised.
  - vii. Under subheading *17(g) Mail or telephone orders—delay in disclosures*, paragraph 1. is revised.
  - viii. Under subheading *17(h) Series of sales—delay in disclosures*, paragraph 1. is revised.
- F. Under *Section 1026.18—Content of Disclosures*:

- i. Paragraph 3. is added.
- ii. Under subheading *18(b) Amount financed*:
  - a. Paragraph 2. is removed.
  - b. Under subheading *Paragraph 18(b)(2)*, paragraph 1. is revised.
- iii. Under subheading *18(c) Itemization of amount financed*:
  - a. Paragraph 4. is revised.
  - b. Under subheading *Paragraph 18(c)(1)(iv)*, paragraph 2. is revised.
- iv. Under subheading *18(f) Variable rate*, subheading *Paragraph 18(f)(1)(iv)*, paragraph 2. is revised.
- v. Under subheading *18(g) Payment schedule*:
  - a. Paragraphs 4. and 6. are revised.
  - b. Paragraph 5. is removed and reserved.
  - c. Under subheading *Paragraph 18(g)(2)*, paragraphs 1. and 2. are revised.
- vi. Under subheading *18(k) Prepayment*:
  - a. Paragraphs 1., 2., and 3. are revised.
  - b. Under subheading *Paragraph 18(k)(1)*, paragraph 1. is revised and paragraph 2. is added.
  - c. Under subheading *Paragraph 18(k)(2)*, paragraph 1. is revised.
- vii. Under subheading *18(r) Required deposit*, paragraph 6.vi is removed and reserved.
- viii. Under subheading *18(s) Interest rate and payment summary for mortgage transactions*:
  - a. Paragraph 1. is revised and paragraph 4. is added.

b. Under subheading *18(s)(3) Payments for amortizing loans*, subheading *Paragraph 18(s)(3)(i)(C)*, paragraph 2. is revised.

G. Under *Section 1026.19—Certain Mortgage and Variable-Rate Transactions*:

i. Under subheading *19(a)(1)(i) Time of disclosures*, paragraph 1. is revised.

ii. Under subheading *19(a)(5) Timeshare plans*:

a. The subheading *19(a)(5) Timeshare plans* is removed.

b. The subheading *Paragraph 19(a)(5)(ii)* and paragraphs 1., 2., 3., 4., and 5. under that subheading are removed.

c. The subheading *Paragraph 19(a)(5)(iii)* and paragraphs 1. and 2. under that subheading are removed.

iii. New *19(e) Mortgage loans secured by real property—Early disclosures*, *19(f) Mortgage loans secured by real property—Final disclosures*, and *19(g) Special information booklet at time of application* are added.

H. Under *Section 1026.22—Determination of Annual Percentage Rate*, subheading *22(a) Accuracy of annual percentage rate*, subheading *22(a)(4) Mortgage loans*, paragraph 1. is revised.

I. Under *Section 1026.24—Advertising*, *24(d) Advertisement of terms that require additional disclosures*, subheading *24(d)(2) Additional terms*, paragraph 2. is revised.

J. Under *Section 1026.25—Record Retention*:

i. The subheading *25(c) Records related to certain requirements for mortgage loans* is added.

ii. The subheading *25(c)(1) Records related to requirements for loans secured by real property* and paragraphs 1. and 2. under that subheading are added.

iii. The subheading *25(c)(1)(iii) Electronic records* and paragraph 1. under that subheading are added.

K. Under *Section 1026.28—Effect on State Laws*, subheading *28(a) Inconsistent disclosure requirements*, paragraph 1. is revised.

L. Under *Section 1026.29—State Exemptions*, subheading *29(a) General rule*, paragraphs 2. and 4. are revised.

M. New *Section 1026.37—Content of Disclosures for Certain Mortgage Transactions (Loan Estimate)* is added.

N. New *Section 1026.38—Content of Disclosures for Certain Mortgage Transactions (Closing Disclosure)* is added.

O. Under *Section 1026.39—Mortgage transfer disclosures*, subheading *39(d) Content of required disclosures*:

i. Paragraph 2. is added.

ii. The subheading *Paragraph 39(d)(5)* and paragraph 1. under that subheading are added.