

TILA RESPA Integrated Disclosure

H-24(C) Mortgage Loan Transaction Loan Estimate – Interest Only Adjustable Rate Loan Sample

This is a sample of a completed Loan Estimate for an adjustable rate loan with interest only payments. This loan is for the purchase of property at a sale price of \$240,000 and has a loan amount of \$211,000 and a 30-year loan term. For the first five years of the loan term, the scheduled payments cover only interest and the loan has an introductory interest rate that is fixed at 4.00 percent. After five years, the payments include principal and the interest rate adjusts every three years based on the value of the Monthly Treasury Average index plus a margin of 4.00 percent. The consumer has elected to lock the interest rate. The creditor does not require an escrow account with the loan. The creditor requires that the consumer pay for private mortgage insurance.



Consumer Financial
Protection Bureau

FICUS BANK

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED 2/15/2013
APPLICANTS Michael Jones and Mary Stone
123 Anywhere Street
Anytown, ST 12345
PROPERTY 456 Somewhere Avenue
Anytown, ST 12345
SALE PRICE \$240,000

LOAN TERM 30 years
PURPOSE Purchase
PRODUCT 5 Year Interest Only, 5/3 Adjustable Rate
LOAN TYPE Conventional FHA VA
LOAN ID # 123456789
RATE LOCK NO YES, until 4/16/2013 at 5:00 p.m. EDT
Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/4/2013 at 5:00 p.m. EDT

Loan Terms		Can this amount increase after closing?	
Loan Amount	\$211,000	NO	
Interest Rate	4%	YES	<ul style="list-style-type: none"> Adjusts every 3 years starting in year 6 Can go as high as 12% in year 15 See AIR Table on page 2 for details
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$703.33	YES	<ul style="list-style-type: none"> Adjusts every 3 years starting in year 6 Can go as high as \$2,068 in year 15 Includes only interest and no principal until year 6 See AP Table on page 2 for details
Does the loan have these features?			
Prepayment Penalty		NO	
Balloon Payment		NO	

Projected Payments				
Payment Calculation	Years 1-5	Years 6-8	Years 9-11	Years 12-30
Principal & Interest	\$703.33 only interest	\$1,028 min \$1,359 max	\$1,028 min \$1,604 max	\$1,028 min \$2,068 max
Mortgage Insurance	+ 109	+ 109	+ 109	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 0	+ 0	+ 0	+ 0
Estimated Total Monthly Payment	\$812	\$1,137–\$1,468	\$1,137–\$1,713	\$1,028–\$2,068
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time</i>	\$533 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</i>	In escrow? NO NO	

Costs at Closing		
Estimated Closing Costs	\$8,791	Includes \$5,851 in Loan Costs + \$2,940 in Other Costs – \$0 in Lender Credits. See page 2 for details.
Estimated Cash to Close	\$27,791	Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

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

Closing Cost Details

Loan Costs		Other Costs
A. Origination Charges	\$3,110	E. Taxes and Other Government Fees \$152
1 % of Loan Amount (Points)	\$2,110	Recording Fees and Other Taxes \$152
Application Fee	\$500	Transfer Taxes
Processing Fee	\$500	
B. Services You Cannot Shop For	\$820	F. Prepays \$1,352
Appraisal Fee	\$305	Homeowner's Insurance Premium (12 months) \$1,000
Credit Report Fee	\$30	Mortgage Insurance Premium (months)
Flood Determination Fee	\$35	Prepaid Interest (\$23.44 per day for 15 days @ 4.00%) \$352
Lender's Attorney Fee	\$400	Property Taxes (months)
Tax Status Research Fee	\$50	
C. Services You Can Shop For	\$1,921	G. Initial Escrow Payment at Closing
Pest Inspection Fee	\$125	Homeowner's Insurance per month for mo.
Survey Fee	\$150	Mortgage Insurance per month for mo.
Title – Courier Fee	\$32	Property Taxes per month for mo.
Title – Lender's Title Policy	\$665	
Title – Settlement Agent Fee	\$325	
Title – Title Search	\$624	
D. TOTAL LOAN COSTS (A + B + C)	\$5,851	H. Other \$1,436
		Title – Owner's Title Policy (optional) \$1,436
		I. TOTAL OTHER COSTS (E + F + G + H) \$2,940
		J. TOTAL CLOSING COSTS \$8,791
		D + I \$8,791
		Lender Credits
Calculating Cash to Close		
Total Closing Costs (J)		\$8,791
Closing Costs Financed (Paid from your Loan Amount)		\$0
Down Payment/Funds from Borrower		\$29,000
Deposit		-\$10,000
Funds for Borrower		\$0
Seller Credits		\$0
Adjustments and Other Credits		\$0
Estimated Cash to Close		\$27,791

Adjustable Payment (AP) Table	
Interest Only Payments?	YES for your first 60 payments
Optional Payments?	NO
Step Payments?	NO
Seasonal Payments?	NO
Monthly Principal and Interest Payments	
First Change/Amount	\$1,028 – \$1,359 at 61st payment
Subsequent Changes	Every three years
Maximum Payment	\$2,068 starting at 169th payment

Adjustable Interest Rate (AIR) Table	
Index + Margin	MTA + 4%
Initial Interest Rate	4%
Minimum/Maximum Interest Rate	3.25%/12%
Change Frequency	
First Change	Beginning of 61st month
Subsequent Changes	Every 36th month after first change
Limits on Interest Rate Changes	
First Change	2%
Subsequent Changes	2%

Additional Information About This Loan

LENDER Ficus Bank
NMLS/_ LICENSE ID
LOAN OFFICER Joe Smith
NMLS/_ LICENSE ID 12345
EMAIL joesmith@ficusbank.com
PHONE 123-456-7890

MORTGAGE BROKER
NMLS/_ LICENSE ID
LOAN OFFICER
NMLS/_ LICENSE ID
EMAIL
PHONE

Comparisons	Use these measures to compare this loan with other loans.	
In 5 Years	\$54,944	Total you will have paid in principal, interest, mortgage insurance, and loan costs. \$0 Principal you will have paid off.
Annual Percentage Rate (APR)	4.617%	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	81.18%	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
 will allow, under certain conditions, this person to assume this loan on the original terms.
 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 *5% of the monthly principal and interest payment*.
- 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
 to service your loan. If so, you will make your payments to us.
 to transfer servicing of your loan.

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.

Applicant Signature

Date

Co-Applicant Signature

Date