

FEDERAL TRUTH-IN-LENDING DISCLOSURE STATEMENT

Date:
Lender:
Borrower(s):
Property Address:

JUNE 2, 2011
DOCUTECH DEMONSTRATION
BEN J. SAMPLE
MARY BETH SAMPLE
987 PROPERTY STREET, HALEDON, NJ 07508

SAMPLE
Loan #: FHAARMSAMPLE

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.
e 3.729%	e \$213,438.87	e \$360,061.02	e \$573,499.89

You have the right to receive at this time an Itemization of the Amount Financed.
☒ I want an Itemization. ☐ I do not want an Itemization.

INTEREST RATE AND PAYMENT SUMMARY

	INTRODUCTORY Rate & Monthly Payment (for first 76 months)	MAXIMUM during FIRST FIVE YEARS (AUGUST 12, 2011)	MAXIMUM EVER (as early as JANUARY 1, 2021)
Interest Rate	4.250%	4.250%	8.250%
Principal + Interest Payment	\$1,793.21	\$1,793.21	\$2,534.13
Est. Taxes + Insurance (Escrow) • Includes Mortgage Insurance	\$1,319.64	\$1,319.64	\$1,255.85
Total Est. Monthly Payment	\$3,112.85	\$3,112.85	\$3,789.98

There is no guarantee that you will be able to refinance to lower your rate and payments.

The index used to calculate the APR is 0.090%.

☐ This loan has a demand feature

☒ **Variable Rate:** This loan contains a variable rate feature. Disclosures about the variable rate feature have been provided to you earlier.

☐ **Variable Rate** Not Applicable

Security: You are giving a security interest in the property located at **987 PROPERTY STREET, HALEDON, NJ 07508.**

Late Charge: If a payment is not received by the end of **15** days after the date it is due, you will be charged:

☒ **4.000%** of the overdue payment

☐ _____% of the overdue payment of principal and interest (or interest if your payment consists only of interest)

☐ not less than U.S. **\$N/A** and not more than U.S. **\$N/A**

Filing Fees/Recording Fees: \$ _____

Prepayment: If you pay off this loan early, you ☐ may ☒ will not have to pay a penalty. And you ☒ may ☐ will not be entitled to a refund of part of the finance charge. ☒ If you pay off an FHA insured loan, on a date other than the regular installment date, you may be assessed interest charges until the end of the month.

Assumption: Someone buying your home

☐ will not be allowed to assume the remainder of this mortgage on the original terms.

☒ may, subject to conditions, be allowed to assume the remainder of this mortgage on the original terms.

Required Deposit: If lender requires you to maintain a deposit as a condition of the loan, the annual percentage rate does not reflect the effect of the required deposit.

Property Insurance is required to obtain credit. You may obtain property insurance from anyone you want who is reasonably acceptable to **DOCUTECH DEMONSTRATION.**

☒ Property Insurance is not available through **DOCUTECH DEMONSTRATION.**

☐ If you get the insurance from _____, you will pay \$_____ for a term of _____ months.

CREDIT LIFE AND DISABILITY INSURANCE are not required to obtain credit and will not be provided at the time of closing. You may be offered these plans after closing, but they are not in effect at this time. No such insurance will be in force until you have completed an application, the insurance company has issued the policy, and the effective date of that policy has been provided.

All dates and numerical disclosures except the late payment disclosures are estimates.

See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

'e' means estimate

YOU ARE NOT REQUIRED TO COMPLETE THIS AGREEMENT MERELY BECAUSE YOU HAVE RECEIVED THESE DISCLOSURES OR SIGNED A LOAN APPLICATION.



I/we acknowledge receipt of a completed copy of this disclosure.

SIGNED AND DATED:

- BORROWER - BEN J. SAMPLE - DATE -

- BORROWER - MARY BETH SAMPLE - DATE -

DEFINITIONS OF TRUTH-IN-LENDING TERMS

Date: **JUNE 2, 2011**

SAMPLE

Loan #: **FHAARMSAMPLE**

ANNUAL PERCENTAGE RATE

This is not the Note rate for which the borrower applied. The Annual Percentage Rate (APR) is the cost of the loan in percentage terms taking into account various loan charges of which interest is only one such charge. Other charges which are used in calculation of the Annual Percentage Rate are Private Mortgage Insurance, FHA Mortgage Insurance Premium or USDA Annual Fee Premium (when applicable) and Prepaid Finance Charges (loan discount, origination fees, prepaid interest and other credit costs). The APR is calculated by spreading these charges over the life of the loan which results in a rate generally higher than the interest rate shown on your Mortgage/Deed of Trust Note. If interest was the only Finance Charge, then the interest rate and the Annual Percentage Rate would be the same.

PREPAID FINANCE CHARGES

Prepaid Finance Charges are certain charges made in connection with the loan and which must be paid upon the close of the loan. These charges are defined by the Federal Reserve Board in Regulation Z and the charges must be paid by the borrower. Non-inclusive examples of such charges are: Loan origination fee, "Points" or Discount, Private Mortgage Insurance, FHA Mortgage Insurance or USDA Guarantee Fee, Tax Service Fee. Some loan charges are specifically excluded from the Prepaid Finance Charge such as appraisal fees and credit report fees.

Prepaid Finance Charges are totaled and then subtracted from the Loan Amount (the face amount of the Deed of Trust/Mortgage Note). The net figure is the Amount Financed as explained below.

FINANCE CHARGE

The amount of interest, prepaid finance charge and certain insurance premiums (if any) which the borrower will be expected to pay over the life of the loan.

AMOUNT FINANCED

The Amount Financed is the loan amount applied for less the prepaid finance charges. Prepaid finance charges can be found on the Good Faith Estimate/Settlement Statement (HUD-1 or 1A). For example, if the borrower's note is for \$100,000 and the Prepaid Finance Charges total \$5,000, the Amount Financed would be \$95,000. The Amount Financed is the figure on which the Annual Percentage Rate is based.

TOTAL OF PAYMENTS

This figure represents the total of all payments made toward principal, interest and mortgage insurance or annual fee (if applicable) over the life of the loan.

INTEREST RATE AND PAYMENT SUMMARY

The interest rate and payment summary table illustrates different interest rates and payment amounts that may apply to the loan.



ITEMIZATION OF AMOUNT FINANCED

Date: JUNE 2, 2011

SAMPLE
Loan #: FHAARMSAMPLE

Lender: DOCUTECH DEMONSTRATION

Borrower(s): BEN J. SAMPLE
MARY BETH SAMPLE

Property Address: 987 PROPERTY STREET, HALEDON, NJ 07508

Loan Amount: \$364,519.00

Prepaid Finance Charge (itemized below): - \$4,457.98

Amount Financed: \$360,061.02

Itemization of Prepaid Finance Charge

Paid by S* Seller L* Lender K* Broker R* Branch O* Other	Paid Outside of Closing	Amount Paid By Others	Finance Charges Paid By Borrower
Daily interest charges from 08/12/11 to 09/01/11 20 @ \$42.444 / day			\$848.88
UPFRONT MIP to			\$3,609.10
Total Prepaid Finance Charge			\$4,457.98

Amount Paid on Your Account/Amount Paid to Others on Your Behalf

Paid by S* Seller L* Lender K* Broker R* Branch O* Other	Paid Outside of Closing	Amount Paid By Others	Other Charges Paid By Borrower
Appraisal fee to STATEWIDE APPRAISERS		\$400.00 (S*)	
APPLICATION FEE to		\$345.00 (S*)	
COMMITMENT FEE to			\$425.00
CITY TAX UPFRONT to			\$2,700.00
Mortgage Insurance 0 months @ \$343.22 per month			
CITY PROPERTY TAXES 0 months @ \$976.42 per month			
Owner's title insurance		\$555.00 (S*)	
Lender's title insurance		\$1,658.00 (S*)	
ATTORNEY FEES to		\$950.00 (S*)	
FLOOD SEARCH to		\$30.00 (S*)	
SERVICE CHARGES RECORDING to		\$135.00 (S*)	
COURIER FEE to		\$125.00 (S*)	
Deed \$ Mortgage \$ Releases \$		\$580.00 (S*)	

- BORROWER - BEN J. SAMPLE - DATE -

- BORROWER - MARY BETH SAMPLE - DATE -

