

Mortgage Loan Disclosure Statement/Good Faith Estimate

Borrower's Name(s): _____

Real Property Collateral: The intended security for this proposed loan will be a Deed of Trust on (street address or legal description) _____

This joint Mortgage Loan Disclosure Statement/Good Faith Estimate is being provided by _____, a real estate broker acting as a mortgage broker, pursuant to the Federal Real Estate Settlement Procedures Act (RESPA) if applicable and similar California law. In a transaction subject to RESPA, a lender will provide you with an additional Good Faith Estimate within three business days of the receipt of your loan application. You will also be informed of material changes before settlement/close of escrow. The name of the intended lender to whom your loan application will be delivered is:

Unknown _____ (Name of lender, if known)

Good Faith Estimate of Closing Costs

The information provided below reflects estimates of the charges you are likely to incur at the settlement of your loan. The fees, commissions, costs and expenses listed are estimates; the actual charges may be more or less. Your transaction may not involve a charge for every item listed and any additional items charged will be listed. The numbers listed beside the estimates generally correspond to the numbered lines contained in the HUD-1 Settlement Statement which you will receive at settlement if the transaction is subject to RESPA. The HUD-1 Settlement Statement contains the actual costs for the items paid at settlement. When this transaction is subject to RESPA, by signing page three of this form you are also acknowledging receipt of the HUD Guide to Settlement Costs.

HUD-1	ITEM	Paid to Others	Paid to Broker
800	Items Payable in Connection with Loan		
801	Lender's Loan Origination Fee	\$ _____	\$ _____
802	Lender's Loan Discount Fee	\$ _____	\$ _____
803	Appraisal Fee	\$ _____	\$ _____
804	Credit Report	\$ _____	\$ _____
805	Lender's Inspection Fee	\$ _____	\$ _____
806	MI Application Fee	\$ _____	\$ _____
807	Assumption Fee	\$ _____	\$ _____
808	Mortgage Broker Commission/Fee	\$ _____	\$ _____
809	Tax Service Fee	\$ _____	\$ _____
810	Processing Fee	\$ _____	\$ _____
811	Underwriting Fee	\$ _____	\$ _____
812	Wire Transfer Fee	\$ _____	\$ _____
813		\$ _____	\$ _____
814		\$ _____	\$ _____
815		\$ _____	\$ _____
816		\$ _____	\$ _____
817		\$ _____	\$ _____
818		\$ _____	\$ _____
819		\$ _____	\$ _____
820		\$ _____	\$ _____
821		\$ _____	\$ _____
900	Items Required by Lender to be Paid in Advance		
901	Interest for _____ days at \$ _____ per day	\$ _____	\$ _____
902	Mortgage Insurance Premiums	\$ _____	\$ _____
903	Hazard Insurance Premiums	\$ _____	\$ _____
904	County Property Taxes	\$ _____	\$ _____
905	VA Funding Fee	\$ _____	\$ _____
906	Flood Insurance	\$ _____	\$ _____
907		\$ _____	\$ _____
1000	Reserves Deposited with Lender		
1001	Hazard Insurance: _____ months at \$ _____ /mo.	\$ _____	\$ _____
1002	Mortgage Insurance: _____ months at \$ _____ /mo.	\$ _____	\$ _____
1003	City Prop. Tax: _____ months at \$ _____ /mo.	\$ _____	\$ _____
1004	Co. Property Taxes: _____ months at \$ _____ /mo.	\$ _____	\$ _____
1006	Flood Insurance: _____ months at \$ _____ /mo.	\$ _____	\$ _____
1007	_____ months at \$ _____ /mo.	\$ _____	\$ _____
1008	_____ months at \$ _____ /mo.	\$ _____	\$ _____
1009	_____ months at \$ _____ /mo.	\$ _____	\$ _____
1010	Aggregate Analysis:	\$ _____	\$ _____
1100	Title Charges		
1101	Settlement or Closing/Escrow Fee	\$ _____	\$ _____
1105	Document Preparation Fee	\$ _____	\$ _____
1106	Notary Fee	\$ _____	\$ _____
1107	Attorney Fee	\$ _____	\$ _____
1108	Title Insurance	\$ _____	\$ _____
1109		\$ _____	\$ _____
1110		\$ _____	\$ _____
1200	Government Recording and Transfer Charges		
1201	Recording Fees	\$ _____	\$ _____
1202	City/County Tax/Stamps	\$ _____	\$ _____
1203	State Tax/Stamps	\$ _____	\$ _____
1204		\$ _____	\$ _____
1205		\$ _____	\$ _____
1300	Additional Settlement Charges		
1301	Survey to:	\$ _____	\$ _____
1302	Pest Inspection:	\$ _____	\$ _____
1303		\$ _____	\$ _____
1304		\$ _____	\$ _____
1305		\$ _____	\$ _____
1306		\$ _____	\$ _____
Subtotals of Initial Fees, Commissions, Costs and Expenses		\$ _____	\$ _____

Total of Initial Fees, Commissions, Costs and Expenses \$ _____

Compensation to Broker (Not Paid Out of Loan Proceeds)

Mortgage Broker Commission/Fee \$ _____

Any Additional Compensation from Lender No Yes \$ _____ (if known)
 (Approximate Yield Spread Premium or Other Rebate)

Additional Required California Disclosures

I. Proposed Loan Amount: \$ _____

Initial Commissions, Fees, Costs and Expenses Summarized on Page 1: \$ _____

Payment of Other Obligations (List):

Credit Life and/or Disability Insurance (see V below) \$ _____

_____ \$ _____

_____ \$ _____

Subtotal of All Deductions: \$ _____

Estimated Cash at Closing: To You That you must pay \$ _____

II. General Information About Loan

1. Proposed loan Term: _____ Years Months

<input type="checkbox"/> Fixed Rate Loan Fixed rate loan _____ % payable at \$ _____ month.	<input type="checkbox"/> Adjustable Rate Loan (Example 6- month ARM; 1-year ARM) Proposed interest rate: _____ % Fully indexed rate: _____ % Proposed monthly payment: \$ _____ Maximum interest rate: _____ % Interest rate can increase _____ % each _____ months Maximum loan payment can be \$ _____ after _____ months
<input type="checkbox"/> Initial Fixed Rate (Example 2/28; 3/1; 5/1) Proposed initial fixed interest rate: _____ % Initial fixed interest rate in effect for _____ months Proposed initial monthly payment \$ _____ Adjustable interest rate of _____ % will begin after fixed rate period ends Monthly payment can increase to \$ _____ after fixed rate period ends. Fully indexed rate _____ % Maximum interest rate _____ % Interest rate can increase _____ % each _____ months Maximum loan payment can be \$ _____ after _____ months	<input type="checkbox"/> Initial Adjustable Rate Loan (Example Low Entry Rate ARM) Proposed initial (adjustable) interest rate: _____ % Initial interest rate in effect for _____ months Proposed monthly payment \$ _____ Fully indexed rate _____ % Maximum interest rate _____ % Interest rate can increase _____ % each _____ months Monthly maximum payment can increase to \$ _____ after initial adjustable rate period ends Maximum loan payment can be \$ _____ after _____ months

2. This loan is based on limited or no documentation of your income and/or assets and may have a higher interest rate, or more points or fees than other products requiring documentation: No Yes

3. The Loan is subject to a balloon payment: No Yes. If YES, the following paragraph applies and a final balloon payment of \$ _____ will be due on _____ [estimated date (day/month/year)].

NOTICE TO BORROWER: IF YOU DO NOT HAVE THE FUNDS TO PAY THE BALLOON PAYMENT WHEN IT COMES DUE, YOU MAY HAVE TO OBTAIN A NEW LOAN AGAINST YOUR PROPERTY TO MAKE THE BALLOON PAYMENT. IN THAT CASE, YOU MAY AGAIN HAVE TO PAY COMMISSIONS, FEES, AND EXPENSES FOR THE ARRANGING OF THE NEW LOAN. IN ADDITION, IF YOU ARE UNABLE TO MAKE THE MONTHLY PAYMENTS OR THE BALLOON PAYMENT, YOU MAY LOSE THE PROPERTY AND ALL OF YOUR EQUITY THROUGH FORECLOSURE. KEEP THIS IN MIND IN DECIDING UPON THE AMOUNT AND TERMS OF THIS LOAN.

III. Prepayments: The proposed loan has the following prepayment provisions.

No prepayment penalty (you will not be charged a penalty to pay off or refinance the loan before maturity)

You will have to pay a prepayment penalty if the loan is paid off or refinanced in the first _____ years. The prepayment penalty could be as much as \$ _____. Any prepayment of the principal in excess of 20% of the

original loan balance

unpaid balance

for the first _____ years will include a penalty not to exceed _____ months interest at the note interest rate but not more than the interest you would be charged if the loan were paid to maturity.

Other – you will have to pay a prepayment penalty if the loan is paid off or refinanced in the first _____ years as follows:

IV. Taxes and Insurance:

There will be an impound (escrow) account which will collect approximately \$ _____ a month in addition to your principal and interest payments for the payment of county property taxes* hazard insurance mortgage insurance

flood insurance other.

If there is no impound (escrow) account or if your escrow (impound) account does not include one or more of the payments described above, you will have to plan for the payment of county property taxes* hazard insurance mortgage insurance

flood insurance other _____ of approximately \$ _____ per year.

***In a purchase transaction, county property taxes are calculated based on the sales price of the property and may require the payment of an additional (supplemental) tax bill from the county tax authority by your lender (if escrowed) or you if not escrowed.**

V. Credit Life and/or Disability Insurance: The purchase of credit life and/or disability insurance by a borrower is NOT required as a condition of making this proposed loan.

VI. Other Liens: Are there liens currently on this property for which the borrower is obligated? No Yes. If YES, describe below:

Lienholder's Name	Amount Owing	Priority

Liens that will remain or are anticipated on this property after the proposed loan for which you are applying is made or arranged (including the proposed loan for which you are applying):

<u>Lienholder's Name</u>	<u>Amount Owning</u>	<u>Priority</u>

NOTICE TO BORROWER: Be sure that you state the amount of all liens as accurately as possible. If you contract with the broker to arrange this loan, but it cannot be arranged because you did not state these liens correctly, you may be liable to pay commissions, costs, fees, and expenses even though you do not obtain the loan.

VII. Article 7 Compliance: If this proposed loan is secured by a first deed of trust in a principal amount of less than \$30,000 or secured by a junior lien in a principal amount of less than \$20,000, the undersigned licensee certifies that the loan will be made in compliance with Article 7 of Chapter 3 of the Real Estate Law.

- A. This loan may will will not be made wholly or in part from broker controlled funds as defined in Section 10241(j) of the Business and Professions Code.
- B. If the broker indicates in the above statement that the loan "may" be made out of broker-controlled funds, the broker must inform the borrower prior to the close of escrow if the funds to be received by the borrower are in fact broker-controlled funds.

VIII. NOTICE TO BORROWER: THIS IS NOT A LOAN COMMITMENT. Do not sign this statement until you have read and understood all of the information in it. All parts of this form must be completed before you sign. Borrower hereby acknowledges the receipt of a copy of this statement.

Name of Broker/License #						Broker's Representative/License #
Broker's Address						
Signature of Broker	Date	OR	Signature of Representative	Date		
Borrower	Date		Borrower	Date		