

REDBUD CREDIT UNION

4321 Random Boulevard • Somecity, CA 54321

LOAN ID #	1330172608
LOAN OFFICER	Joe Smith
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NMLS ID#	01234567

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 Principal and Interest Mortgage Insurance	\$1,446.10 \$1,285.97 + \$160.13	YES <ul style="list-style-type: none"> Can go as high as \$2,311. Adjusts every year starting in year 6.
Prepayment Penalty		NO
Balloon Payment		NO

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



For additional information and tools, visit www.consumerfinance.gov/futureurl

Loan Estimate Details

Costs and Taxes		Services You May Shop For
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. This subtotal cannot change.	\$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	
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	

Escrow Account	
<input checked="" type="checkbox"/>	YES, your monthly payment includes monthly taxes and insurance. See section D above.
<input type="checkbox"/>	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 .	

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	

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All other estimated closing costs expire at 3:00 p.m. on **07/07/2011**.

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