



TILA-RESPA INTEGRATED DISCLOSURES (TRID)

COMPLETING THE CLOSING DISCLOSURE

INTRODUCTION

In 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act was passed. The Act charged the Consumer Financial Protection Bureau (CFPB) with integrating the TILA and RESPA disclosures. The result is the new **LOAN ESTIMATE** form, which replaces the initial TIL and GFE, and which must be delivered or placed in the mail within 3 business days of application, and the new **CLOSING DISCLOSURE**, which replaces the final TIL and HUD-1 Settlement Statement, which must be received by the consumer no later than 3 business days prior to consummation.

The Creditor is ultimately responsible for timely delivery of an accurate Closing Disclosure to the consumer. However, the creditor and settlement agent may agree to share responsibilities in completing and delivering the Closing Disclosure.

Multiple Consumers – In a rescindable transaction the **CLOSING DISCLOSURE** must be given separately to each consumer who has the right to rescind under sec. 1026.23. In transactions that are not rescindable, the **CLOSING DISCLOSURE** may be provided to any consumer with primary liability on the obligation. (Comment 17(d) – page 80309 Fed. Reg. Vol. 78 no. 251, Dec. 31, 2013).

Mail Box Rule- if disclosures not delivered in person, consumer is considered to have received them 3 business days (Specific definition) after they are delivered or placed in the mail. (**Note** – The creditor may rely on evidence of actual receipt of the disclosure by the consumer as proof of earlier receipt. For example, if the creditor sends the Loan Estimate or Closing Disclosure by overnight delivery on Monday, it may rely on the consumer's signature on the courier's delivery acceptance form on Tuesday as evidence that the disclosure was received by the consumer on Tuesday). 1026.19(e)(1)(iv)

Notes

Page 1 - (30 Year-Fixed rate with Prepayment Penalty)

Closing Disclosure This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information	Transaction Information	Loan Information
Date Issued: 4/15/2013 Closing Date: 4/15/2013 Disbursement Date: 4/15/2013 Settlement Agent: Equilon Title Co. File #: 13-3456 Property: 458 Somewhere Ave Anytown, ST 12345 Sale Price: \$180,000	Borrower: Michael Jones and Mary Stone 123 Anywhere Street Anytown, ST 12345 Seller: Steve Cole and Amy Doe 321 Somewhere Drive Anytown, ST 12345 Lender: Ficus Bank	Loan Term: 30 years Purpose: Purchase Product: Fixed Rate Loan Type: <input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA CVA: <input type="checkbox"/> Loan ID #: 123456789 MIC #: 00064321

Loan Terms	Can this amount increase after closing?
Loan Amount: \$162,000	NO
Interest Rate: 3.875%	NO
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	NO

Prepayment Penalty	Does the loan have these features?
	YES • As high as \$3,240 if you pay off the loan during the first 2 years
Balloon Payment	NO

Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <small>Amount can increase over time</small>	+ 206.13	+ 206.13
Estimated Total Monthly Payment	\$1,050.26	\$967.91

Estimated Taxes, Insurance & Assessments <small>Amount can increase over time See page 4 for details</small>	This estimate includes X Property Taxes X Homeowner's Insurance X Other Homeowner's Association Dues <small>See Escrow Account on page 4 for details. You must pay for other property costs separately.</small>	Is escrow? YES YES NO
\$356.13 a month		

Costs at Closing	
Closing Costs	\$9,712.10 <small>Includes \$4,694.05 in Loan Costs + \$5,018.05 in Other Costs - \$0 in Lender Credits. See page 2 for details.</small>
Cash to Close	\$14,147.26 <small>Includes Closing Costs. See Calculating Cash to Close on page 3 for details.</small>

CLOSING DISCLOSURE

PAGE 1 OF 5 - LOAN ID # 123456789

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Closing Disclosure – 5 page document

Page 1 is divided into 4 sections – and mirrors Page 1 of the Loan Estimate.

1. General Information
2. Loan Terms
3. Projected Payments
4. Costs at Closing

Notes

General Information – (Purchase Transaction)

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information	Transaction Information	Loan Information
Date Issued 4/15/2013	Borrower Michael Jones and Mary Stone	Loan Term 30 years
Closing Date 4/15/2013	123 Anywhere Street	Purpose Purchase
Disbursement Date 4/15/2013	Anytown, ST 12345	Product Fixed Rate
Settlement Agent Epsilon Title Co.	Seller Steve Cole and Amy Doe	Loan Type <input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA
File # 12-3456	321 Somewhere Drive	<input type="checkbox"/> VA <input type="checkbox"/>
Property 456 Somewhere Ave	Anytown, ST 12345	Loan ID # 123456789
Anytown, ST 12345	Lender Ficus Bank	MIC # 000654321
Sale Price \$180,000		

General Information – (No Seller)

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information	Transaction Information	Loan Information
Date Issued 4/15/2013	Borrower Michael Jones and Mary Stone	Loan Term 30 years
Closing Date 4/15/2013	123 Anywhere Street	Purpose Refinance
Disbursement Date 4/15/2013	Anytown, ST 12345	Product Fixed Rate
Settlement Agent Zeta Title	Lender Ficus Bank	Loan Type <input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA
File # 12-3456		<input type="checkbox"/> VA <input type="checkbox"/>
Property 123 Anywhere Street		Loan ID # 123456789
Anytown, ST 12345		MIC # 009874513
Appraised Prop. Value \$180,000		

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I. GENERAL INFORMATION

CLOSING INFORMATION

Date Issued – The date the Closing Disclosure is mailed or delivered (Not necessarily the same date it was completed). *In this case, this would be a revised CD because it is issued on the closing date.*

Closing Date - Same as the Consummation Date (CFPB 11.18.14 Webinar at 13:20 min. mark).

Settlement Agent – Name of settlement company. Individual EO name not necessary (16:10 min. mark).

File # - Settlement Agent's file number, not the Creditor's.

Property – Must have property address *including zip code*. If the address is unavailable (i.e. vacant lot) you may insert alternate information, such as Lot number AND *zip code*.

Sale Price – Must use the term “Sale Price” on transactions involving a seller. For transactions *without a seller*, replace “Sale Price” with either “Appraised Prop. Value” if an appraisal has been obtained, or “Estimated Prop. Value” if no appraisal has been obtained. **Property** is not spelled out.

TRANSACTION INFORMATION

Borrower and Seller Information – include *name and mailing address* of each consumer and seller in the transaction. May use additional page *at the end of the form* if more space is needed (Comment 38(a)(4)-1).

Lender – Name of lender, not broker. No address is necessary.

LOAN INFORMATION

Purpose - 4 options – *Purchase, Refinance, Construction or Home Equity* (catch all). *Refinance* may include cash back to the consumer. *Construction* is only used for *initial construction* of a dwelling on the property, not renovation loans. (comment 37(a)(9)(ii) and (iii)). *Home Equity* is used as the “catchall” for loans that do not fit in any other category (i.e. *no existing lien* on the property being refinanced or *renovation loan*.) This rule applies whether the loan is secured by a *first or subordinate* lien (Comment 37(a)(9)-1(iv)).

Product – 3 options for Product- (*Adjustable, Step or Fixed*). **Disclose Features prior to Product.**

- ***Example*** - an adjustable rate loan (which has an Interest Only feature for the first 5 years) with an introductory rate that is fixed for 5 years and then adjusts every 3 years, beginning in year 6 is disclosed as “**5 Year Interest Only, 5/3 Adjustable Rate**”.

- If the *Loan Product* contains introductory or adjustment periods of **24 months or more which do NOT equal a whole number of years**, disclose in **whole years** followed by decimal for remaining months rounded to **2 places**.

- ***Example*** – a loan with a 31 month introductory period that adjusts every year thereafter would be disclosed as a “**2.58/1 Adjustable Rate**”.

- If the *Loan Product* contains introductory or adjustment periods of **LESS THAN 24 months which do NOT equal a whole number of years**, disclose in **months**.

- ***Example*** – A loan product with an introductory period of 18 months that adjusts every 18 months, starting on the 19th month would be disclosed as “**18 mo./18 mo. Adjustable Rate.**” (Comment 37(a)(10) -3(i) and (ii)).

Loan ID# - Creditor’s ID number, not broker’s.

MIC# - Mortgage Insurance Case Number

Notes

Loan Terms- 30 Year-Fixed rate with Prepayment Penalty

Loan Terms		Can this amount increase after closing?
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$761.78	NO
		Does the loan have these features?
Prepayment Penalty		YES • As high as \$3,240 if you pay off the loan during the first 2 years
Balloon Payment		NO

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I. LOAN TERMS

5 Elements – *Loan Amount, Interest Rate, Principal & Interest Payment, Prepayment Penalty and Balloon Payment.*

“Can this amount increase after closing?” – Must answer yes or no. If “Yes” additional information is required.

1. Fixed Rate with Prepayment Penalty

Loan amount - truncated at decimal point – not \$162,000.00

Interest rate - which is *not* a whole number carried to 2 or 3 decimal places, as needed (1026.38(t)(4)(ii)).

Prepayment Penalty – Must disclose the maximum amount of the prepayment penalty and the date on which the penalty will no longer be imposed.

Defined as a charged imposed for paying all or part of the transaction’s principal before the date on which it is due, *other than a waived, bon-fide third party charge that the creditor imposes if the consumer prepays all of the transaction’s principal sooner than 36 months after consummation.*

Notes

Loan Terms- 5 Year Interest Only, 5/3 ARM

Loan Terms		Can this amount increase after closing?
Loan Amount	\$211,000	NO
Interest Rate	4%	YES • Adjusts every 3 years starting in year 6 • Can go as high as 12% in year 15 • See AIR Table on page 4 for details
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$703.33	YES • 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 4 for details
Does the loan have these features?		
Prepayment Penalty		NO
Balloon Payment		NO

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1. 5 Year Interest Only, 5/3 ARM

Interest Rate Section – Creditor must provide :

- The frequency of interest rate adjustments
- The date when the interest rate may first adjust
- The maximum interest
- The first date when the interest rate can reach the maximum interest rate
- Reference to the AIR table on page 4.

Dates required to be disclosed in this section shall be disclosed as the **Year** in which the event occurs. Where the **interest rate** changes, the **AIR (Adjustable Interest Rate) Table** must be added to page 4 of the CD.

Monthly Principal & Interest Section – Creditor must provide:

- The frequency of payment adjustments
- The date the first adjustment occurs
- The maximum possible **payment** amount
- The earliest when the maximum amount can be reached
- Any interest only period and the date when that feature ends
- Reference to the AP table on page 4.
- Creditor may replace “Monthly” with “Biweekly” or “Quarterly” depending on loan terms.

Dates required to be disclosed in this section shall be disclosed as the *Year* in which the event occurs. Where the *monthly principal and interest* changes, the **AP (Adjustable Payment) Table** must be added to page 4 of the CD.

Notes

Projected Payments – 30 Year-Fixed rate with Prepayment Penalty

Projected Payments			
Payment Calculation	Years 1-7		Years 8-30
Principal & Interest	\$761.78		\$761.78
Mortgage Insurance	+	82.35	+ —
Estimated Escrow <i>Amount can increase over time</i>	+	206.13	+ 206.13
Estimated Total Monthly Payment	\$1,050.26		\$967.91
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time See page 4 for details</i>	\$356.13 a month		This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: Homeowner's Association Dues <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>
			In escrow? YES YES NO

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I. PROJECTED PAYMENTS

- Up to **4 columns** allowed based on the Loan Terms
- **3 reasons** to add additional columns
- Change to the Principal and Interest Payment
- Balloon Payment
- Termination of MI

Principal and Interest - *Initial* Payment is **NOT** rounded because the actual amount is known. *All other adjustments are rounded if actual amount is not known at consummation.* When adding an unrounded and rounded number together, the sum is rounded to the nearest whole dollar.

The *minimum and maximum range* of payments (rounded) must be shown in the year that the payment will adjust.

Mortgage Insurance – Includes any mortgage guarantee that provides coverage similar to mortgage insurance (i.e. VA or USDA guarantees). Even if consumer may cancel earlier, show date that creditor must automatically terminate MI. Show as “0” if not required. Show as “-” for termination.

Estimated Escrow - Show as “0” if not required. Show as “-“ for termination.

Estimated Total Payment – Show as a range of payments for periods in which the amount cannot be calculated at consummation. This amount is rounded if *any* of its component amounts is rounded.

Estimated Taxes, Insurance & Assessments –

- Must be completed even if the creditor is not requiring an escrow account.
- *Flood Insurance, credit life, accident, health, loss of income and debt cancellation coverage* premiums are included in the *Homeowner’s Insurance* (1026.4(b)(7)(8)(10), 1026.37(c)(4)).

Notes

Projected Payments – 5 Year Interest Only, 5/3 ARM

Projected Payments				
Payment Calculation	Years 1-5	Years 6-8	Years 9-11	Years 12-30
Principal & Interest	\$703.33 <i>only interest</i>	\$1,028 min \$1,359 max	\$1,028 min \$1,604 max	\$1,028 min \$2,068 max
Mortgage Insurance	+ 109.44	+ 109.44	+ 109.44	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 0	+ 0	+ 0	+ 0
Estimated Total Monthly Payment	\$812.77	\$1,137–\$1,468	\$1,137–\$1,713	\$1,028–\$2,068
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time</i>	\$533.89 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		

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5 Year Interest Only, 5/3 ARM

- All 4 columns are used
- Minimum and maximum range of payments shown after year 5 because rates not known at consummation.
- Sum of Unrounded and Rounded numbers are Rounded

Notes

Costs at Closing

Purchase

Costs at Closing		
Closing Costs	\$9,712.10	Includes \$4,694.05 in Loan Costs + \$5,018.05 in Other Costs – \$0 in Lender Credits. See page 2 for details.
Cash to Close	\$14,147.26	Includes Closing Costs. See Calculating Cash to Close on page 3 for details.

Alternative (No Seller)

Costs at Closing		
Closing Costs	\$5,757.57	Includes \$3,495.50 in Loan Costs + \$2,762.07 in Other Costs – \$500 in Lender Credits. See page 2 for details.
Cash to Close	\$29,677.43	Includes Closing Costs. See Calculating Cash to Close on page 3 for details. <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower

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I. Costs at Closing -

Purchase and Alternate (without a Seller) Tables

Notes

- Prepaids
- Other

Closing Costs Subtotals

Lender Credits

Notes

Page 2 – Loan Costs

Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges	\$1,802.00				
01 0.25 % of Loan Amount (Points)	\$405.00				
02 Application Fee	\$300.00				
03 Broker Fee to ABC Broker					(L) \$1,000.00
04 Underwriting Fee	\$1,097.00				
05					
06					
07					
08					

10

Loan Costs

- A. Origination Charges** –Fees paid to the creditor and loan originator (1026.37(f)(1))
- **Points** field is *hard coded* on the form. Must disclose the **% of the loan amount and dollar amount** of the points. If no points are charged, leave the field blank. Do not use N/A.
 - Only amounts used to reduce the interest rate are considered “**Points**”.
 - If the creditor charges an origination fee that is a percentage of the loan amount, but is not a point paid to reduce the interest rate, the creditor may **NOT** identify it as a point to preserve tax deductibility for the consumer. Creditor may offer a zero or lower point option, and if the consumer chooses to pay for discount points in an amount **greater than any *Loan-Level Price Adjustment*** to obtain a lower rate, creditor may disclose this amount as **discount points**. (CFPB 10/1/14 webinar, page 15).
 - **Loan Level Price Adjustments** (LLPA’s) which are passed on to the consumer and compensation paid **directly by the consumer to the broker** must be separately itemized as Origination Charges. (Comment 37(f)(1)-5).
 - **Broker compensation paid by Lender** disclosed in Paid by Others column and designated with (L) to the left of the amount (CFPB 11.18.14 Webinar at 32:25 mark). Not disclosed on LE.
 - **General Lender credits for premium rates** are Not included in “Loan Costs” section. They should be disclosed in **Section J** “Total Closing Costs” **in the aggregate, and not itemized**. However, if the Lender credit is attributable to a **specific charge** listed on page 2 of the CD, then the amount should be listed with the item and designated as **Paid by Others** (Comment 38(h)(3)-1). A designation of (L) may be listed to the **LEFT** of the amount to indicate that the Lender

pays the item at closing (CFPB 11.18.14 webinar at 32:25 minute mark).

Notes

Page 2 – Services Borrower Did Not shop for

B. Services Borrower Did Not Shop For		\$236.55				
01	Appraisal Fee to John Smith Appraisers Inc.					\$405.00
02	Credit Report Fee to Information Inc.		\$29.80			
03	Flood Determination Fee to Info Co.	\$20.00				
04	Flood Monitoring Fee to Info Co.	\$31.75				
05	Tax Monitoring Fee to Info Co.	\$75.00				
06	Tax Status Research Fee to Info Co.	\$80.00				
07						
08						
09						
10						

11

Services You Did Not Shop For – Fees for services provided by persons *other than the creditor or mortgage broker* (1026.37(f)(2)) .

In addition to the services which consumer could not shop for, services which the borrower could have shopped for, but did NOT, are included in this section. If the consumer selected a service provider from the **Written List of Providers**, the charge goes into this category indicating that the consumer did not shop for this service.

Examples: Appraisal fee, Appraisal management company fee, Credit report fee, Flood determination fee, Government funding fee (i.e. VA or USDA guarantee fee, or any other fee paid to a government entity as part of a governmental loan program), Homeowners' association certification fee, **Lender's attorney fee***, Third-party subordination fee, Title fees if consumer may not shop, Up-front Mortgage Insurance fee. (*see pages 33 and 66 of *Guide to Completing LE and CD*).

Notes

Page 2 – Services Borrower Did shop for

C. Services Borrower Did Shop For		\$2,655.50			
01	Pest Inspection Fee to Pests Co.	\$120.50			
02	Survey Fee to Surveys Co.	\$85.00			
03	Title – Insurance Binder to Epsilon Title Co.	\$650.00			
04	Title – Lender's Title Insurance to Epsilon Title Co.	\$500.00			
05	Title – Settlement Agent Fee to Epsilon Title Co.	\$500.00			
06	Title – Title Search to Epsilon Title Co.	\$800.00			
07					
08					

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Services Borrower DID Shop For - Items (provided by persons *other than the creditor or mortgage broker*) for which the consumer *did shop and will pay for at settlement*.

Examples: Pest inspection fee, Survey fee, Title insurance.

All title insurance related services MUST begin with the word “Title” at the beginning of the item.

New Method for calculating Lender's Title Insurance Premium

- The amount disclosed for the lender's title insurance policy is the amount of premium **without** any adjustment that might be made for the simultaneous purchase of an owner's title insurance policy.

Example: Assume a purchase transaction for \$400,000.00 with a \$300,000.00 loan. The promulgated premium for the owner's policy is \$2,537.00. The simultaneous premium for the loan policy (under rate rule R-5) is \$100.00. The promulgated premium for a \$300,000.00 loan policy with no R-5 credit is \$1,983.00.

Under the 2010 RESPA Rule – Block 4 of the GFE would disclose a \$100.00 charge for the loan policy, and Block 5 of the GFE would disclose a \$2,537.00 charge for the owner's policy.

Under the 2015 Integrated Disclosure Rule – The Closing Disclosure would disclose (under “Loan Costs” category B or C) a \$1,983.00 premium for the loan policy and would disclose the owner's policy

premium (under “Other Costs” category H) as \$654.00 (\$2,537.00 + \$100.00 - \$1,983.00).

Notes

Page 2 – Loan Costs Section

Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges	\$1,802.00				
01 0.25 % of Loan Amount (Points)	\$405.00				
02 Application Fee	\$300.00				
03 Underwriting Fee	\$1,097.00				
04					
05					
06					
07					
08					
B. Services Borrower Did Not Shop For	\$236.55				
01 Appraisal Fee to John Smith Appraisers Inc.					\$405.00
02 Credit Report Fee to Information Inc.		\$29.80			
03 Flood Determination Fee to Info Co.	\$20.00				
04 Flood Monitoring Fee to Info Co.	\$31.75				
05 Tax Monitoring Fee to Info Co.	\$75.00				
06 Tax Status Research Fee to Info Co.	\$80.00				
07					
08					
09					
10					
C. Services Borrower Did Shop For	\$2,655.50				
01 Pest Inspection Fee to Pests Co.	\$120.50				
02 Survey Fee to Surveys Co.	\$85.00				
03 Title – Insurance Binder to Epsilon Title Co.	\$650.00				
04 Title – Lender's Title Insurance to Epsilon Title Co.	\$500.00				
05 Title – Settlement Agent Fee to Epsilon Title Co.	\$500.00				
06 Title – Title Search to Epsilon Title Co.	\$800.00				
07					
08					
D. TOTAL LOAN COSTS (Borrower-Paid)	\$4,694.05				
Loan Costs Subtotals (A + B + C)	\$4,664.25	\$29.80			

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Total Loan Costs

Notes

Page 2 – Other Costs
Taxes and other Government Fees

Other Costs					
E. Taxes and Other Government Fees			\$85.00		
01 Recording Fees	Deed: \$40.00	Mortgage: \$45.00	\$85.00		
02 Transfer Tax	to Any State			\$950.00	

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Recording Fees - The sum of all recording fees and taxes except for transfer taxes. Must separately disclose the cost to record the Deed and Mortgage (lumped together on LE). All other recording fees may be lumped together.

Transfer Tax – Must show the name of the government agency assessing the tax, even if payment is collected by a different entity. Leave blank if no Transfer Tax.

Notes

Page 2 – Prepaids

F. Prepaids		\$2,120.80			
01	Homeowner's Insurance Premium (12 mo.) to Insurance Co.	\$1,209.96			
02	Mortgage Insurance Premium (mo.)				
03	Prepaid Interest (\$17.44 per day from 4/15/13 to 5/1/13)	\$279.04			
04	Property Taxes (6 mo.) to Any County USA	\$631.80			
05					

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F. Prepaids

- Items to be paid by the consumer in advance of the first scheduled loan payment.
- The first 4 items are hard coded. Leave blank if not required.
- **Examples** - Homeowner's insurance premiums, Mortgage Insurance Premium, Prepaid interest, Property taxes.

Notes

Page 2 – Initial Escrow Payment

G. Initial Escrow Payment at Closing		\$412.25			
01 Homeowner's Insurance \$100.83	per month for 2 mo.	\$201.66			
02 Mortgage Insurance	per month for mo.				
03 Property Taxes \$105.30	per month for 2 mo.	\$210.60			
04					
05					
06					
07					
08 Aggregate Adjustment		- 0.01			

G. Initial Escrow Payment at Closing

- Items that consumer will be expected to place into reserve or escrow at consummation to be applied to recurring, periodic payments.
- First 3 are hard coded. Leave blank if not required.
- Aggregate adjustments are now disclosed *inside* the column.

Notes

Page 2 – Other Costs

H. Other		\$2,400.00			
01	HOA Capital Contribution to HOA Acre Inc.	\$500.00			
02	HOA Processing Fee to HOA Acre Inc.	\$150.00			
03	Home Inspection Fee to Engineers Inc.	\$750.00		\$750.00	
04	Home Warranty Fee to XYZ Warranty Inc.			\$450.00	
05	Real Estate Commission to Alpha Real Estate Broker			\$5,700.00	
06	Real Estate Commission to Omega Real Estate Broker			\$5,700.00	
07	Title – Owner's Title Insurance (optional) to Epsilon Title Co.	\$1,000.00			
08					

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H. Other

- Items that the consumer or Seller have contracted to pay with a person ***other than the creditor or loan originator.*** 37(g)(4)
- Examples - Additional payments to Seller to purchase personal property pursuant to the contract, HOA transfer fees, Property inspection fees not required by the creditor, and Real estate broker commission agreed to be paid by consumer.
- Items which are Not required by the ***creditor*** must include the description (**optional**) at the end of the label, when coverage is issued in connection with the credit transaction.
- Examples - Owner's title insurance, Credit life insurance, Debt cancellation coverage, Warranties for home appliances and systems.

Notes

Page 2 – Other Costs Section

Other Costs					
E. Taxes and Other Government Fees		\$85.00			
01	Recording Fees	Deed: \$40.00 Mortgage: \$45.00	\$85.00		
02	Transfer Tax	to Any State		\$950.00	
F. Prepaids		\$2,120.80			
01	Homeowner's Insurance Premium (12 mo.)	to Insurance Co.	\$1,209.96		
02	Mortgage Insurance Premium (mo.)				
03	Prepaid Interest (\$17.44 per day from 4/15/13 to 5/1/13)		\$279.04		
04	Property Taxes (6 mo.)	to Any County USA	\$631.80		
05					
G. Initial Escrow Payment at Closing		\$412.25			
01	Homeowner's Insurance \$100.83	per month for 2 mo.	\$201.66		
02	Mortgage Insurance	per month for mo.			
03	Property Taxes \$105.30	per month for 2 mo.	\$210.60		
04					
05					
06					
07					
08	Aggregate Adjustment		- 0.01		
H. Other		\$2,400.00			
01	HOA Capital Contribution	to HOA Acre Inc.	\$500.00		
02	HOA Processing Fee	to HOA Acre Inc.	\$150.00		
03	Home Inspection Fee	to Engineers Inc.	\$750.00		\$750.00
04	Home Warranty Fee	to XYZ Warranty Inc.		\$450.00	
05	Real Estate Commission	to Alpha Real Estate Broker		\$5,700.00	
06	Real Estate Commission	to Omega Real Estate Broker		\$5,700.00	
07	Title - Owner's Title Insurance (optional)	to Epsilon Title Co.	\$1,000.00		
08					
I. TOTAL OTHER COSTS (Borrower-Paid)		\$5,018.05			
Other Costs Subtotals (E + F + G + H)		\$5,018.05			
J. TOTAL CLOSING COSTS (Borrower-Paid)		\$9,712.10			
Closing Costs Subtotals (D + I)		\$9,682.30 \$29.80 \$12,800.00 \$750.00 \$405.00			
Lender Credits					

Lender Credits - All general lender credits, *including any amounts to offset a tolerance violation*, are included in Lender Credits (1026.38(h)(3)). However, if the lender credit is attributable to a specific charge listed on page 2, the amount should be listed in the **Paid By Others** column with an (L) listed next to the charge (Comment 38(h)(3)-1).

Notes

Pages 2 & 3 of CD
Calculating Cash to Close with lender cure for good faith variance violation

J. TOTAL CLOSING COSTS (Borrower-Paid)	\$5,977.57	
Closing Costs Subtotals (D + I)	\$5,822.57	\$655.00
Lender Credits (Includes \$200 credit for increase in Closing Costs above legal limit)	- \$500.00	

Calculating Cash to Close		Use this table to see what has changed from your Loan Estimate.	
	Loan Estimate	Final	Did this change?
Loan Amount	\$150,000.00	\$150,000.00	NO
Total Closing Costs (J)	- \$5,099.00	- \$5,977.57	YES • See Total Loan Costs (D) and Total Other Costs (I) • Increase exceeds legal limits by \$200. See Lender Credits on page 2 for credit of excess amount.
Closing Costs Paid Before Closing	\$0	\$655.00	YES • You paid these Closing Costs before closing
Total Payoffs and Payments (K)	- \$120,000.00	- \$115,000.00	YES • See Payoffs and Payments (K)
Cash to Close	\$24,901.00 <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$29,677.43 <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	Closing Costs Financed (Paid from your Loan Amount) \$5,322.57

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Pages 2 & 3 of CD with \$200 Lender cure for good faith variance violation. Page 2 shows \$500 Lender Credit in Section J and Page 3 explains that \$200 of the \$500 Lender Credit in Section J is to cure violation.

Notes

Page 3 – Purchase

Calculating Cash to Close		Use this table to see what has changed from your Loan Estimate.	
	Loan Estimate	Final	Did this change?
Total Closing Costs (I)	\$8,054.00	\$5,712.10	YES - See Total Loan Costs (II) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	\$2,920	YES - Recapped these Closing Costs Before Closing
Closing Costs Escrowed (Paid from your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	\$18,000.00	\$18,000.00	NO
Deposit	-\$10,000.00	-\$10,000.00	NO
Funds for Borrower	\$0	\$0	NO
Settle's Credit	\$0	-\$2,000.00	YES - See Settle's Credit in Section A.
Adjustments and Other Credits	\$0	-\$1,000.04	YES - See details in Sections K and L.
Cash to Close	\$10,054.00	\$14,142.10	

Summary of Transactions		Use this table to see a summary of your transactions.	
BORROWER'S TRANSACTION		SELLER'S TRANSACTION	
K. Due from Borrower at Closing	\$18,742.30	M. Due to Seller at Closing	\$180,000.00
(I) Sale Price of Property	\$180,000.00	(I) Sale Price of Property	\$180,000.00
(II) Sale Price of Any Personal Property Included in Sale		(II) Sale Price of Any Personal Property Included in Sale	
(III) Closing Costs Paid at Closing (I)	\$9,082.30		
Adjustments			
(I)			
(II)			
(III)			
Adjustments for Items Paid by Seller in Advance		Adjustments for Items Paid by Seller in Advance	
(I) City/Town Taxes	\$0	(I) City/Town Taxes	\$0
(II) County Taxes	\$0	(II) County Taxes	\$0
(III) Assessments	\$0	(III) Assessments	\$0
(IV) HOA Dues 4/15/13 to 4/30/13	\$80.00	(IV) HOA Dues 4/15/13 to 4/30/13	\$80.00
(V)		(V)	
(VI)		(VI)	
(VII)		(VII)	
(VIII)		(VIII)	
(IX)		(IX)	
(X)		(X)	
L. Paid Already by or on Behalf of Borrower at Closing	\$175,415.04	N. Due from Seller at Closing	\$175,405.04
(I) Deposit	\$10,000.00	(I) Escrow Deposit	
(II) Loan Amount	\$162,000.00	(II) Closing Costs Paid at Closing (I)	\$12,000.00
(III) Existing Liens/ Liabilities Assumed or Subject Subject To		(III) Existing Liens/ Liabilities Assumed or Subject Subject To	
(IV) Seller Credit	\$2,500.00	(IV) Payoff of First Mortgage Loan	\$100,000.00
Other Credits		(V) Payoff of Second Mortgage Loan	
(I) Rebate from Equifax Title Co.	\$700.00	(VI) Seller Credit	\$2,500.00
Adjustments		(I)	
(I)		(II)	
(II)		(III)	
(III)		(IV)	
(IV)		(V)	
(V)		(VI)	
(VI)		(VII)	
(VII)		(VIII)	
(VIII)		(IX)	
(IX)		(X)	
Adjustments for Items Repaid by Seller		Adjustments for Items Repaid by Seller	
(I) City/Town Taxes 1/1/13 to 4/14/13	\$305.04	(I) City/Town Taxes 1/1/13 to 4/14/13	\$305.04
(II) County Taxes	\$0	(II) County Taxes	\$0
(III) Assessments	\$0	(III) Assessments	\$0
(IV)		(IV)	
(V)		(V)	
(VI)		(VI)	
(VII)		(VII)	
(VIII)		(VIII)	
(IX)		(IX)	
(X)		(X)	
CALCULATION		CALCULATION	
Total Due from Borrower at Closing (K)	\$18,742.30	Total Due to Seller at Closing (M)	\$180,000.00
Total Paid Already by or on Behalf of Borrower at Closing (L) - \$175,415.04		Total Due from Seller at Closing (N) - \$175,405.04	
Cash to Close: K From L To Borrower	\$14,142.26	Cash From N To Seller	\$64,414.96

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Replaces page 1 of HUD-1 Settlement Statement

Notes

Page 3 – Calculating Cash to Close (Purchase)

Calculating Cash to Close		Use this table to see what has changed from your Loan Estimate.	
	Loan Estimate	Final	Did this change?
Total Closing Costs (J)	\$8,054.00	\$9,712.10	YES • See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	– \$29.80	YES • You paid these Closing Costs before closing
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	\$18,000.00	\$18,000.00	NO
Deposit	– \$10,000.00	– \$10,000.00	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	– \$2,500.00	YES • See Seller Credits in Section L
Adjustments and Other Credits	\$0	– \$1,035.04	YES • See details in Sections K and L
Cash to Close	\$16,054.00	\$14,147.26	

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Calculating Cash to Close

Compares the amounts disclosed on the LE to the final amounts. There is no longer a comparison table that groups fees into tolerance categories.

Did this change – Must answer “yes” or “No”. If yes, indicate where the consumer can find the amounts that have changed from the LE.

Notes

Page 3 – Summary of Transactions (Purchase)

Summaries of Transactions		Use this table to see a summary of your transaction.	
BORROWER'S TRANSACTION		SELLER'S TRANSACTION	
K. Due from Borrower at Closing	\$189,762.30	M. Due to Seller at Closing	\$180,080.00
01 Sale Price of Property	\$180,000.00	01 Sale Price of Property	\$180,000.00
02 Sale Price of Any Personal Property Included in Sale		02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (I)	\$9,682.30	03	
04		04	
Adjustments		05	
06		06	
07		07	
Adjustments for Items Paid by Seller in Advance		Adjustments for Items Paid by Seller in Advance	
08 City/Town Taxes to		08 City/Town Taxes to	
09 County Taxes to		09 County Taxes to	
10 Assessments to		10 Assessments to	
11 HOA Dues 4/15/13 to 4/30/13	\$80.00	11 HOA Dues 4/15/13 to 4/30/13	\$80.00
12		12	
13		13	
14		14	
15		15	
16		16	
L. Paid Already by or on Behalf of Borrower at Closing	\$175,615.04	N. Due from Seller at Closing	\$115,665.04
01 Deposit	\$10,000.00	01 Escrow Deposit	
02 Loan Amount	\$162,000.00	02 Closing Costs Paid at Closing (I)	\$12,800.00
03 Existing Loan(s) Assumed or Taken Subject to		03 Existing Loan(s) Assumed or Taken Subject to	
04		04 Payoff of First Mortgage Loan	\$100,000.00
05 Seller Credit	\$2,500.00	05 Payoff of Second Mortgage Loan	
Other Credits		06	
06 Rebate from Epulon Title Co.	\$750.00	07	
07		08 Seller Credit	\$2,500.00
Adjustments		09	
08		10	
09		11	
10		12	
11		13	
Adjustments for Items Unpaid by Seller		Adjustments for Items Unpaid by Seller	
12 City/Town Taxes 1/1/13 to 4/14/13	\$365.04	14 City/Town Taxes 1/1/13 to 4/14/13	\$365.04
13 County Taxes to		15 County Taxes to	
14 Assessments to		16 Assessments to	
15		17	
16		18	
17		19	
CALCULATION		CALCULATION	
Total Due from Borrower at Closing (K)	\$189,762.30	Total Due to Seller at Closing (M)	\$180,080.00
Total Paid Already by or on Behalf of Borrower at Closing (L) -	\$175,615.04	Total Due from Seller at Closing (N)	\$115,665.04
Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$14,147.26	Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	\$64,414.96

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Summaries of Transactions

- Shows the adjustments between the buyer and seller which are currently disclosed on Page 1 of HUD-1.
- Lender credits** are NOT shown on page 3. Either shown as an individual credit in closing costs on page 2 "Paid By Others", or as a general Lender credit at the bottom of page 2.
- Seller Credits** include any general credit to the consumer from the seller and includes any lump sum credit for closing costs. However, if the seller agreed to pay a specific charge, it would be listed on **Closing Disclosure** page 2, and designated as **Seller-Paid at Closing** or **Seller-Paid Before Closing** on **Closing Disclosure** page 2. **Seller Credits** include any seller credits for issues identified at a **walk-through** of the **Property**.
- Other Credits** include a general credit from any party other than the seller or creditor. One example is a credit a consumer receives from a **real estate agent**. A description of the credit and the name of the party giving the credit must also be included. (**Examples** – transferred escrow balance on a refinance, gift funds from family members. Net funds from subordinate financing are disclosed on line 4 –above Seller credits). However, if the credit or rebate is attributable to a charge listed on page 2 of the **Closing Disclosure**, then the amount should be listed with the item and designated as **Paid by Others** on **page 2**.
- The Borrower's side of this table may be deleted from the CD provided by the Settlement Agent to the Seller, and Seller's side may be deleted from CD delivered to Borrower. However, Settlement Agent must provide the Seller's side to the Creditor (1026.19(f)(4)(iv)).

Notes

Page 3 – Transaction without a Seller

Payoffs and Payments		Use this table to see a summary of your payoffs and payments to others from your loan amount.
TO	AMOUNT	
01 Rho Servicing to pay off existing loan	\$115,000.00	
02		
03		
04		
05		
06		
07		
08		
09		
10		
11		
12		
13		
14		
15		
K. TOTAL PAYOFFS AND PAYMENTS		\$115,000.00

Calculating Cash to Close		Use this table to see what has changed from your Loan Estimate.	
	Loan Estimate	Final	Did this change?
Loan Amount	\$150,000.00	\$150,000.00	NO
Total Closing Costs (J)	— \$5,099.00	— \$5,757.57	YES - See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	\$435.00	YES - You paid these Closing Costs before closing
Total Payoffs and Payments (K)	— \$120,000.00	— \$115,000.00	YES - See Payoffs and Payments (K)
Cash to Close	\$24,901.00	\$29,677.43	
<input type="checkbox"/> From J/K To Borrower		<input type="checkbox"/> From J/K To Borrower	Closing Costs Financed (Paid from your Loan Amount) \$5,322.57

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Page 3 of CD for a Transaction Not involving a Seller. “Payoff and Payments” section replaces “Summaries of Transactions” and alternate “Calculating Cash to Close” section used.

Notes

Page 3 – Refinance with correct calculation of closing cost financed

Calculating Cash to Close		Use this table to see what has changed from your Loan Estimate.	
	Loan Estimate	Final	Did this change?
Loan Amount	\$150,000.00	\$150,000.00	NO
Total Closing Costs (J)	– \$5,099.00	– \$5,757.57	YES • See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	\$435.00	YES • You paid these Closing Costs before closing
Total Payoffs and Payments (K)	– \$120,000.00	– \$115,000.00	YES • See Payoffs and Payments (K)
Cash to Close	\$24,901.00	\$29,677.43	
	<input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	<input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	Closing Costs Financed (Paid from your Loan Amount) \$5,322.57

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Closing Costs Financed = Loan Amount – third party payoffs up to the amount of Closing Costs paid by consumer at closing. (this amount does not include amounts Closing Costs paid by consumer prior to closing. Any lender credits are subtracted from this amount.)

- Third party payoffs may include any debt being paid off by consumer at closing, not just debt required to be paid off by creditor.
- On a Purchase transaction, Closing Cost Financed will be **\$0** unless the Loan Amount exceeds the Purchase Price.

Notes

Page 3 – Refinance with Incorrect calculation of closing cost financed

Calculating Cash to Close		Use this table to see what has changed from your Loan Estimate.	
	Loan Estimate	Final	Did this change?
Loan Amount	\$150,000.00	\$150,000.00	NO
Total Closing Costs (J)	– \$5,691.00	– \$6,156.60	YES – See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	\$440.00	YES – You paid these Closing Costs before closing
Total Payoffs and Payments (K)	– \$120,000.00	– \$151,000.00	YES – See Payoffs and Payments (K)
Cash to Close	\$24,309.00	\$6,716.60	Closing Costs Financed (Paid from your Loan Amount) \$5,691.00
	<input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	<input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	

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Here is CFPB’s Model Form H-25G with Incorrect calculation of Closing Cost Financed. The amount should be \$0 because the ***Payoffs and Payments Exceed the Loan Amount.***

David Friend of CFPB confirmed that the form is incorrect during a phone conversation on July 1, 2014.

Notes

Page 4 – Additional Information About This Loan

Additional Information About This Loan

Loan Disclosures

Assumption

If you sell or transfer this property to another person, your lender

- ☐ 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.

Demand Feature

Your loan

- ☐ has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
- ☒ does not have a demand feature.

Late Payment

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

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

- ☐ are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- ☐ may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- ☒ do not have a negative amortization feature.

Partial Payments

Your lender

- ☒ may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
- ☐ may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
- ☐ does not accept any partial payments.

If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in
456 Somewhere Ave., Anytown, ST 12345

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For now, your loan

- ☒ will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow

Escrowed Property Costs over Year 1	\$2,473.56	Estimated total amount over year 1 for your escrowed property costs: Homeowner's Insurance Property Taxes
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: Homeowner's Association Dues You may have other property costs.
Initial Escrow Payment	\$412.25	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	\$206.13	The amount included in your total monthly payment.

☐ will not have an escrow account because ☐ you declined it ☐ your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow

Estimated Property Costs over Year 1		Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee		

In the future

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

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Loan Disclosures

- **Assumption**
- **Demand Feature**
- **Negative Am Disclosure**
- **Partial Payments**
- **Escrow Account – Is it waived? At whose request? Escrow Waiver Fee?**

Notes

Page 4 – With AP and AIR Tables

Additional Information About This Loan

Loan Disclosures

Assumption

- If you sell or transfer this property to another person, your lender
- ☐ 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.

Demand Feature

- Your loan
- ☐ has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
 - ☐ does not have a demand feature.

Late Payment

- If your payment is more than _____ days late, your lender will charge a late fee of _____.

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

- ☐ are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- ☐ may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- ☐ do not have a negative amortization feature.

Partial Payments

Your lender

- ☐ may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
- ☐ may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
- ☐ does not accept any partial payments.

If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in _____.

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Adjustable Payment (AP) Table

Interest Only Payments?

Optional Payments?

Step Payments?

Seasonal Payments?

Monthly Principal and Interest Payments

First Change Amount

Subsequent Changes

Maximum Payment

Minimum Payment

Subsequent Changes

Subsequent Changes

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Escrow Account

For **new** your loan

- ☐ will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow

Increased

Property Costs

over Year 1

over Year 1

over Year 1

over Year 1

over Year 1

over Year 1

over Year 1

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Estimated total amount over year 1 for your escrowed property costs.

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Estimated total amount over year 1 for your escrowed property

5 YEAR INTEREST ONLY, 5/3 ARM

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%

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Adjustable Rate and Payment Tables

- Only appear when loan contains Adjustable Rate or Adjustable Payment features. They may Not be included on the CD and left blank, crossed through or marked N/A if the loan does not contain these features.
- Adjustable Payment (AP) Table is used when P&I payments may change after consummation, but **NOT** because of *interest rate*. (i.e. interest only payments convert to P&I payments). **CFPB** advised in its 10.1.14 webinar that AP table *may* be used to show termination of MI, **BUT** sample Loan Estimate for a refinance with terminating MI (Form H-24(D) does **Not** include the AP Table.

The **AP** and **AIR** Tables shown on this slide are for an *adjustable rate loan with an introductory rate of 4% and interest only payments for the first 5 years, which then converts to P&I payments with rates based on the MONTHLY TREASURY AVERAGE INDEX adjusting every 3 years*

Notes

Loan Calculations		Other Disclosures	
Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$285,803.36	Appraisal If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.	
Finance Charge. The dollar amount the loan will cost you.	\$118,830.27	Contract Details See your note and security instrument for information about: • what happens if you fail to make your payments, • what is a default on the loan, • situations in which your lender can require early repayment of the loan, and • the rules for making payments before they are due.	
Amount Financed. The loan amount available after paying your upfront finance charge.	\$162,000.00	Liability after Foreclosure If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan, <input checked="" type="checkbox"/> state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information. <input type="checkbox"/> state law does not protect you from liability for the unpaid balance.	
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%	Reference 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.	
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.68%	Tax Deductions If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.	

Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Contact Information		Real Estate Broker (R)	Real Estate Broker (S)	Settlement Agent
Name	Focus Bank	Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
Address	4321 Random Blvd. Somecity, ST 12340	789 Lead Lane Someplace, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
NMLS ID		2756416	261456	261616
ST License ID				
Contact	Joe Smith	Samuel Green	Joseph Cain	Sarah Arnold
Contact NMLS ID	12345	F16415	PS1461	PT1234
Contact ST License ID				
Email	joesmith@focusbank.com	sam@omegasb.com	joe@alphasb.com	sarah@epsontitle.com
Phone	123-456-7890	123-555-1717	321-555-7171	987-555-4321

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 _____

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Page 5 – Same for Purchase or Refinance. Real Estate Broker information columns may be removed for Refinances

Notes

Page 5 – Loan Calculations

Loan Calculations	
Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$285,803.36
Finance Charge. The dollar amount the loan will cost you.	\$118,830.27
Amount Financed. The loan amount available after paying your upfront finance charge.	\$162,000.00
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.46%

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- **Annual Percentage Rate** – moved to last page because studies determined that this figure was not considered useful by consumers. APR disclosed up to 3 decimals. If 7.25%, disclose as 7.250%. If whole number, do not show decimals. 7% , not 7.0%.
- **Total Interest Paid (TIP)** – New disclosure. Total amount of interest paid over the loan term as a percentage of the loan amount. **TIP** is only rounded to 2 or 3 decimals, as necessary, not 3 like APR. If 7.25%, disclose as 7.25%, not 7.250%. ((1026.38(t)(4)(ii)) and FPB 10.1.14 webinar page 24).

Notes

Other Disclosures

Appraisal

If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.

Contract Details

See your note and security instrument for information about

- what happens if you fail to make your payments,
- what is a default on the loan,
- situations in which your lender can require early repayment of the loan, and
- the rules for making payments before they are due.

Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,

- ☒ state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
- ☐ state law does not protect you from liability for the unpaid balance.

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.

Tax Deductions

If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.

- **Appraisal Notice** - Satisfies ECOA notice requirement (1026.37(m)(1)).
- **Liability After Foreclosure**
- **Refinance**
- **Tax Deductions**

Notes

Page 5 – Contact Information

Contact Information					
	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
Address	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
NMLS ID					
ST License ID			Z765416	Z61456	Z61616
Contact	Joe Smith		Samuel Green	Joseph Cain	Sarah Arnold
Contact NMLS ID	12345				
Contact ST License ID			P16415	P51461	PT1234
Email	joesmith@ ficusbank.com		sam@omegare.biz	joe@alphare.biz	sarah@ epsilontitle.com
Phone	123-456-7890		123-555-1717	321-555-7171	987-555-4321

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 _____

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Contact Information

- Disclose the **Name and NMLS/-- License ID** number for the CREDITOR, MORTGAGE BROKER, SETTLEMENT AGENT, REAL ESTATE BROKERS AND ANY INDIVIDUAL LOAN OFFICERS, ESCROW OFFICERS AND AGENTS.
- Also disclose the email and/or phone number of the *individual from each of the above entities who is the primary contact for the consumer*.
- **Signature Lines are optional** – If not used, Must insert **Loan Acceptance Notice** – **“You do not have to accept this loan because you have received this form”**.

Notes

Closing Disclosure

Date Issued _____ Closing Date _____ Disbursement Date _____ Settlement Agent _____ File # _____ Property _____ Sale Price _____		Transaction Information Borrower _____ Seller _____	
Summary of Transactions			
SELLER'S TRANSACTION			
Seller's Seller of Closing			
1	Sale Price of Property		
2	Sale Price of Any Personal Property Included in Sale		
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
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CLOSING DISCLOSURE

PAGE 1 OF 2

Settlement Agent must provide the Seller's disclosure to the Creditor (1026.19(f)(4)(iv)).

[illegible]

Closing Cost Details

Loan Costs		Seller Paid	
		At Closing	Before Closing
A. Origination Charges			
(1)	% of Loan Amount (Points)		
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
B. Services Borrower Did Not Shop For			
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
C. Services Borrower Did Shop For			
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
Other Costs			
E. Taxes and Other Government Fees			
(1)	Recording Fees	Deed	Mortgages
(2)			
F. Prepaids			
(1)	Homeowner's Insurance Premium (mths.)		
(2)	Mortgage Insurance Premium (mths.)		
(3)	Prepaid Interest (per day from to)		
(4)	Property Taxes (mths.)		
G. Initial Escrow Payment at Closing			
(1)	Homeowner's Insurance per month for mths.		
(2)	Mortgage Insurance per month for mths.		
(3)	Property Taxes per month for mths.		
(4)			
(5)			
(6)			
(7)			
H. Aggregate Adjustment			
I. Other			
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
J. TOTAL CLOSING COSTS			

CLOSING DISCLOSURE

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Notes

Resources

CFPB's Guide to the Loan Estimate and Closing Disclosure forms

Annotated forms for the TILA-RESPA Integrated Disclosure

<http://www.consumerfinance.gov/regulatory-implementation/tila-respa/>

Black, Mann & Graham's KBYO compliance page

<http://www.bmandg.com/KBYO>

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Notes
