

LOAN ID # 1330172608
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Loan Estimate

APPLICANTS James White
 Jane Johnson
PROPERTY 456 Avenue A
 Anytown, CA 12345

DATE ISSUED 06/22/2011
LOAN TERM 30 year
LOAN TYPE 5/1 Adjustable Rate
PROGRAM Conventional
PURPOSE Purchase

Loan Terms	CAUTION?	
Loan Amount	\$315,000	
Interest Rate	2.75% for 5 years	YES → <ul style="list-style-type: none"> • Can go as high as 8% in year 7. • Adjusts every year starting in year 6. • See details on page 2.
Monthly Loan Payment	\$1,446.10	YES → <ul style="list-style-type: none"> • Can go as high as \$2,311. • Adjusts every year starting in year 6.
Principal and Interest Mortgage Insurance	\$1,285.97 + \$160.13	
Prepayment Penalty		NO
Balloon Payment		NO

Projected Payments	Expect to make these payments.		
AT CLOSING	YEARS 1 – 5	YEAR 6	YEARS 7 – 30
\$33,896	\$1,883 a month	\$2,703 if rate is 7.75%	\$2,748 if rate is 8%
Cash Needed to Close See details on page 2	\$1,446 monthly loan payment + \$437 estimated taxes and insurance	\$1,919 if rate is 3% Includes estimated taxes and insurance	\$1,919 if rate is 3% Includes estimated taxes and insurance

Comparisons	Use these measures to rate this loan and compare with others.	
Estimated Closing Costs	\$11,448	See details on page 2.
Annual Percentage Rate (APR)	3.28%	Your interest combined with fees over 30 years as a yearly rate.
In 5 Years	\$98,214 \$36,239	Total you have paid in principal, interest, mortgage insurance, and fees. Principal you have paid off.



**You have no obligation to choose this loan.
Shop around to find the best loan for you.**

Loan Estimate Details

Costs and Taxes

A. LOAN FEES		
Point(s) <u>1</u> %		\$3,150
Fees to Originators		\$20
Appraisal		\$425
Tax Service		\$55
Document Preparation Fee		\$95
Flood Determination		\$30
Subtotal. <i>This subtotal cannot change.</i>		\$3,775
B. TAXES AND OTHER GOVERNMENT FEES		
Transfer Taxes		\$1,960
Other Taxes and Fees		\$150
Subtotal		\$2,110
C. ITEMS PAID IN ADVANCE		
Daily Interest (\$24.06 per day for 15 days)		\$361
Property Taxes		
Mortgage Insurance Premium		
Hazard Insurance Premium		\$489
Flood Insurance		
Estimated Subtotal		\$850
D. ESCROW FOR FUTURE BILLS		
Tax & Assessment	2 mo. at \$356 per month	\$712
Mortgage Insurance	2 mo. at \$160 per month	\$320
Hazard Insurance	2 mo. at \$81.50 per month	\$163
Flood Insurance		
Estimated Subtotal		\$1,195

Escrow Account

- YES, your monthly payment includes monthly taxes and insurance. See section D above.
- NO, you must pay your taxes and insurance yourself.

Important Dates

Your interest rate and points can change unless you lock the rate. All other estimated closing costs expire at 3:00 p.m. on **07/07/2011**.

Services You May Shop For

Our price for the services you may shop for (E + F) cannot exceed \$5,184. If you choose your own provider, our price does not apply for that service.

E. TITLE FEES	
Closing or Settlement Agent Fee	\$626
Lender's Title Policy	\$500
Title Search	\$1,437
Binder	\$200
Title Commitment Letter	\$800
Estimated Subtotal	\$3,563
F. OTHER COSTS	
Survey Fee	\$75
Pest Inspection Fee	\$125
Owner's Title Policy (not required)	\$950
Estimated Subtotal	\$1,150

Total Estimated Funds Needed to Close

Costs (A + B + C + E + F)	\$11,448
Lender Credits	- 0
Estimated Closing Costs	\$11,448
Escrow for Future Bills (D)	\$1,195
Down Payment or Borrower Contribution	\$25,000
Seller Credits	- \$3,747
Total Closing Costs to be Financed	- 0
Cash Needed to Close	\$33,896

Adjustable Interest Rate Information

Index	LIBOR
Margin	2%
Maximum Interest Rate	8%
Minimum Interest Rate	3%

Limits on Interest Rate Changes

At First Change	5%
At Subsequent Changes	2%

Change Frequency

First Change: Beginning of 61st month
Subsequent Changes: Every 12th month after first change