

Understanding Your Loan Estimate

The information included in this guide will help you understand your personal Loan Estimate, which provides important details about the mortgage loan you requested. Be sure to review your personal Loan Estimate to make sure it reflects the details and terms you expected—such as your interest rate, projected monthly payment and expected closing costs. If something looks different, ask your Home Loan Advisor and use this guide as a reference.

Navy Federal Credit Union
820 Follin Lane • Vienna, VA 22180

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED	04/07/2021	LOAN TERM	30 years	1
APPLICANTS	Patrick Purchaser 1234 Main St. Baltimore, MD 21201	PURPOSE	Refinance	
PROPERTY	1234 Main St, Baltimore, MD 21201	PRODUCT	Fixed Rate	
EST. PROP. VALUE	\$200,000.00	LOAN TYPE	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/>	
		LOAN ID #		
		RATE LOCK	<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES, until 05/17/2021 at 11:45:00 AM 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 03/22/2021 at 9:35 a.m. EDT</i>	

Loan Terms		Can this amount increase after closing?		2
Loan Amount	\$150,000	NO		
Interest Rate	3.5%	NO		
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$673.57	NO		
Prepayment Penalty		Does the loan have these features?		3
Balloon Payment		NO		

Projected Payments		Years 1-30		
Payment Calculation				
Principal & Interest		\$673.57		
Mortgage Insurance		+ 0		
Estimated Escrow Amount can increase over time		+ 456		
Estimated Total Monthly Payment		\$1,130	4	
Estimated Taxes, Insurance & Assessments <small>Amount can increase over time</small>	\$456 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <small>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</small>	In escrow? <input checked="" type="checkbox"/> YES <input checked="" type="checkbox"/> YES	5

Costs at Closing		
Estimated Closing Costs	\$8,081	<small>Includes \$6,126 in Loan Costs + \$1,955 in Other Costs - \$0 in Lender Credits. See page 2 for details.</small>
Estimated Cash to Close	\$33,405	<small>Includes Closing Costs. See Calculating Cash to Close on page 2 for details. <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower</small>

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.

1. This section shows general information about your loan, including the number of years it will last, your unique loan number and if your interest rate is locked.

2. If the right column says YES, your interest rate is adjustable and could change after your loan closes. Confirm that this information is correct.

3. A prepayment penalty is a fee that a lender may charge if you pay off all or part of your mortgage early. Navy Federal loans don't include this fee.

4. This figure includes your monthly principal and interest, mortgage insurance (if applicable) and estimated escrow payment (homeowners insurance and property taxes).

5. If these "in escrow" items are marked "yes", every month we'll collect 1/12 of these annual costs from you as part of your mortgage payment. We'll put this money aside in your escrow account, then make these payments on your behalf when they're due. If these "in escrow" items are marked "no", you'll receive a separate bill from your providers.

6. This is the estimated amount you'll receive or be expected to pay at closing—in addition to any costs you've already paid. This payment is usually made by cashier's check or wire transfer.

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Closing Cost Details 7

Loan Costs		Other Costs	
A. Origination Charges	\$4,313	E. Taxes and Other Government Fees	\$1,610
1.875% of Loan Amount (Points)	\$2,813	Recording Fees and Other Taxes	\$110
Origination Fee	\$1,500	Transfer Taxes	\$1,500
		F. Prepaids	\$345
		Homeowner's Insurance Premium (months)	
		Mortgage Insurance Premium (months)	
		Prepaid Interest (\$14.38 per day for 24 days @ 3.5%)	\$345
		Property Taxes (months)	
B. Services You Cannot Shop For	\$525	G. Initial Escrow Payment at Closing	8 \$890.15
Appraisal Fee	\$475	Homeowner's Insurance	\$81.75 per month for 3 mo.
Credit Report Fee	\$20	Mortgage Insurance	\$245.15 per month for mo. (no changes)
Flood Determination Fee	\$2	Property Taxes	\$215 per month for 3 mo. \$645
Tax Service Fee	\$28		
C. Services You Can Shop For	10 \$1,288	I. TOTAL OTHER COSTS (E + F + G + H)	\$1,955
Title - Closing Protection Ltr	\$75	J. TOTAL CLOSING COSTS	\$8,081
Title - Insurance Binder Prep	\$75	D + I	\$8,081
Title - Judgement Search	\$30	Lender Credits	
Title - Lenders Coverage Prem	\$308		
Title - Municipal Lien Cert	\$55		
Title - Release Tracking Fee	\$45		
Title - Search Fee	\$225		
Title - Settlement/Escrow Fee	\$475		
		Calculating Cash to Close	11
		Loan Amount	\$150,000
		Total Closing Costs (J)	-\$8,081
		Estimated Total Payoffs and Payments	-\$108,514
		Estimated Cash to Close <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$33,405
D. TOTAL LOAN COSTS (A + B + C)	\$6,126	Estimated Closing Costs Financed (Paid from your Loan Amount)	\$8,081

7. This section shows the costs associated with getting your loan, such as origination charges and any points you're paying to buy down your interest rate.

8. Typically, we require 2 months of insurance and property tax costs to be held in escrow. Property taxes are set by your local or state government, not by Navy Federal. You may want to check with your local tax authority or real estate agent to make sure this estimate is correct.

9. This section shows optional services you obtained as part of the transaction, such as Home Inspection and Home Warranty.

10. Navy Federal requires these services, but you can shop around for your service provider to get the best price. A list of providers is included with your Loan Estimate.

11. Your Estimated Cash to Close is the estimated amount of money you'll need to bring to closing or you may receive back at closing. This section shows how the Estimated Cash to Close was calculated.

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Additional Information About This Loan

LENDER	Navy Federal Credit Union	MORTGAGE BROKER
NMLS/MID LICENSE ID	00001	NMLS/_ LICENSE ID
LOAN OFFICER	Paul Processor	LOAN OFFICER
NMLS/MID LICENSE ID	00001	NMLS/_ LICENSE ID
EMAIL	Paul_processor@navyfederal.org	EMAIL
PHONE	(555)555-555	PHONE

Comparisons

Use these measures to compare this loan with other loans.

In 5 Years	\$46,884 \$15,455	Total you will have paid in principal, interest, mortgage insurance, and loan costs. Principal you will have paid off.
Annual Percentage Rate (APR)	3.772%	Your costs over the loan term expressed as a rate. This is not your interest rate. 12
Total Interest Percentage (TIP)	61.886%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Other Considerations

Appraisal	We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
Assumption	If you sell or transfer this property to another person, we <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 assumption of this loan on the original terms.
Homeowner's Insurance	This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
Late Payment	If your payment is more than 15 days late, we will charge a late fee of <i>5 percent of the Principal and Interest</i> .
Liability after Foreclosure	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 have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
Refinance	Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.
Servicing	We intend <input checked="" type="checkbox"/> to service your loan. If so, you will make your payments to us. <input type="checkbox"/> to transfer servicing of your loan. 13

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.

Patrick Purchaser _____ Date _____

LOAN ESTIMATE

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12. APR reflects your mortgage interest rate plus other charges, such as points, mortgage broker fees and other charges that you pay to get your loan. For that reason, your APR is usually higher than your interest rate.

13. Navy Federal will provide you with first-class loan service for as long as you have your loan. That includes sending your monthly statement, collecting payments, making payments from your escrow account on your behalf and other administrative duties.