

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

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*)	

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