

PINYON BANK

4321 Random Boulevard • Somecity, NM 54321

DATE ISSUED 10/17/2011

LOAN ID # 1330172608

Your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on **10/31/2011** at 3:00 p.m. MDT.

Loan Estimate

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

LOAN TERM 30 years
PURPOSE Purchase
PRODUCT Fixed Rate
LOAN TYPE Conventional FHA VA

Loan Terms		Can this amount increase after closing?
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <i>See Projected Payments Below for Your Total Monthly Payment</i>	\$761.79	NO
Does the loan have these features?		
Prepayment Penalty	NO	
Balloon Payment	NO	

Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.79	\$761.79
Mortgage Insurance	+ 82	—
Estimated Taxes & Insurance <i>Amount Can Increase Over Time</i>	+ 206	+ 206
Estimated Total Monthly Payment	\$1,050	\$968
Escrow Information for Estimated Taxes & Insurance	\$206 a month	<input checked="" type="checkbox"/> Escrow. Your monthly payment includes your taxes and insurance. <input type="checkbox"/> No escrow. You must pay your taxes and insurance separately from your loan payments.

Closing Costs		
Estimated Cash to Close	\$16,054	Includes \$6,689 in estimated settlement costs. See details on page 2.

Calculating Settlement Costs

A. Origination Charges	\$1,802
.25 Points %	\$405
Application Fee	\$100
Processing Fee	\$200
Document Preparation Fee	\$167
Underwriting Fee	\$400
Wire Transfer Fee	\$30
Verification Fee	\$500

B. Services You Cannot Shop For

B. Services You Cannot Shop For	\$672
Flood Determination Fee	\$20
Tax Status Research Fee	\$110
Flood Monitoring Fee	\$32
Tax Monitoring Fee	\$75
Appraisal Fee	\$405
Credit Report Fee	\$30

C. Services You Can Shop For

C. Services You Can Shop For	\$4,215
Pest Inspection Fee	\$135
Survey Fee	\$65
Title – Insurance Binder	\$700
Title – Search	\$1,261
Title – Lender's Policy	\$535
Title – Owner's Policy (optional)	\$1,017
Settlement Agent Fee	\$502

Calculation

A + B + C	\$6,689
Lender Credits	-\$0
Estimated Settlement Costs	\$6,689

Calculating Cash to Close

D. Taxes and Other Government Fees	\$85
Transfer Taxes	\$0
Recording Fees	\$85
Other Taxes and Government Fees	\$0

E. Prepays

E. Prepays	\$867
Property Taxes (<u>0</u> months)	\$0
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

F. Initial Escrow Payment at Closing

F. Initial Escrow Payment at Closing	\$413
Taxes & Assessments	\$105.30 per month for 2 mo.
Homeowner's Insurance	\$100.83 per month for 2 mo.
Mortgage Insurance	\$0 per month for 0 mo.
Flood Insurance	\$0 per month for 0 mo.
HOA/Condo/Co-op	\$0 per month for 0 mo.

Limits on Increases: Generally, charges in A and Transfer Taxes in D cannot increase, and the total of the charges in B, C, and Recording Fees in D cannot increase by more than 10%. We will notify you if a change causes an increase above these limits.

Calculation

Estimated Settlement Costs (A + B + C – Lender Credits)	\$6,689
D + E + F	\$1,365
Down Payment/Funds from Borrower	\$18,000
Deposit	-\$10,000
Cash to Borrower	-\$0
Seller Credits	-\$0
Other Credits and Adjustments	-\$0
Closing Costs to be Financed	-\$0
Estimated Cash to Close	\$16,054

LOAN OFFICER Joe Smith
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NMLS ID 676698

CREDITOR Pinyon Bank
NMLS ID 898897

LOAN ID # 1330172608

Additional Information About This Loan

Comparisons

Use these measures to compare this loan with other loans.

In 5 Years	\$57,316	Total you will have paid in principal, interest, mortgage insurance, and fees.
	\$15,773	Principal you will have paid off.
Annual Percentage Rate (APR)	4.31%	This is not your interest rate. This rate expresses your costs over the loan term.
Total Interest Percentage (TIP)	69.3%	This rate is the total amount of interest that you will pay over the loan term as a percentage of your loan amount.
Lender Cost of Funds (LCF)	0.86%	The rate the lender pays to borrow money to lend you.

Other Considerations

Late Payment If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.

Servicing We intend to service your loan. You will make your payments to us.
 We intend to transfer servicing of your loan.

Assumption If you sell or transfer your house to another person, we
 will allow, under certain conditions, this person to assume this loan on the original terms.
 will not allow this person to assume this loan on the original terms.

Appraisals We will promptly give you a copy of any written property appraisals or valuations you pay for, even if the loan does not close.

Refinance We do not guarantee that you will be able to refinance your loan to lower your interest rate and payments in the future.

Verify Receipt

You do not have to accept this loan because you received this disclosure, signed a loan application, or sign below.

Applicant Signature

Date

Co-Applicant Signature

Date